



2017–18 ASIC business plan summary by sector Superannuation and managed funds

Key projects	Project status	Focus
Stakeholder engagement		
Improving engagement with Indigenous consumers	Continuing project from 2016–17	<ul style="list-style-type: none"> Stakeholder liaison and engagement as per our annual liaison plan Working with superannuation and managed funds and other stakeholders to improve their understanding of, and interaction with, Indigenous consumers.
Exercising ASIC’s powers to exempt or modify the law or register managed investment schemes	Ongoing	<ul style="list-style-type: none"> Applications: Considering and exercising ASIC's powers in response to applications for relief and modification Authorisation: Registering managed investment schemes (MIS).
Education		
Financial literacy and consumer education	Ongoing	<ul style="list-style-type: none"> Utilising financial literacy resources and behavioural insights to develop consumer education messages, campaigns and resources e.g. relating to issues arising from innovative products and services that may increase potential for investor detriment Reviewing and updating the MoneySmart website in response to new products, issues and initiatives in the market.
Guidance		
Facilitating emerging business models while maintaining consumer protections	Ongoing	<ul style="list-style-type: none"> Supporting and contributing to the work of ASIC's Innovation Hub, including assisting new businesses to navigate the regulatory framework with a focus on crowd-sourced funding and market-place lending Conducting a follow-up survey of the market-place lending sector, including releasing the results to the market. Findings from the first survey we conducted in November 2016 can be found in Report 526 <i>Survey of marketplace lending providers</i> (June 2017).
Sunsetting class orders	Ongoing	<p>Issuing revised regulatory guidance and legislative instruments to refresh class order relief following consultation with industry, including:</p> <ul style="list-style-type: none"> Foreign financial service providers: Relief for financial service providers that engage with Australian wholesale clients and are located outside Australia and regulated by certain foreign regulators. We will issue our revised policy by end of September 2018.
Time sharing schemes	Ongoing	Revising the guidance contained in Regulatory Guide 160 <i>Time sharing schemes</i> and associated relief.
Surveillance		



Disclosure of performance information	Continuing project from 2016–17	Reviewing industry compliance with fund performance reporting requirements, including individual investor periodic statements, annual fund accounting, and periodic performance reporting to data aggregators such as Morningstar. We may undertake follow-up work in 2018–19.
Employers and super	Continuing project from 2016–17	Practices of superannuation trustees, including the provision of advice, fee-for-no-service, disclosure, benefits and inducements and third-party service providers. The project builds on the work of our Member Experience and Effective Disclosure projects which had a focus on disengaged consumers, as detailed in Report 529 <i>Member experience of superannuation</i> (REP 529) in June 2017.
Insurance in superannuation	Continuing project from 2016–17	Insurance offered through superannuation, including industry practices relating to disclosure, complaints handling, conflicts management and culture. The project builds on the work of our Member Experience and Effective Disclosure projects and REP 529, and the claims handling work in Report 498 <i>Life insurance claims: An industry review</i> .
Disclosure of fees and costs	Continuing project from 2016–17	Reviewing industry practice in relation to fees and costs disclosure requirements.
SMSF and exchange-traded funds (ETFs)*	Continuing project from 2016–17	<ul style="list-style-type: none"> ◆ Issuer conduct, including compliance with key conditions in: <ul style="list-style-type: none"> – Class Orders [CO 13/1200] Periodic statements relief for AQUA quoted and listed managed investment scheme managers (e.g. periodic statement disclosure requirements) – [CO 13/721] Relief to facilitate quotation of exchange traded funds on the AQUA Market (e.g. issues around unequal treatment in withdrawals and accuracy and reliability of ETF Net Asset Value (NAV) and intraday NAV. ◆ Market making for ETFs, including issuers’ capacity to meet their market making obligations and ensuring that the ETF is available on market at a price that is at or near NAV.
Issues affecting the managed investment scheme (MIS) sector	New project	Industry approaches to issues such as leverage, liquidity, cyber risk, RegTech, risk management, market-place lending and investment research, with a view to identifying, understanding and responding to potential issues in the MIS sector.
Risk-profiled responsible entities	Annual program	Proactive surveillance of risk profiled entities with a focus on culture, incentives and poor compliance systems that may result in losses to investors. We published Report 528 <i>Responsible entities’ compliance with obligations: Findings from 2016 proactive surveillance program</i> in June 2017 and will be publishing results of subsequent work during the year.

Enforcement

Investigating and taking administrative, civil, criminal or other action	Ongoing	Investigating and taking action, where appropriate, in relation to misconduct identified through our surveillances and in response to reports of misconduct including: <ul style="list-style-type: none"> ◆ Effectiveness of superannuation disclosure ◆ Trustee advice, disclosure and inducements to employers ◆ Insurance practices in superannuation
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- ◆ Failures by responsible entities to comply with their obligations
 - ◆ Non-compliance with licence conditions
 - ◆ Misleading or deceptive disclosure
 - ◆ Insurance practices in superannuation
 - ◆ Inadequate compliance frameworks and non-compliance with licence conditions
 - ◆ Poor culture and incentives.

Policy advice

Supporting the development and implementation of Government law reforms and initiatives

Ongoing

We will contribute to reforms and proposals, including:

- ◆ Asia Region Funds Passport: Developing and implementing passport arrangements, including legislation, regulatory guidance and processes
- ◆ Corporate Collective Investment Vehicles initiatives: Developing the policy framework and implementation of the initiatives
- ◆ Crowd-funding: Supporting the start of the new crowd-sourced funding legislation for unlisted public companies in late September 2017
- ◆ Superannuation policy and reform initiatives, including Stronger Super: Remaining disclosure initiatives to be introduced as part of the reforms, External Dispute Resolution review and the recent Bills introduced to increase member outcomes and accountability measures in superannuation
- ◆ Retirement and ageing initiatives: Contributing to the ASIC Older Australians Working Group (see the 'Older Australians' summary business plan for more information) and contributing to discussions about Comprehensive Income Products for Retirement (CIPRs).

Facilitating the development and application of consistent standards and requirements across borders

Ongoing

- ◆ Working closely with the Financial Stability Board and IOSCO on standard setting work relating to liquidity, risk management and data initiatives
 - ◆ Working with IOSCO on development of global standards in the funds management sector.
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