



23 October 2026

By Upload.

Dear Sir/Madam

Re: Enhanced data collection for managed investment schemes

AFMA welcomes the opportunity to provide comment on the *Consultation on proposals to improve regulatory visibility of the managed investment scheme through enhanced data collection*.

AFMA broadly supports increased data reporting requirements for retail Managed Investment Schemes (MISs) where these are (1) not Managed Discretionary Accounts (MDAs) covered by the ASIC relief [ASIC Corporations \(Managed Discretionary Account Services\) Instrument 2026/720](#) and not (2) Wholesale only MDAs or MISs.

Good faith efforts

Regulatory reporting is a costly activity that is associated with significant risks for reporting parties. Nevertheless, AFMA supports the view that some increase in these costs for non-MDA, non-wholesale MISs is appropriate in response to the failings of recent years.

We suggest that to minimise these costs good faith efforts should be the requisite reporting standard.

Enforcement activity in Australia around regulatory reporting often requires a level of accuracy that is difficult to achieve in practice and increasingly not typical of reporting and enforcement regimes globally¹. For the purposes for which the data being collected it is not efficient to require perfect accuracy in the reported data.

Retail MDAs subject to ASIC relief

AFMA's opposition to the inclusion of MDAs in the proposed increase in reporting is based on the fact that the current ASIC relief is appropriately targeted, well-established and recognises the different nature of MDAs. MDAs are arguably primarily captured by the 'facility for making a financial investment' requirements in s763B, but they are also captured by the MIS requirements of s9.

Retail MDAs are excluded by the ASIC relief from the requirement to register due to the more limited functions of MDA providers. It is consistent and appropriate to exclude MDA providers from MIS reporting requirements. MDAs are fundamentally different than registered schemes, despite their capture by s9.

¹ See for example: <https://www.cftc.gov/csl/25-25/download>

ASIC's long standing and well-functioning relief recognises these differences and should be incorporated into the primary legislation.

Wholesale MDAs and MISs

AFMA has long supported the Corporations Act wholesale/retail distinction. In the context of MIS this means we support the view that the retail protections are appropriate for retail offerings but not for wholesale products. Retail access to wholesale offerings will always be intermediated by a retail layer where protections should be put in place.

If there are failings with these protections at the retail layer these should be directly addressed at that layer. It is inappropriate to instead add frictions to the wholesale layer which should retain its capital raising efficiency.

Conclusion

We thank you for considering our comments on these matters and would be pleased to assist with any enquiries you may have.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Damian Jeffree', is positioned above the printed name.

Damian Jeffree

Head of Financial Markets, Exchanges and Digital

1. Are the proposed guiding principles appropriate for guiding future data collection and sharing arrangements?

AFMA is generally supportive of the proposed guiding principles for future data collection and sharing arrangements, however we suggest the principle 'Demonstrated use case' may be too low a bar.

Private sector data should generally not be required to be provided to government merely because there is a use case. The supply of data has costs, and increasingly substantial associated regulatory risks for firms supplying data. More fundamentally as a principle of good regulatory practice in Australia data should not be required of private enterprises unless there is an overriding public benefit to compromising that private data.

The [Commonwealth's Best Practice Regulation Handbook](#) notes the following:

In 2006 the Government endorsed the following six principles of good regulatory process identified by the Taskforce on Reducing Regulatory Burdens on Business.

- Governments should not act to address 'problems' until a case for action has been clearly established. – This should include establishing the nature of the problem and why actions additional to existing measures are needed, recognising that not all 'problems' will justify (additional) government action.
- A range of feasible policy options (including self-regulatory and co-regulatory approaches) need to be identified and their benefits and costs (including compliance costs) assessed within an appropriate framework.
- Only the option that generates the greatest net benefit for the community, taking into account all the impacts, should be adopted.

Each 'use case' should have a cost benefit approach applied in line with the Government's recommendations above.

2. What additional data, if any, should be collected at the point of registration? Conversely, are there data fields that are currently collected that should be removed or streamlined?

The current collected data does not raise concerns.

3. Does providing additional data at the point of MIS registration significantly increase regulatory burden for REs? If so, how could this be mitigated?

The proposed increased collection of data fields at registration will significantly increase the risks for MISs and their directors and add to legal costs. It will thereby significantly increase the regulatory burden for REs.

Costs can be limited by allowing good faith efforts to be sufficient for the reporting. While this may result in some mild deviations from actual these would be sufficiently accurate for the monitoring purposes indicated.

Sensitive data that could compromise firm IP if made public through Freedom of Information requests should not be collected.

4. How should any obligation to keep registration information up to date be designed to minimise unnecessary burden?

Similarly to initial reporting, costs can be limited by allowing good faith efforts to be sufficient for the reporting. While this should be expected to result in some mild deviations from actual, these reports would be sufficiently accurate for the monitoring purposes indicated.

Many of the costs associated with regulatory reporting come from enforced requirements for absolute accuracy even where the data is not used or where reasonably accurate data has the same public benefits.

5. Should there be recurrent data collection for registered MISs? If not supportive of a recurrent data collection, is there an alternative way that ASIC could access timely, regular and reliable data on MISs to support a risk-based approach to oversight and enforcement?

Given direct retail involvement there is a case for recurrent data collection.

6. How often should recurrent data be collected? Is the proposed quarterly collection appropriate?

Quarterly would seem appropriate.

7. Which data fields would be most valuable for identifying emerging risks?

Nil response.

8. Is it possible for the RE of a MIS to report on the source of investor funds, that is have funds come from an investor directly, a SMSF, a superannuation fund or wealth platform or via a wealth manager?

Nil response.

9. What are the barriers to this proposal, and what is industry's capacity to adapt its data reporting to changing government requirements, recognising this capacity will vary across the sector?

Nil response.

10. Should Investor Directed Portfolio Services (IDPS) platform providers be included in the scope of a recurrent registered MIS collection? Would it be feasible for there to be a recurrent data collection at a portfolio level for all types of managed accounts? What would be an appropriate definition of 'managed account' to ensure relevant arrangements are properly captured?

Managed Discretionary Accounts which satisfy the conditions of the existing ASIC relief should be expressly excluded from the proposed MIS recurrent data collection requirements.

The final framework should preserve the existing regulatory treatment of these arrangements and avoid imposing MIS-specific reporting requirements on arrangements that are relieved from MIS registration requirements under the existing relief [ASIC Corporations \(Managed Discretionary Account Services\) Instrument 2026/720](#).

Extending MIS-specific data reporting requirements to Managed Discretionary Accounts that are otherwise relieved from the corresponding MIS registration requirements would add regulatory burden and cut across the existing regulatory treatment of these arrangements.

Maintaining the existing treatment would also be consistent with the consultation's stated principles that data collection should be proportionate, targeted and designed to minimise unnecessary compliance burden.

11. What would be appropriate data fields for agencies to collect at a portfolio level for managed accounts?

We do not support the collection of data for managed accounts.

12. Should MISs offered exclusively to wholesale investors be required to notify ASIC when the MIS commences or terminates?

AFMA membership also includes members that offer MISs exclusively to wholesale investors.

These members are strongly opposed to introducing notification requirements for these activities.

AFMA has long supported a clean distinction between the treatment of wholesale and retail markets. AFMA broadly supports increased regulatory data for retail MISs. However, the same reasoning cannot be properly applied to the case of wholesale MIS.

The wholesale/retail distinction allows for protections and accepts their added costs where the cost benefit makes sense, that is for retail investors, while maintaining capital raising efficiency needed for the economy in the wholesale markets.

In Australia's regulatory framework exposures by retail investors to wholesale funds will *always* be intermediated by a retail layer. This is where it is appropriate for retail protections to be in place. While it may be attractive if solely considering benefits to have a belt and braces approach and add a second line of protection in the wholesale layer, this is inherently inefficient and incongruent with the system design. Costs should not be added to the wholesale layer for potential failings in the retail layer.

Wholesale only MISs are matters for wholesale investors and intermediaries who are sufficiently resourced and sophisticated to manage concerns.

13. What baseline information should be in scope of the notification regime?

AFMA does not support a notification regime for wholesale MISs.

14. Would it be feasible to collect limited and targeted recurrent data on unregistered MISs?

AFMA does not support a recurrent data regime for wholesale MISs.

15. What information would be most useful for assessing interconnectedness and transmission of risk between unregistered MISs, registered MISs, superannuation funds, platforms and private market investments, including private credit funds?

Transmission to wholesale MISs should be monitored via the retail overlays such as Financial Advice.

16. Stakeholders are invited to comment on whether the existing terminology for MIS—including ‘registered’ and ‘unregistered’—remains appropriate. If not, what alternative terminology should be considered?

Nil response.

17. Are there international jurisdictions or organisations that provide effective public-facing dashboards for MIS data, and what features contribute to their usefulness?

Nil response.

18. To what extent would public access to MIS data improve market outcomes, including competition, pricing and investor outcomes? Are there any negative effects that could arise from public access?

Publishing finely grained MIS data could compromise proprietary investment data and discourage use of the structure.

19. Are there specific data types that should be prioritised for public release based on their demonstrated value?

Nil response.

20. What categories of MIS data are commercially sensitive or confidential, and should not be made public?

Asset allocation.

21. Noting the various functions and data collection powers of the relevant agencies, is there a particular agency that would be best placed to lead any recurrent MIS data collection?
22. Is a post-implementation review after three years appropriate? If not, what timeframe would better balance the need for stability with the need for ongoing assessment?
23. What criteria or metrics should be used to assess whether the data collection framework is working as intended?

Nil response.