

# **FMI STANDARD 23A: DISCLOSING COMPLIANCE WITH THE FMI STANDARDS**

FS23A



## DOCUMENT VERSION HISTORY

1 March 2025	First issue date
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## INTRODUCTION

### Application

- i. This standard applies to every operator of a designated FMI that was specified in its designation notice under section 29(2)(f) of the Financial Market Infrastructures Act 2021 (the **Act**) as falling within one or more of the following classes of designated FMIs:
  - (a) a pure payment system; or
  - (b) a securities settlement system; or
  - (c) a central securities depository; or
  - (d) a central counterparty.

### Legal powers

- ii. Under section 8 of the Act the regulator is defined as the RBNZ and the FMA acting jointly (or the RBNZ acting on its own in relation to pure payment systems).
- iii. Section 12 of the Act provides the regulator's functions. These include regulating designated FMIs, dealing with designated FMIs that are distressed, and other functions under the Act.
- iv. Subject to certain statutory prerequisites, section 31 of the Act empowers the regulator to make standards for designated FMIs.
- v. Section 34 sets out the matters that standards may deal with or otherwise relate to. Section 34(1)(i) provides that the regulator may make standards that deal with, or otherwise relate to, the public disclosure of information relating to operators or designated FMIs.

### Interpretation

- vi. Words and phrases used in this standard have the same meaning as in the Act.

### Commencement

- vii. This standard comes into force on 1 March 2025.

## REQUIREMENTS

- 1) An operator must:
  - a) complete a disclosure document that contains all the information specified in the disclosure template contained in Annex A that is applicable; and
  - b) ensure that the disclosure document is prominently published on an internet website maintained by, or on behalf of, the operator at all times in a way that ensures that members of the public can easily access the disclosure document.
- 2) An operator must update the disclosure document as outlined in clause (1):
  - a) following any material changes to the FMI or its environment; and
  - b) in any case, at least every two years.

*(See Guidance for Standard 23A: 'Disclosing compliance with the FMI Standards', in Guidance for the FMI Standards for more detail).*

## ANNEX A: FMI DISCLOSURE TEMPLATE

Responding institution: [operator name]

Jurisdiction(s) in which the designated FMI operates: [list jurisdictions]

The date of this disclosure is [date].

This disclosure can also be found at [website address]. For further information, please contact [contact details].

### I. Executive summary

This section must summarise the key points from the disclosure, including:

- a brief overview of the operator; and
- the designated FMI, its participants, its legal and regulatory framework, its primary risks, and its key risk management and other relevant practices.

### II. Summary of major changes since the last update of the disclosure

This section must summarise the major changes to the operator and FMI's organisation, design, rules, markets served and regulatory environment since its last disclosure. The operator must note the sections in its disclosure where the changes are reflected.

### III. General background on the FMI

#### General description of the FMI and the markets it serves

This section must:

- provide basic and concise descriptions of the services offered, and functions performed, by the FMI; and
- provide an overview of the markets that the FMI serves and the role that it fulfils within those markets; and
- include basic data and performance statistics on its services and operations.

The operator must provide, for example, basic volume and value statistics by product type, average aggregate intraday exposures of the FMI to its participants, and statistics on the FMI's operational reliability.

#### General organisation of the FMI

This section must provide an overview of the organisational and governance structure of the operator, including a description of the operator's governance policies, governance structure, and management structure.

#### Legal and regulatory framework

This section must provide:

- an overview of the operator of the FMI's legal and regulatory framework; and

- the legal and ownership structure of the operator and the FMI; and
- the legal basis for each material aspect of the FMI’s activities; and
- the regulatory, supervisory, and oversight framework for the operator and the FMI.

### **System design and operations**

This section must:

- explain the FMI’s design and operations; and
- include a clear description of the typical lifecycle of the transaction process.

The information in this section must highlight how the FMI processes a transaction, including the timeline of events, the validation and checks to which a transaction is subjected, and the responsibilities of the parties involved.

## **IV. Standard-by-standard summary narrative disclosure**

This section must provide a summary narrative disclosure for each applicable standard with sufficient detail and context to enable a reader to understand the operator’s approach to complying with each applicable standard.

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### **Standard-by-standard summary narrative disclosure**

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*Standard X*

*Text of the standard*

Summary narrative	<p><i>This section must provide a summary narrative disclosure with sufficient detail and context, as well as any other appropriate supplementary information, to enable readers to understand the operator’s approach to or method for complying with the standard.</i></p> <p><i>Cross references to publicly available documents should be included, where relevant, to supplement the disclosure.</i></p>

## **V. List of publicly available resources**

This section must list publicly available resources, including those referenced in the disclosure that may help a reader understand the operator, the FMI, and their approach to complying with each applicable standard.