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## Superannuation Data Transformation Project – Minor Amendments

Industry Super Australia (ISA) is a research and advocacy body for funds that carry the Industry SuperFund symbol. ISA manages collective projects on behalf of those funds and their five million members. Our aim is to maximise the retirement savings of all our members.

ISA welcomes the opportunity to comment on APRA's discussion paper on minor amendments to the reporting standards introduced under Phase 1 of the Superannuation Data Transformation (SDT) project.

We support many of the proposed changes to the reporting standards and agree that they are broadly required to remove the need for best endeavours reporting. However, APRA should defer making any amendments to the reporting standard on expenses (and consequential amendments to the reporting standard on definitions) until both the Annual Members' Meeting notice requirements and the recently announced increased super transparency measures are settled, given the potential overlap.

Otherwise, there is a risk that funds will implement new expense reporting requirements that become redundant or otherwise need updating in respect of the current reporting period. For example, the proposed amendments to the definitions of "related party" and "profit" in the discussion paper may need to be reconsidered as part of the increased super transparency measures, which we understand includes improvements to APRA's collection of data on profit payments by super funds.

Accordingly, APRA should consult on a discussion paper early next year that covers the amendments to the expenses reporting standard which are required to:

- ▶ remove the need for best endeavours reporting,
- ▶ align with the Annual Members' Meeting notice requirements, and
- ▶ implement the increased super transparency measures.

The relevant reporting standards should subsequently be finalised well ahead of 30 June 2023 to give funds enough time to implement the changes in respect of reporting for the 2022-23 financial year. This will also ensure that APRA's other proposed minor amendments for expense reporting – such as the continued materiality threshold – apply in respect of the current financial year.

If you have any questions, please feel free to contact me.

Kind regards

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