



## **BRII Webinar Questions and Answers - ASIC**

### *Using technology to help identify and assess poor market disclosure by listed companies*

#### About this document

This document is used to capture online resources and questions raised during the Business Research and Innovation Initiative (BRII) Regulatory Technology webinar, 'Using technology to help identify and assess poor market disclosure by listed companies'. The webinar was jointly presented by the BRII Program and Challenge Agency – Australian Securities and Investment Commission (ASIC) on 4 May, 2021. The webinar participants and potential BRII applicants may find the list of online resources and list of questions and answers useful, along with the webinar recording that can be found on the [business.gov.au/BRII](https://business.gov.au/BRII) webpage.

#### Online resources mentioned during the webinar

- [Grant opportunity guidelines – Feasibility study](#)
- [Fact sheet - Using technology to help identify and assess poor market disclosure by listed companies](#)

#### List of questions and answers from the Q&A box during the webinar

Those with “Live answered” were answered verbally during the webinar. For your reference, the information regarding what time during the presentation that question was answered has been noted below.

Q1: Would projects that are ready earlier than before the deadline, receive the funding earlier or will all funding be released in one go?

A1: The feasibility Study will be available for the three month period. All applications will be assessed and ranked at the same time. Funding will be provided to the most meritorious applications during the grant period.

Q2: Given the timeframe and large scope of ASIC oversight, will the BRII challenge allow participants to narrow down to specific use cases?

A2: Live answered at 35:30

Q3: Are innovation project outcomes and learnings available to successful BRII Phase 1 Applicants?

A3: Live answered at 40:36

Q4: Would ASIC provide sample datasets for tests and verification of results?

A4: Live answered at 37:50

Q5: Is the data expected to be "pushed" to ASIC, or "pulled" by ASIC, on an as-needed basis?

A5: Live answered at 38:59



Q6: Is exposure to climate-risk one of the areas ASIC is interested in?

A6: Market announcements related to potentially misleading disclosure related to climate change would be relevant. Especially as organisations' climate change position/activity can materially impact share prices. A challenge with this area compared to others is there may be less historic information around this type of breach.

Q7: I see you need an ABN. Does the company need to be based in Australia, or can it register from overseas/have major overseas partners?

A7: Live answered at 41:20

Q8: Does ASIC have a view on the definitive rulesets required to be used in order to assess a range of subjective matters (such as disclosure, statistical variation, and compliance)? Does ASIC have training sets relating to acceptable and unacceptable disclosure that can be provided to Feasibility Study participants?

A8: Live answered at 42:02

Q9: Does BR11 provide data? Or does the research team have to go over data collection phase? By data, I mean different range of company announcements, stock market info?

A9: As Mark and Scott touched upon, ASIC will provide more readily available data sets. Where relevant, ASIC will assist in brokering access to the most useful forms of the data at little or no cost. We also encourage SMEs to find other sources of data to build a more robust solution.

Q10: Is the feasibility study a study of the solution that's proposed, or is it a study of product fit of an existing product?

A10: Live answered at 44:15

Q11: May I please confirm that the challenge requires a deep-dive feasibility study, and not the solution delivery? It is my understanding that we will be performing a deep dive into the market and establishing a proposed solution, not delivering the solution?

A11: Live answered at 46:46

Q12: If you have the RegTech patent already granted do you have capacity to introduce the patent holder and operational to other RegTech firms working in the Blockchain area. If so, who do you contact at ASIC to discuss this issue with a view to making a joint submission

A12: Live answered at 47:55

Q13: Regarding eligibility, are teams of University researchers eligible? University teams consisting of 2 or 3 researchers meet the income threshold as their income is not high. So, we wanted to make sure that such teams are eligible.

A13: Live answered at 49:25

Q14: Adam mentioned the potential to learn from ASIC reviewer decisions during their review of material and also mentioned "rules". Are there public examples of these types of data from ASIC? Or, can you clarify the term "rules"?

A14: Live answered at 45:10



Q15: Does the company need a minimum number of employees?

A15: There is no minimum number of employees

Q16: Regarding current ASIC IT infrastructure - will ASIC be able to provide this information to the applicants or only successful feasibility study recipients?

A16: We are working with our IT team to establish parameters for the BRII challenge. We welcome a question being submitted to us directly for further discussion on this.

Q17: Can ASIC make available a sample of links to public datasets of the sort you were just mentioning?

A17: Live answered at 50:16

Q18: Is there clear guidance (from ASIC) for the governance of data for disclosure analysis from ASIC, in particular governance notifications sent to departmental officers (e.g. when a potential disclosure breach is detected)?

A18: Live answered at 51:33

Q19: Would newly formed companies, which will be formed just for this grant challenge, have an equal chance of receiving grant as the already established start-ups? At least for the 1st and 2nd round?

A19: Yes. All applications will be assessed on the content of what is in the application. Knowledge, experience and expertise is good, but the age of the entity has no bearing on the success of the application

Q20: Who in ASIC can potential applicants talk to?

A20: The best way to contact us is to use the [innovationhub@asic.gov.au](mailto:innovationhub@asic.gov.au) email address.

Q21: Will ASIC assign specific liaison officer(s) to assist with applicants in the feasibility study stage with the requirements?

A21: ASIC is putting a team of subject matter experts to offer a range of details throughout the feasibility study stage. ASIC does not want to influence the direction of the solution, but we will point out pitfalls and hurdles we've experienced in the past. Our team of SMEs will also provide insights into technical and regulatory factors relevant to the solution.

Q22: Would ASIC provide any examples of the previous continuous disclosure misconduct or misleading cases that you are more concerned about?

A22: Live answered at 54:15

Q23: In using external data sources and APIs, how critical is data sovereignty?

A23: Live answered at 55:08

Q24: Is ASIC open to engage with the applicants or only with successful recipients of the feasibility study grants?

A24: ASIC is open to engage with applicants ahead of their applications being submitted. You can contact us directly through the [innovationhub@asic.gov.au](mailto:innovationhub@asic.gov.au) or [brii@industry.gov.au](mailto:brii@industry.gov.au) email addresses.



Q25: Can we get Mark's PPT and access to the recording of this webinar?

A25: A recording of the webinar will be available on <https://www.business.gov.au/grants-and-programs/business-research-and-innovation-initiative> in a couple of days. You will be able to see Mark's presentation in the recording.

Q26: Are there FSI partners who would assist applicants as a part of this initiative? Or is the solution to be based completely on available open source and ASIC data?

A26: ASIC is open minded to who a 'regtech' may partner with for this project, subject to pre-conditions of DISER BRII eligibility. ASIC will not be connecting potentially interested parties. Interested parties will need to rely on their existing networks to make business partner connections. On the question of data and software, again we remain open-minded. We do expect 'regtechs' to consider analysing market announcement and financial reporting information, but beyond that we see potential for analysis of a wide range of other datasets. We do expect solutions to be cost effective, interoperable and secure and thus, this may have implications for the nature of software applications that are viable.

Q27: I'm from a Research Office, and our researchers in AI, image recognition, advanced data analytics, human knowledge modelling (e.g. cognitive map, knowledge graph), etc, are keen on collaborating with SMEs in addressing the BRII challenge. Could ASIC help connect us with potential applicants?

A27: Live answered at 56:43

Q28: Access to Morning Star and Bloomberg datasets are very expensive. Will ASIC fund the costs of temporary licence access during the Feasibility Study period?

A28: ASIC is open to work with 'regtech' SMEs on options to access relevant datasets including from Morningstar and Bloomberg. ASIC notes 'regtechs' and their partners may already have their own arrangements in place, or are able to be put in place, for accessing relevant datasets (including subscriptions).

Q29: Can we see some cases of past poor disclosure from ASIC? That is, the public announcement of poor disclosure. Are there links to such cases?

A29: ASIC suggests searching its webpage for media releases on actions in response to poor disclosure by listed companies. For example, searches on ASIC's find a media release using the phrase 'continuous disclosure' brings up examples of some past matters. Further, searching for 'financial reporting' finds relevant publications on financial reporting compliance issues. ASIC's find a media release webpage - <https://asic.gov.au/about-asic/news-centre/find-a-media-release/>

For enquires regarding the BRII program, eligibility and the grant application process, please contact the BRII team at [brii@industry.gov.au](mailto:brii@industry.gov.au)

Or, for further enquiries regarding this challenge please contact the Australian Securities and Investment Commission (ASIC) at [innovationhub@asic.gov.au](mailto:innovationhub@asic.gov.au)