2 May 2018

Mr Daniel Hunt
Business Lead
Data Collection Solution
Australian Prudential Regulation Authority
GPO Box 9836
Sydney NSW 2001


By email: newdatacollectionsolution@apra.gov.au


Dear Mr Hunt

**A NEW DATA COLLECTION SOLUTION**

AFMA welcomes the opportunity to respond to APRA's consultation on the Data Collection Solution project. AFMA is directly engaged in APRA's wider consultation program around the solution including direct meetings with APRA, various webinars, roundtables, direct feedback and technical workshops.

While these avenues cover the majority of our engagement we write to reinforce some key thematic responses from our members, particularly foreign ADIs, and we commend APRA for already listing, in summarised form, the feedback it has received through these avenues on its website.

Broadly, AFMA supports solutions that result in minimal cost and disruption to ADIs while still allowing the evolution and improvement of the system. The solution should allow or support smart submission with automatic form completion where appropriate and logical checking of data, and notification of potential errors.

The system should be flexible and extensible, and have user-friendly features to support easy tracking and notification around submission status.

We note the need to ensure that the data management platform providers are well catered for as this will allow a relatively easy transition for ADIs that use these services.

Deep engagement with the IT teams at regulated firms is important and we are pleased to note this is already happening. This should continue and include deep involvement in the various testing phases.

Below we discuss some of the categories of questions raised in the consultation paper.

In relation to *Principles for solution design* AFMA notes the following points:
- The switch to a web-based system is preferable as it will eliminate the current requirement to download the software on each individual machine, and the removal of this requirement will make the implementation easier.
- More generally web-based interfaces are increasingly used as best practice in a range of distributed contexts, although it is important that appropriate data security is in place to protect the data from the risks associated with internet connectivity.
- Providing alternatives to XBRL input will make the submission process more efficient. Particularly for smaller entities the solution should allow the upload of Excel or CSV files directly to the submission tool.

In relation to *Engagement plans and implementation* AFMA notes the following points:
- APRA should design a solution that would allow straight-through submission of the reports from commercial regulatory reporting tools. These tools are likely to be the most popular interface for some categories of ADI and will minimise business impact to these users. To achieve this outcome will likely require APRA to work closely with interested regulatory reporting tool technology providers (e.g. Wolters Kluwer, Axiom, etc.)
- It would be helpful if, at the appropriate time, APRA shares its testing strategy and what involvement in testing is required from the reporting institutions.
- Implementation challenges will depend on the complexity of the new submission tool. The timeline is certainly a major constraint, given the focus of industry resources on EFS implementation in 2018/9. A solution that is limited to XBRL/XML delivery would require firms to invest in and build an XBRL conversion tool and this may make a 2019 timeline difficult to achieve.

In relation to *Benefits for stakeholders* AFMA notes the following points:
- The new system should incorporate SBR definitions into major "fields" where users can easily hover (or click) and view the definitions.
- Currently D2A requires the submission of reports as part of a group ("a work collection"). The new system should allow submission of each ARF report separately. In case of resubmission, this will ensure only one report is resubmitted, not the whole "work collection".
- The new system should incorporate an additional prompt (e.g. "Do you want to submit this form") when forms are being submitted.  This control will help prevent inadvertent pressing of the "submit" button.

AFMA again notes its support for APRA's efforts so far in relation to ensuring the new data solution project has clear aims aligned with industry needs and is kept on track through regular and multilevel feedback.

We look forward to continuing to work with you on this project.


Yours sincerely



Damian Jeffree