



17 March 2021

Mr Jason Lange
Executive Director
Office of Best Practice Regulation
Department of the Prime Minister and Cabinet
1 National Circuit
BARTON ACT 2600

Email: helpdesk-OBPR@pmc.gov.au

Dear Mr Lange

Reporting Standard ARS 114.0 Standardised Approach – Operational Risk

I am writing to the Office of Best Practice Regulation (OBPR) regarding: *Reporting Standard ARS 114.0 Standardised Approach – Operational Risk* (ARS 114.0), which, as per the *Legislation Act 2003*, had been scheduled to sunset on 1 April 2021. However, it has been decided that the instrument is to be remade without significant amendment.

The Australian Prudential Regulation Authority certifies that ARS 114.0 is operating effectively and efficiently, and that therefore a Regulation Impact Statement is not required for this regulation to be remade.

This decision has been informed by consultation with affected authorised deposit-taking institutions, over the period June 2019 – February 2021.

I also note that the regulatory has been quantified using the Australian Government's *Regulatory Burden Measurement framework*. These are provided below.

Average annual regulatory costs (from business as usual)				
Change in costs (\$ million)	Business	Community organisations	Individuals	Total change in costs
Total, by sector	\$0	\$0	\$0	\$0

I acknowledge that the OBPR will publish this letter for transparency purposes.

Yours sincerely

Sean Carmody

Executive Director, Cross-Industry Insights and Data Division

Australian Prudential Regulation Authority