

We would advocate for APRA to accept a range of file types with any additional transformation done on the APRA side given the significant burden on ADIs.

- Clarity on expectations around material errors and priority items given ADIs will under the pump to report this data. COBA members also note that given the increased level of granularity will mean that any errors may make material differences. A COBA member notes that heat map for high and very high items similar to the Economic and Financial Statistics collection could be useful for ADIs to understand where they should be focusing limited resources. Another COBA member notes that this additional level of granularity will mean that audit of this data return will be quite different given the absence of aggregation or summarisation.

Comments on the ARS 112 standard

COBA notes the following comments on the ARS 112 standards:

- APRA needs to define 'Government Guarantee' as it is designed bolded APS 112 term, however, it is not in the APS 112 as referenced. We assume that this is Government Guarantee as under the Government's Home Guarantee Schemes. However, this may also refer to the COVID-19 SME Guarantee.¹
- COBA members have been briefing of software providers based on the current draft standards so any material changes must be considered given they may further delay any solution development.
- While members have started to examine solutions based on the 5% LVR bands, we would support the consolidation of LVR bands to reduce the number of reported rows.

Administrative issues regarding the parallel run

COBA members have raised the following questions regarding the implementation of the parallel run:

- Whether APRA would consider removing the additional COVID-19 'Capital and Credit' collection when the parallel run commences given the interim ARS 112 will provide all information they need for that return. This would assist to free up some reporting resources for the parallel run.
- Consideration about what happens regarding operational risk capital reporting during the parallel run. Would this be included in ARS 110?

COBA looks forward to continued engagement with APRA over the next few months as ADIs prepare for the parallel run process.

Thank you for the opportunity to provide these comments. If you wish to discuss any aspect of this submission, please contact [REDACTED]

Yours sincerely

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LUKE LAWLER
Director - Policy

¹See <https://treasury.gov.au/coronavirus/sme-recovery-loan-scheme>