



## Australian Government

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### Department of the Prime Minister and Cabinet Office of Best Practice Regulation

Reference: 17591

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Mr Michael Willcock  
Acting Deputy Secretary  
Markets Group  
The Treasury

Dear Mr Willcock

#### **Regulation Impact Statement – Second-pass final assessment – Over-The-Counter Derivatives Central Clearing Mandate**

Thank you for submitting the Regulation Impact Statement (RIS) for the above proposal to the Office of Best Practice Regulation (OBPR) for second-pass final assessment on 3 August 2015. I note that the RIS has been formally certified at the Deputy Secretary level consistent with best practice.

The Office of Best Practice Regulation's (OBPR) final assessment is that the Department of Treasury is compliant with the Government's RIS requirements. Given the expected magnitude of the impacts of the proposal the OBPR considers the level of analysis in the RIS is consistent with best practice.

This assessment is based on:

- the regulatory savings estimates having been agreed with the OBPR; and
- your letter of 3 August 2015 certifying the RIS responds to the OBPR's formal comments on the RIS submitted for first-pass assessment.

In addition, I note that the RIS:

- answers the seven RIS questions;
- considers a minimum of three policy options, one of which is a non-regulatory option; and
- does not contain obvious errors.

The OBPR notes that the preferred option in the RIS imposes minimal costs on market participants while preserving the substituted compliance benefits granted to Australian entities provided by the US Commodity Futures Trading Commission and may lead to further relief as it is expected that the EU will have a central clearing regime in place in 2016.

*Publication requirements*

The OBPR maintains a RIS website and aims to post RISs as soon as practicable after the regulatory decision has been publicly announced. We would appreciate you advising us when a decision on this proposal is announced, and forwarding a final copy of the RIS in *Microsoft Word .doc* format in a form meeting the Australian Government's *Web Content Accessibility Guidelines*.

We suggest liaising with your web services team to ensure these guidelines are met. The OBPR should be consulted if the RIS is amended. It is the agency preparing the RIS, not the OBPR, which is responsible for the content of the published RIS.

The website provides a public comment facility on RISs posted on the site. The OBPR moderates this facility for offensive content but does not moderate debate.

Please retain this letter as a record of the OBPR's advice. Our reference number for this matter is 17591. If you have any further queries, please do not hesitate to contact me.

Yours sincerely



Jason McNamara  
Executive Director  
Office of Best Practice Regulation  
7 August 2015