The Asset Management Industry
SERVING INDIVIDUAL INVESTORS

Letter from the Investment Company Institute

22 October 2026

The Treasury
Langton Crescent
Parkes ACT 2600
Australia

Submitted electronically at https://consult.treasury.gov.au/c2026-800586.

Re: Consultation on Proposals to Improve Regulatory Visibility of the Managed Investment Scheme Sector through Enhanced Data Collection

Dear Sir or Madam,

The Investment Company Institute (ICI)[1] appreciates the opportunity to provide feedback on the Australian Treasury consultation on enhancing data collection for managed investment schemes ("Consultation").[2]

ICI's mission is to strengthen the foundation of the asset management industry for the benefit of the long-term individual investor. Our members have significant experience and expertise in serving more than 125 million retail investors with US$60.1 trillion in assets under management in jurisdictions around the world, including in the United States, Australia, Singapore, Japan, the United Kingdom, and the European Union. These investors rely on regulated investment funds to achieve important financial goals, including saving for retirement and education.

ICI has a strong interest in ensuring that regulatory frameworks promote transparency, investor protection, and efficient supervision, while maintaining sufficient room for continued industry innovation and development. We support the Treasury's broad objective to improve data

[1] The Investment Company Institute (ICI) is the leading voice of the global asset management industry serving individual investors. Managing US$60.1 trillion in regulated fund assets, ICI's members offer funds — including UCITS, mutual funds, exchange-traded funds (ETFs), closed-end funds, unit investment trusts (UITs), and other collective investment schemes — to investors across Europe, the Americas, and the Asia-Pacific region. ICI has offices in Brussels, London, and Washington, DC.

[2] Australian Treasury, *Consultation on proposals to improve regulatory visibility of the managed investment scheme sector through enhanced data collection* (22 Sep. 2026), https://consult.treasury.gov.au/c2026-800586.

collection and transparency in the managed investment scheme (MIS) sector and concur with the Treasury's stated position that any new data collection framework should be proportionate, efficient and designed to reduce unnecessary duplication across existing reporting obligations. Proportionate and efficiently implemented reporting requirements could support market integrity and investor protection through effective supervision, while at the same time fostering innovation, growth, and international competitiveness by minimising any unnecessary reporting burden.

In examining relevant data reporting requirements in other jurisdictions, we observe several practices that are core to a proportionate and efficient data collection framework. These practices include:

- prioritising data fields with demonstrated regulatory utility to monitor clearly defined supervisory and investor protection risks, and collecting only data that is demonstrably necessary for those purposes,
- adopting standardised data definitions to promote consistency and comparability of collected data,
- identifying and eliminating overlaps across reporting obligations, and
- enhancing the scope and efficiency of existing data sharing and coordination mechanisms among agencies domestically and with foreign regulators.

We are pleased that the Treasury has sought to incorporate many of these practices in the proposals to improve data collection while minimising unnecessary compliance burden on the industry. We broadly support the proposed guiding principles, including least cost, demonstrated use cases, common definition, co-design, scalability, and periodic review.

To better accomplish the goal of obtaining timely information for robust supervision without imposing undue compliance and operational burdens, we encourage the Treasury to incorporate the below recommendations when considering enhanced data collection for MISs.

As a point of reference to help inform the Treasury's consideration of the design of an enhanced data collection framework, we also provide a summary of the key reporting requirements for regulated funds in the United States in the Appendix.

I. Maximise the use of existing data through a detailed and comprehensive stocktaking of existing reporting requirements across agencies

We appreciate the Consultation's discussion and overview of MIS data collection currently undertaken by the Australian Securities and Investments Commission (ASIC), the Australian Bureau of Statistics (ABS), the Australian Prudential Regulation Authority (APRA), and the Australian Taxation Office (ATO). A thorough understanding of existing data collection across agencies will be critical to implementing a more integrated and robust framework while avoiding unnecessary duplication.

In addition to the high-level overview of relevant surveys and data categories outlined in the Consultation, we recommend taking stock of existing data reporting requirements from various agencies on MISs and their responsible entities on a detailed and comprehensive basis, as well as an in-depth review of any existing data sharing arrangements across agencies.

Through this exercise, the Treasury can identify scope to enhance data sharing and coordination mechanisms, as well as opportunities to further leverage existing data collected across agencies. This exercise in turn will help ensure that any new data reporting requirements are proportionate and targeted at addressing specific supervisory gaps that the Treasury has identified while avoiding duplication and minimising any unnecessary reporting burden.

II. Provide clear regulatory use cases for any new data types to be collected to maintain a risk-based and proportionate regulatory approach

We appreciate that the Treasury has provided a high-level overview of use cases for additional data collection. As the Treasury further develops its approach, we recommend the Treasury and relevant agencies clearly define the specific use case and supervisory purpose of any new data to be collected prior to imposing a reporting requirement for such data. A clear explanation of the relationship between collection of a given new data field and the intended supervisory purpose will facilitate industry understanding of any new reporting obligations, while minimising unnecessary reporting burdens and maintaining a risk-based and proportionate supervisory ecosystem.

III. Appropriately balance transparency with measures to protect MISs and their investors from increased risks of predatory trading

We recommend the Treasury, in considering making certain MIS data available to the public, appropriately balance the interest in public transparency against the need to protect sensitive and proprietary information. Appropriate measures should also be taken to protect MISs and their investors from increased risks of predatory trading as a result of more frequent publication

of MIS data. These measures include, but are not limited to, providing a sufficient time lag between the reporting period of the data and when it is posted publicly, avoiding the publication of overly granular details, and keeping certain sensitive and proprietary data items non-public.

IV. Put in place stringent data security measures to protect data collected from the MIS sector

There should be strong statutory protections for the confidentiality and security of non-public data submitted by the MIS sector. For example, granular portfolio holdings information can be commercially sensitive and valuable to potential bad actors. When putting any new data collection framework in place, we recommend the Treasury and relevant agencies re-examine, and strengthen as needed, existing data security and cybersecurity policies to ensure that they can adequately protect data submissions before requiring the MIS sector to report additional non-public information on an ongoing basis. We further recommend the Treasury and relevant agencies share with the MIS sector steps the government plans to take to ensure the security of data submissions, including proposed remediation processes in the event of a breach.

V. Align with data collection frameworks for regulated funds internationally

We recommend the Treasury closely align enhanced data reporting requirements for MISs with common practices in major global jurisdictions. Greater consistency with international data collection practices will improve data quality and comparability, and help reduce the burden on global asset managers in gathering, reconciling, and validating required information in Australia and other jurisdictions in which they operate.

VI. Ensure ample transition time and close industry consultation in implementing any data reporting requirements

Considering the complexity in implementing any new data reporting requirements, as the Treasury acknowledged, we recommend the Treasury ensure ample transition time for implementation of any new framework. To be most effective, the transition and implementation details should be developed in consultation with the industry to allow for sufficient data mapping, systems development, testing, and validation of any new data reporting requirements and procedures. Depending on the complexity and scope of the new framework, a phased approach may also be beneficial for implementation.

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Thank you again for the opportunity to provide feedback on the Consultation. We look forward to continuing this dialogue to help inform the design of any new data reporting requirements and appropriate implementation approaches. If you have any questions, please contact me at tracey.wingate@ici.org, Matthew Mohlenkamp at matthew.mohlenkamp@ici.org, and Lisa Cheng at lisa.cheng@ici.org.

Sincerely,

/s/ Tracey Wingate

Tracey Wingate
Chief Global Affairs Officer
Investment Company Institute

Attachment: Summary of Key Data Reporting Requirements for Mutual Funds and ETFs in the United States

Appendix: Summary of Key Data Reporting Requirements for Mutual Funds and ETFs in the United States

In the United States, open-end funds, such as mutual funds and ETFs, must periodically submit information and data to the Securities and Exchange Commission (SEC), including registration statements and portfolio holdings data. Key submissions include Form N-1A, which contains registration statement disclosures, and Form N-PORT, which reports portfolio holdings information and related data. Below is a summary of the key data reported on each respective form and their applicable filing requirements.[3]

I. Form N-1A

An open-end fund must file a Form N-1A before it conducts a public offering.[4] It must update the Form N-1A at least annually and amend it to disclose material changes. Form N-1A is primarily a narrative disclosure document. It is available to the public on the SEC's Electronic Data Gathering, Analysis, and Retrieval system (EDGAR).

Key information reported on Form N-1A includes:

- Fund name and share class information.
- Investment objectives/goals of the fund, principal investment strategies, and principal risks.
- Fees, including sales charges, redemption fees, exchange fees, management fees, distribution fees, and other fund operating expenses.
- Portfolio turnover rate.

[3] The reporting requirements summarised here do not apply to a fund that is regulated as a small business investment company (SBIC), which is subject to separate requirements. Money market funds file registration statements on Form N-1A but report portfolio holdings and other portfolio data monthly on Form N-MFP. In addition to filing registration statements and Form N-PORT with the SEC, open-end funds must also file Form N-CEN (providing annual census-type information); tailored shareholder reports (providing periodic and concise summaries of performance, fees and expenses, and other key fund information); and Form N-PX (providing annual proxy voting records, including descriptions of each proposal a fund votes on and how the fund voted).

[4] SEC, Form N-1A, available at https://www.sec.gov/files/form-n-1a.pdf.

- Fund performance, such as a risk/return bar chart and an average annual total returns table, and financial highlights.

- Description of the procedures for pricing the fund's shares, including that the price of fund shares is based on net asset value (NAV) and the method used to value fund shares.

- Descriptions of policies that the fund deems fundamental or that may not be changed without investor approval, such as on borrowing money and concentrating investments in a particular industry or group of industries.

- Information on investment advisers, sub-advisers, portfolio managers, and other service providers of the fund (*e.g.,* principal underwriter, custodian, and transfer agent).

- Information on directors and officers of the fund, whether they are interested persons of the fund, and leadership structure of the fund's Board of Directors.

- Information about the fund's control persons[5] and principal holders.[6]

- A statement if a fund pays distribution or related service fees (including revenue sharing arrangements).

II. Form N-PORT

Funds are required to provide fund-level and position-level information on Form N-PORT.[7] This information is filed in a structured data (XML) format to allow the SEC and the investing public to more easily collect the data and compare and analyse the information.

Currently, a fund files Form N-PORT quarterly with information about its portfolio and each portfolio holding as of the end of each month of the fiscal quarter. The filing (containing each of

[5] *Id.* at Item 18. A "control person" of a fund includes any person who owns, either directly or through one or more controlled companies, more than 25% of the voting securities of the fund.

[6] *Id.* A "principal holder" of a fund is any person who owns beneficially 5% or more of any class of the fund's outstanding equity securities.

[7] SEC, Form N-PORT, available at https://www.sec.gov/files/formn-port.pdf.

the three months) must be submitted within 60 days after the end of each fiscal quarter.[8] The majority of the information reported for the third month of a fund's fiscal quarter on Form N-PORT is made publicly available upon filing (*i.e.,* no later than 60 days after the end of the fund's fiscal quarter). The SEC has determined that certain other information submitted on Form N-PORT should remain non-public, given that such information could disclose proprietary information or be confusing to investors. The following summarises the key information currently reported on Form N-PORT and whether the information is made public.

Information that is made publicly available:

- Total assets, total liabilities, and net assets of the fund.
- Portfolio-level metrics reflecting interest rate risk and credit spread risk if the average value of a fund's debt securities positions for the previous three months exceeds 25% of its NAV.[9]
- Securities lending information, including information on each borrower and a description of the amount, value, and type of non-cash collateral received.
- Monthly total returns for each share class, and monthly net realised gain (loss) and net change in unrealised appreciation (depreciation) attributable to (i) derivatives by

[8] In 2024, the SEC adopted amendments that would have required each open-end fund (other than money market funds and SBICs) to make a Form N-PORT filing 30 days after the end of each month. Each of those filings would be publicly disclosed 60 days after the end of the month (except for certain portions of the filing). Those amendments have not taken effect. Since their adoption and following industry pushback, the SEC has proposed subsequent amendments to the adopted amendments that would require each such open-end fund to file the Form N-PORT on a monthly basis no later than *45* days after the end of each month, while maintaining the current practice of making only the Form N-PORT for the third month of a fund's fiscal quarter public. *See* SEC, *Form N-PORT Reporting,* Release No. IC-35962 (23 Feb. 2026) ("SEC N-PORT Proposal") at 16-24, available at https://www.sec.gov/rules-regulations/2026/02/s7-2026-05. ICI has urged the SEC to consider extending the filing deadline to 60 days after the end of each month to reduce burdens, simplify compliance, and improve data quality. *See* Letter to Vanessa Countryman, Secretary, SEC, from Eric J. Pan, President and CEO, ICI, *et al*., dated 24 Apr. 2026 ("April 2026 ICI Letter"), available at https://www.ici.org/system/files/2026-04/36250a.pdf.

[9] The SEC has proposed raising the thresholds for reporting portfolio-level risk metrics, such that a fund would only be required to report these metrics when the debt instruments it holds exceed 50% of its NAV. The SEC also proposed streamlining the reporting requirements, such as eliminating the reporting of the change in the fund's portfolio value from a one basis point change in interest rate (commonly known as DV01) and no longer requiring reporting of credit spread risk metrics separately for investment grade and non-investment grade exposures. *See* SEC N-PORT Proposal, *supra* note 8, at 39-42. ICI is supportive of streamlining the reporting of portfolio-level risk metrics. *See* April 2026 ICI Letter, *supra* note 8, at 8-9.

asset category and type of derivative instrument and (ii) investments other than derivatives.[10]

- Aggregate dollar amounts for sales and redemptions/repurchases of fund shares during each of the preceding three months and total NAV of (i) shares sold (including exchanges but excluding reinvestment of dividends and distributions), (ii) shares sold in connection with reinvestment of dividends and distributions, and (iii) shares redeemed or repurchased (including exchanges).

- Information on each holding, including (i) principal amount of investment as of the end of the reporting period, (ii) value of each investment at the close of the reporting period, (iii) payoff profile categories (long, short, or N/A),[11] (iv) asset and issuer type, and (v) level within fair value hierarchy under the US Generally Accepted Accounting Principles (GAAP) (ASC 820, Fair Value Measurement).[12]

- Additional information about each debt security, including (i) maturity date, (ii) annualised coupon rate and categories of coupon type (fixed, floating, variable, or none), (iii) whether the security is currently in default, (iv) whether interest payments are in arrears or have been deferred by the issuer, and (v) whether any portion of the payments are paid in kind.

- Additional information for each repurchase and reverse repurchase agreement, including (i) identity of counterparty or central counterparty (if any), (ii) repurchase rate, (iii) whether the repurchase agreement is tri-party, (iv) maturity date, and (v) information on the collateral securities.

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[10] The SEC has proposed requiring a multi-class fund to report monthly total returns for only a single representative class and removing the requirement for a fund to report gain (loss) and appreciation (depreciation) from derivatives for each type of derivative. *See* SEC N-PORT Proposal, *supra* note 8, at 42-45. ICI is supportive of streamlining the reporting of funds' return information. *See* April 2026 ICI Letter, *supra* note 8, at 8-9.

[11] The SEC has proposed to eliminate the payoff profile for non-derivatives positions from Form N-PORT. *See* SEC N-PORT Proposal, *supra* note 8, at 46. ICI is supportive of this proposal. *See* April 2026 ICI Letter, *supra* note 8, at 10.

[12] GAAP fair value hierarchy is used to categorise the fair value measurement for a portfolio investment into one of three levels.

- Additional information about each derivative held, including (i) the type of derivative instrument, (ii) identity of counterparty, and (iii) terms and conditions of each derivative instrument that are important to understand the payoff profile of the derivative.

- Complete portfolio holdings presented in compliance with GAAP attached to the reports filed at the end of the first and third quarters of the fund's fiscal year.[13]

Information that remains non-public:

- "Highly Liquid Investment Minimum" of the fund.[14]

- Percentage of the fund's "Highly Liquid Investments" pledged as margin or collateral in connection with derivatives transactions.

- Derivative exposure for limited derivatives users.[15]

- Value-at-Risk (VaR) measures on a fund's exposure to derivatives.

- Each holding's country of risk and economic exposure.

- Each holding's liquidity classification.[16]

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[13] The SEC has sought feedback on amending or removing the requirement of attaching complete portfolio holdings on Form N-PORT in accordance with GAAP filed at the first and third fiscal quarter. *See* SEC N-PORT Proposal, *supra* note 8, at 34-35. ICI has strongly recommended the SEC remove such requirement. Given that the vast majority of information contained in the attachment already is reported on Form N-PORT, removing such requirement would streamline redundant reporting obligations, and minimise unnecessary burdens and costs on funds and their investors. *See* April 2026 ICI Letter, *supra* note 8, at 11-12.

[14] "Highly Liquid Investment Minimum" refers to the percentage of the net assets that the fund invests in "Highly Liquid Investments," which refer to any cash held by the fund and any investment that the fund reasonably expects to be convertible into cash in current market conditions in three business days or less without the conversion to cash significantly changing the market value of the investment. *See* Rule 22e-4 (b)(i) (ii) and (iii) under the Investment Company Act of 1940. The SEC has sought feedback on whether the reporting related to the liquidity of a fund's investments, including information related to a fund's Highly Liquid Investment Minimum and liquidity classification of each holding, should be eliminated. *See* SEC N-PORT Proposal, *supra* note 8, at 60.

[15] A fund that has derivative exposure of no more than 10% of its net assets is regarded as a "limited derivatives user." *See* Rule 18f-4(c)(4) under the Investment Company Act of 1940.

[16] ICI has recommended replacing the non-public reporting of each holding's liquidity classification with non-public reporting of the aggregate percentage of portfolio investments in each of the four liquidity categories. This change

- Delta of each of the debt securities, options and warrants, and other derivatives.
- "Miscellaneous securities."[17]

would reduce fund reporting burdens without substantially diminishing the usefulness of the liquidity information that the SEC receives. *See* April 2026 ICI Letter, *supra* note 8, at 12-13.

[17] A fund can report information for securities in an aggregate amount of not more than 5% of its total assets as "miscellaneous securities." These miscellaneous securities should be not restricted, have been held for not more than one year prior to the end of the reporting period, and have not been previously made available to the public. *See* Form N-PORT, *supra* note 7, at Part C: Schedule of Portfolio Investments and Part D: Miscellaneous Securities.