Private capital market reporting

Global practices and lessons

Australian Securities and Investments Commission

17 October 2025

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Contents

For ASIC purposes, this report is numbered 821.

Glossary

ABS	Australian Bureau of Statistics
ADI	Authorised deposit taking institution
AFSL	Australian Financial Services Licence
AIFMD	Alternative Investment Fund Managers Directive (EU)
AIFMR	Alternative Investment Fund Managers Regulations (United Kingdom)
AMF	Autorité des Marchés Financiers (France)
APRA	Australian Prudential Regulation Authority
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
AUM	assets under management
BaFin	*Bundesanstalt für Finanzdienstleistungsaufsicht* (Germany)
BDCs	business development companies
BoF	Banque of France
CAGR	compound annual growth rate
CIS	collective investment scheme
CISA	Collective Investment Schemes Act (Switzerland)
CMF	Code Monétaire et Financier (France)
CSA	Canadian Securities Administrators (Canada)
EDINET	Electronic Disclosure for Investors' NETwork (Japan)
EFS	Economic and financial statistics
EHP**ESMA**	European Securities and Markets Authority
ESRB	European Systemic Risk Board
ESVCLP	early-stage venture capital limited partnership
EU	European Union
EY	Ernst & Young
FCA	Financial Conduct Authority (United Kingdom)
FIEA	Financial Instruments and Exchange Act (Japan)
FINMA	Financial Market Supervisory Authority (Switzerland)
FIPs	Fonds d'investissement de proximité (France)
FMA	Financial Markets Authority (New Zealand)
FSA	Financial Services Agency (Japan)
FSOC	Financial Stability Oversight Council (United States)
HKMA	Hong Kong Monetary Authority
HNW	high-net-worth
IDPS	Investor Directed Portfolio Service
IFM	investment fund manager
IPO	initial public offering
IOSCO	International Organization of Securities Commissions
IRR	internal rate of return
KABG	Kapitalanlagegesetzbuch (Germany)
LEI	Legal Entity Identifier
M&A	mergers and acquisitions
MAS	Monetary Authority of Singapore (Singapore)
MIs	Multilateral Instruments (Canada)
MISs	managed investment schemes
NAV	net asset value
NCA	National Competent Authority (EU)
NI	National Instruments (Canada)
OSC	Ontario Securities Commission (Canada)
RAUM	regulatory assets under management
RSE	Registrable Superannuation Entities
RBA	Reserve Bank of Australia
SFA	Securities and Futures Act 2001 (Singapore)
SEC	Securities and Exchange Commission (USA)
SEDAR+	System for Electronic Data Analysis and Retrieval+ (Canada)
SFC	Securities and Futures Commission (Hong Kong)
SFO	Securities and Futures Ordinance (Hong Kong)
SME	small to medium-sized enterprise
SNB	Swiss National Bank
UK	United Kingdom
VCLP	venture capital limited partnership

Executive summary

Financial regulators like the Australian Securities and Investments Commission (ASIC) are increasingly focusing their attention on private capital markets. This is largely driven by concerns related to their rapid growth, complexity and systemic importance. Unlike public capital markets, private capital markets tend to operate with limited transparency, resulting in reduced oversight and limited visibility of emerging risks.

From a supervisory perspective, the greatest issues appear to be related to systemic stability and market disruption, particularly given the growing interconnectedness of private and traditional financial sectors, and the trend towards market 'democratisation' as more private capital market products become available to retail investors.

Systemic oversight is not ASIC's sole concern. Its core objectives include maintaining market integrity and ensuring consumer and investor protection. Limited visibility into private capital markets constrains ASIC's ability to monitor fair conduct, address conflicts of interest, and protect retail participants who are increasingly exposed through investments in managed funds and structured products. As such, the data challenge is not only related to systemic stability but also to ASIC's ability to uphold integrity, transparency and investor confidence.

Australia's current market features heighten these concerns. Unlike some peer jurisdictions, many private capital funds are accessible to Australian retail investors, with real estate accounting for the largest asset class in these funds. This creates unique risks such as valuation opacity in property assets, liquidity mismatches in retail investment vehicles and concentrated exposures that can magnify shocks. When comparing international disclosure regimes, this domestic overlay – retail access and real estate concentration – is critical for assessing Australia's relative position and the adequacy of its reporting arrangements.

The issues around limited visibility of private capital markets directly affect ASIC's remit to maintain and improve the performance of financial systems, regulate and oversee markets, and protect investors and consumers.

Given the speed at which markets move and innovate, regulators are conscious that their current oversight frameworks need to be (and remain) fit for purpose. Much will depend on the quality and coverage of private capital market reporting and disclosure arrangements.

In this context, Ernst & Young (EY) has been engaged by ASIC to review how peer jurisdictions monitor and report on private capital markets, and how this could inform the development of a private capital market disclosure framework for Australia.

Key international practices on private capital market disclosure and reporting

Across peer jurisdictions, the regulation of private capital markets typically involves a lead financial regulator operating under a single legislative instrument. For example, the United Kingdom's (UK's) Financial Conduct Authority (FCA) operates under the Alternative Investment Fund Managers Regulations, while Hong Kong's Securities and Futures Commission (SFC) enforces the Securities and Futures Ordinance.

Among other advantages, this legislative model supports clarity in oversight and accountability, and provides a relatively consistent foundation for regulatory comparison. While individual country regimes for private capital market activities differ, they generally involve the following foundational features.

- **Registration** – Asset managers must be registered or licensed with the lead financial regulator to operate in that jurisdiction. Less stringent registration requirements are sometimes available for foreign asset managers.

- **Disclosure obligations** – Mandatory, fund-level reporting on an annual or quarterly basis using standardised templates is common practice across most peer jurisdictions, providing strong regulatory visibility of market risks. Data and information are usually shared with the regulator only, although some countries make this data publicly available.

- **Integration with macroprudential oversight** – Regulators in some countries share data and information with other core financial institutions, such as central banks, to improve systemic financial risk monitoring in their respective economies.

Each of these areas, separately and in conjunction, provides important information for regulators on the size, composition and dynamics of private capital markets. Importantly, this is the most crucial information to enable effective monitoring and supervision of private capital markets as they change, innovate and expand into retail investor classes.

Current reporting frameworks leave ASIC with substantial blind spots. The data it receives (e.g. via Form FS70, Investment Fund Manager [IFM] data returns and financial statements) is largely entity-level, retrospective and not machine-readable. Our analysis identified critical fund-level data gaps in the following areas:

- **leverage and financing** – gross and commitment leverage; borrowing sources and tenor; embedded leverage via derivatives; and collateral and margin terms

- **liquidity and investor terms** – liquidity buckets for assets; redemption frequency and notice periods; use of gates or suspensions and investor liquidity profiles

- **valuation** – methodologies by asset class; frequency and independence of valuations; use of third-party valuers; and disclosure of material changes

- **portfolio concentration and cross-holdings** – top exposures by issuer, sector, strategy and geography; cross-fund holdings; and feeder/master structures

- **counterparty exposures and interconnectedness** – prime brokers and financing counterparties; exposure by counterparty/clearing house; and collateral practices

- **trend and flow data** – periodic net asset value (NAV)/assets under management (AUM); subscriptions and redemptions; investor type mix; derivatives usage; and stress-testing or risk metrics where available.

A structured set of datapoints to address these gaps is proposed as part of some potential options to improve Australia's private data collection (see below).

Structured assessment of data regimes

Two overarching criteria were used to assess the data reporting and disclosure arrangements of peer countries:

- **The quality and utility of the data reporting regimes** – This captured core data dimensions, including comprehensiveness, timeliness, effectiveness in risk monitoring and the extent to which the data can complement other regulatory data.

- **The cost and complexity of data reporting regimes** – This involved evaluating the compliance and administrative requirements (rather than collecting better and additional data). This addressed mandatory and voluntary aspects of data regimes and the extent to which information is shared by relevant agencies.

Bringing together these two criteria, there are two broad classes of international data reporting and disclosure regimes: comprehensive and limited (see Table 1).

Comprehensive disclosure regimes typically feature:

- broad registration/licensing requirements
- mandatory, standardised electronic reporting at frequent intervals (usually quarterly)
- sharing of manager- and fund-level data with central banks or financial authorities for systemic risk monitoring
- the public release of aggregate data (in some jurisdictions).

Conversely, limited disclosure regimes generally involve:

- broad exemptions from registration and disclosure
- minimal, infrequent or voluntary reporting
- limited standardised data or data sharing with other authorities.

Table 1: Summary of international data reporting and disclosure regimes

	Key features	Strengths	Disadvantages	Jurisdictions
Comprehensive disclosure regimes	▪ Broad registration/licensing requirements for fund managers and individual funds ▪ Extensive, **mandatory** data disclosure requirements ▪ Standardised reporting templates submitted electronically ▪ Manager- and fund-level reporting at frequent intervals ▪ Sharing of data with central banks or financial institutions for systemic risk monitoring ▪ Public reporting of aggregate data (in some jurisdictions)	▪ Increases regulatory visibility of new developments at fund and market levels ▪ Enables cross-institutional cooperation in identifying and managing systemic market risks ▪ Supports macroprudential oversight and financial stability ▪ Enhances transparency and investor confidence	▪ Increases compliance and administrative costs ▪ May deter some investment	Singapore European Union Germany France United Kingdom Canada United States Hong Kong Switzerland*
Limited disclosure regimes	▪ Broad exemptions from registration and disclosure requirements for fund managers ▪ Limited standardised data disclosure ▪ Infrequent, irregular or voluntary data reporting ▪ Limited data sharing with other financial institutions	▪ Minimal compliance and administrative costs ▪ May attract greater levels of investment	▪ Reduces regulatory visibility of private capital market activity ▪ Limits capacity to detect market risks ▪ Creates inconsistency and gaps in regulatory oversight	Australia New Zealand Japan

Note: *Switzerland has comprehensive reporting obligations but limited data sharing. As such, its 'comprehensive' categorisation should be considered marginal.

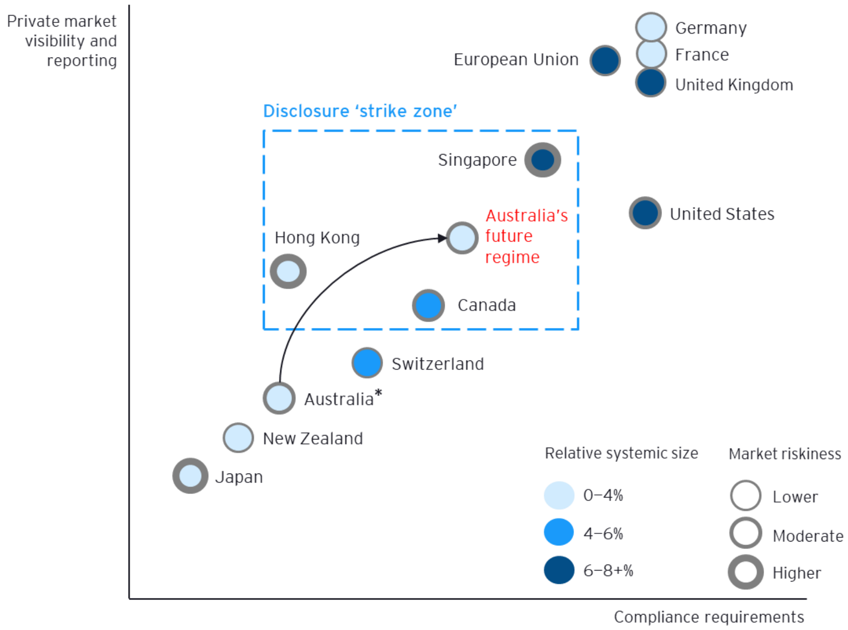
When assessing international arrangements, a clear pattern emerges: the size of the private capital market strongly influences the design of the reporting and disclosure regime. In effect, the three foundational features identified earlier work in combination to create a ‘gravitational’ pull towards more complex, disclosure-heavy frameworks — an evolution that is generally warranted given the need for visibility.

There is also a direct link between the level and form of private capital market information collected and the compliance obligations placed on funds and other market participants. Achieving necessary and sufficient visibility of private capital markets inevitably requires additional administrative and compliance activity. However, practical measures can be implemented to minimise these costs — as outlined in the proposed enhancements.

A key finding is that Australia currently lags its peer jurisdictions in terms of its private capital market data reporting and disclosure regime. Existing arrangements do not provide a comprehensive or regular survey of private capital market activity. Critically, Australia lacks the level of visibility present in other jurisdictions — visibility needed to effectively monitor current and emerging market developments and risks. These patterns and Australia’s relative position are illustrated in Figure 1, which summarises the assessment of each country’s regime.

We developed a disclosure ‘strike zone’ that reflects the trade-off between regulatory complexity and market visibility, and also recognises the influence of market size. This concept shows how a regulatory regime can achieve adequate visibility over private capital markets while maintaining acceptable levels of industry compliance. It also acknowledges the important legal and regulatory differences between jurisdictions. Three jurisdictions with different sized private capital markets on an AUM basis (i.e. Singapore, Hong Kong and Canada) have regimes that sit inside this zone and provide some candidate models for consideration. Notably, Australia currently sits outside this zone.

Figure 1: Balancing market visibility and compliance: a global comparison



Source: EY analysis based on S&P CapitalIQ

Note: The relative market scale of private to public capital markets compares private market AUM to public market capitalisation in each jurisdiction. The ratio is larger when private markets are larger. Relative market risk compares the standard deviation in the internal rate of return (IRR; a measure of risk based on volatility in returns) in each jurisdiction to the standard deviation in the IRR across global private markets. The ratio of risk is larger when markets are more volatile than the global benchmark. * Comparisons of market risk should be interpreted considering Australia's unique market structure. Australia's private capital sector is characterised by high levels of retail participation relative to peers, with a large share of funds deployed into real estate development assets. As noted in the body of this report, these features can amplify certain risks (e.g. conduct, liquidity and valuation timing), even where the overall market size is relatively smaller.

What this chart shows

- Compared to other key countries, the size of Australia's private market is relatively small.
- Due to current gaps in the information collected on Australia's private markets (e.g. leverage, liquidity and valuation practices), the true risk profile cannot be fully assessed.
- Almost all Australia's peer jurisdictions, including those with larger private markets, have established more structured disclosure regimes.

What are the implications

- As private markets continue to expand and retail exposure grows, current reporting settings may understate potential vulnerabilities.
- Without reform to data collection arrangements, ASIC cannot provide a detailed and up-to-date assessment of Australia's private market or benchmark any developments against its peers with confidence.

Why this is important

- Market size alone does not determine risk; even smaller private markets can generate integrity and investor protection concerns.
- Regulators require accurate, fund-level information to effectively undertake their supervisory and monitoring responsibilities.
- Collecting better data would enable ASIC to form an official view of the private market, strengthen market confidence and reduce reliance on third-party providers.

How Australia could enhance its data collection arrangements on private capital markets

Based on our comparative assessment of international disclosure regimes, we have identified a set of practical options to improve the visibility and monitoring of Australia's private capital markets. These options, informed by overseas examples, focus on three main initiatives:

- a voluntary survey of private capital markets
- a risk-tiered reporting regime for larger and high risk funds
- an annual state of the market report.

Together, these measures could enhance understanding of market composition, activities and trends, while signalling clear policy intent — benefiting both regulators and industry. An annual report informed by improved data collection could serve as a major platform for industry development and awareness.

As illustrated in Figure 1, these reforms could move Australia's reporting regime well into the 'strike zone', appropriately calibrated to the local market size, potential market impact and existing regulatory structures. Such reforms would be proportionate to the approaches taken by countries like Singapore and Hong Kong.

To support these core measures, we also propose additional initiatives to strengthen governance, standardisation and data sharing, including:

- standardising valuation approaches to improve data aggregation
- enhancing data sharing arrangements across relevant agencies.

While these options will involve some additional compliance and administrative costs, these are expected to be manageable, with technology solutions such as online portals helping to reduce costs.

The proposed measures are mutually reinforcing, scalable and risk-targeted, designed to strengthen ASIC's monitoring capacity and institutional capability. In our view, they could realistically be developed and phased in over 12–18 months with industry co-design and collaboration.

This set of reforms is intended to support ASIC to align with global best practice, strengthening its evidence base for the future direction of Australia's disclosure framework.

Table 2: Summary of options to strengthen Australia's private capital markets data regime

Option	What it involves	What it will do	Implementation considerations
Option 1: Annual survey	▪ Conducting a voluntary survey annually ▪ The provision of a consistent baseline view of private capital market participants ▪ The inclusion of new metrics over time	▪ Provide repeatable data for market sizing, asset class exposure and risk profiling ▪ Enable evidence-based policymaking and supervisory insight ▪ Support a gradual uplift in regulatory visibility	▪ Voluntary participation would require no changes to current legislation ▪ The survey could be designed in collaboration with industry ▪ Standardised format required to streamline submission and analysis ▪ May benefit from collaboration with the ABS to leverage survey infrastructure and long-term trend data
Option 2: Risk-tiered periodic reporting	▪ A mandatory reporting regime for large, high-risk funds ▪ The provision of high-frequency data on key systemic risk indicators	▪ Capture high-frequency data from large, resourced participants ▪ Complement the annual survey with trend analysis ▪ Improve real-time monitoring of systemic risks ▪ Support timely interventions	▪ Requires ASIC to define threshold risks for funds ▪ Mandatory reporting would require changes to legislation ▪ Compliance monitoring (and penalty enforcement) would require internal resourcing
Option 3: Annual state of the market report	▪ A public report summarising private capital market activity year on year ▪ A discussion of annual themes (e.g. liquidity risks and retail activity)	▪ Improve transparency and reduce information asymmetry ▪ Build credibility and market confidence ▪ Demonstrate value of reporting	▪ Requires modest internal resourcing for analysis and publication ▪ Must be clearly aligned with international data definitions and trends
Option 4: Enhancing governance structures	▪ Designing updated guidelines for asset valuations to standardise reporting ▪ Increasing cross-regulator collaboration ▪ Enhancing existing venture capital frameworks	▪ Increase data quality for risk and performance assessment ▪ Reduce regulatory blind spots through improved inter-agency visibility ▪ Encourage forward-looking, coordinated regulation	▪ Requires modest internal resourcing to enhance existing frameworks ▪ Guidelines could be co-designed with industry

1. Introduction

Private capital markets have become a larger and more connected component of the global financial ecosystem, enabling businesses to access capital to support and expand their operations. These markets can be an important source of funding for many businesses, particularly smaller or riskier enterprises, which can face challenges in raising capital in public capital markets.

As private capital markets continue to grow and change, ensuring robust reporting frameworks becomes more crucial for enhancing market transparency, investor confidence and informed regulatory oversight. In this context, ASIC is paying greater attention to private capital markets and how recent growth may present new issues and risks to the financial system.

To inform its ongoing policy focus on private capital markets, ASIC engaged EY to review how peer jurisdictions monitor and report on private capital markets and how this could inform the development of a private capital market disclosure framework for Australia.

The following jurisdictions were examined:

Singapore	United States (US)
European Union (EU)	Hong Kong
Germany	Switzerland
France	New Zealand
United Kingdom (UK)	Japan

The analysis also involved a range of consultations with overseas financial regulators.

The review sought to understand:

- the types of disclosures and data collected by international financial regulators
- how this information can support effective regulatory oversight, systemic risk monitoring and investor decision making
- the operational, compliance and confidentiality issues related to international disclosure practices
- how global data collection and reporting practices can provide guidance for Australia in revising or modernising its data disclosure arrangements.

Several policy issues are important for private capital market data collection

ASIC recently released a discussion paper exploring key interactions between public and private capital markets[1] in which several key conclusions were drawn:

- **Enhanced data transparency supports overall market integrity and investor confidence, and allows regulators to better supervise market conduct.** Comprehensive data further enables regulators to monitor the broader financial system, identify efficiency improvements and manage systemic risks proactively. Conversely, inadequate market visibility can have severe consequences – indeed, poor transparency was identified as a contributing factor to the global financial crisis.

[1] ASIC, 2025, *DP Australia's evolving capital markets: A discussion paper on the dynamics between public and private markets*

- **Regulators currently have limited visibility into private capital markets.** Complete, timely and higher-quality data on private capital market activities is essential to support effective policy development and sector supervision. Current data limitations impede regulatory oversight by restricting the ability of regulators to adequately track market developments or effectively prioritise supervisory activities.

- **Australia's regulatory reporting framework for private capital funds currently lags behind international best practices.** Jurisdictions, including the US, the EU, the UK and New Zealand, regularly collect detailed data about their funds management industries, significantly aiding in regulatory oversight. These models offer valuable lessons for Australia (as highlighted in this report), where current reporting practices are less consistent and comprehensive, leading to reduced transparency and comparability.

Emphasising these issues, a recent ASIC symposium on private capital markets indicated that the regulator may have underestimated the true scale of Australia's private capital markets.[2] There was a consensus by participants that regulators need accurate and thorough market insights to adequately perform their responsibilities. There was also broad agreement on the need for enhanced standardisation and transparency to better serve investor interests. This report explores these two issues in the context of developing options for a revised reporting and disclosure framework that could be adopted for Australia.

Report structure

This report is structured as follows:

- **Chapter 2** discusses recent developments in private capital markets, including the various forms of debt and equity, the growth drivers, and the key policy and regulatory issues related to changes in structure.

- **Chapter 3** surveys the international landscape of private capital market data reporting and disclosure frameworks in peer jurisdictions. It highlights key similarities and differences across countries, where structural or regulatory features of markets influence respective information arrangements, and the level of market visibility that these arrangements provide.

- **Chapter 4** builds on the preceding analysis by critically assessing peer frameworks and their relevance to Australia. It then sets out a range of potential and actionable options to revise local reporting and disclosure frameworks that can balance the interests of investors, regulators and policymakers.

- **Chapter 5** includes some concluding comments on the analysis and potential options going forward.

The **appendices** provide further information on the comparative analysis of the data disclosure and reporting regimes, the adopted approach to the analysis and references.

[2] ASIC, 2025, *ASIC Symposium panel: Private markets, where to now?*

2. The growth and development of private capital markets

Across advanced economies, private capital markets are growing significantly and there has been a relative (and uneven) decline in public companies and initial public offerings (IPOs). Relationships between public and private capital markets are increasingly complex, driven by shifts in investor preferences, regulatory landscapes and macroeconomic conditions.

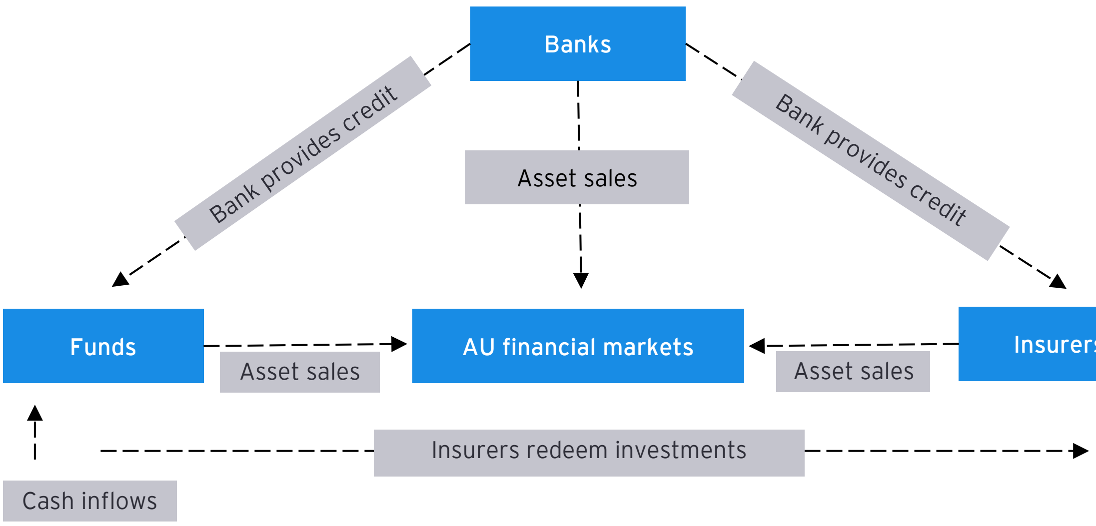
The rise of private capital markets creates new risks for regulators. At an extreme, it could undermine the size and diversity of the share market if privatisations were to outnumber floats. As private capital markets lack the accessibility and transparency of public capital markets, ASIC's international peers have strengthened or revised their existing reporting regimes to address issues related to asymmetric information and misaligned incentives.

Similarly, ASIC now seeks to ensure that Australia's reporting regime is fit for purpose to deliver timely recurrent data to monitor private capital markets and their attendant risks.

What are private capital markets?

Private capital markets are sections of the financial system where capital is raised and allocated through non-public channels, typically through direct negotiations between investors and companies. The market encompasses a diverse range of asset classes, including hedge funds, private equity, real assets and private credit. These asset classes are primarily accessed through private capital funds or investor consortiums, which enable collaborative investment in large, illiquid and unlisted opportunities requiring long-term capital and expertise.

Figure 2: Private capital flows



Conversely, public capital markets involve financial activities where companies raise and allocate capital through public channels such as public exchanges. Public capital markets include public debt markets, listed entities and exchange traded funds. As private capital transactions occur outside public channels, its market participants are subsequently subjected to relatively different and lower reporting requirements.

The distinct regulatory context

The structure, incentives and risk channels of private capital markets differ fundamentally from those of traditional banking. Non-bank financial intermediation operates in a different data environment, characterised by bespoke financing structures, longer capital lockups and limited transparency. Unlike banks, private funds do not rely on deposit taking and are not subject to central bank oversight or prudential regulation. This tends to make traditional regulatory tools less effective and underscores the need for tailored data strategies that reflect the complexity and opacity of these markets.

Conventional approaches built for bank supervision, such as balance sheet assessments or liquidity coverage ratios, may not capture the true risk dynamics of private capital activity. A fit-for-purpose regulatory framework should therefore focus on proportionate and targeted reporting that reflects the unique attributes of this sector. At a practical level, this would enable forward-looking visibility into investment exposures, funding structures and risk interlinkages without defaulting to bank-style supervision.

Private capital markets across advanced economies are growing

The growth of private capital markets has fundamentally transformed the structure of the global financial system. Over the past decade, global private capital AUM has tripled to USD14.6 trillion.[3] This momentum is expected to continue, with the global alternatives industry forecast to surpass USD30 trillion by 2030.[4]

An important complement to public capital markets, private capital markets offer investors access to more diverse asset classes and flexible capital-raising opportunities. Their appeal lies in enabling longer investment horizons, enhanced portfolio diversification and flexibility, and the potential for higher returns. It is widely agreed that the growth of Australia's private capital markets is not driven by its regulatory environment but by a range of other factors.

- Private capital is particularly attractive to small, early-stage or riskier companies seeking funding outside the constraints of public capital markets. The rise of institutional and private equity investors, who are willing to commit to long-term and illiquid capital, has played a key role in private capital market growth.

- Private capital markets offer investors longer time horizons and greater flexibility, which can translate into higher returns. This appeals to growth-oriented companies that want to reinvest earnings, pursue acquisitions, or restructure operations without short-term market pressures.

- Volatility in public capital markets, driven by inflation, geopolitical tensions and tighter monetary policy, has made private credit and direct lending more attractive. In this context, private debt markets have grown substantially, offering higher yields and greater perceived stability than public capital markets.

A wide range of complex factors drive private capital market growth. This trend reflects not only changing investment dynamics but also a broader re-evaluation of how capital is efficiently deployed in a shifting economic environment. In response, regulators are increasingly focused on understanding how their reporting regimes influence financial market growth and decision making.

[3] ASIC, 2025, *DP Australia's evolving capital markets: A discussion paper on the dynamics between public and private markets*
[4] Preqin, 2024, *Global alternatives markets*

ASIC's domestic consultations

To better uncover the factors reshaping capital market dynamics, ASIC has undertaken domestic consultations with industry stakeholders. These consultations highlighted several key findings, which are summarised below.

Figure 3: Key findings from ASIC's domestic consultations

Structural growth in private markets

The expansion of private markets is a significant and structural global trend. While this growth indicates investor confidence in existing regulatory frameworks, it also reflects a preference among companies to remain private for longer periods, seeking long-term growth opportunities without the obligations of public listing.

Need for enhanced transparency

The discussion paper emphasised concerns over the opacity of private markets, particularly regarding valuation practices, leverage and potential conflicts of interest. ASIC acknowledged the necessity for improved data collection and transparency to better monitor market dynamics.

Influence of superannuation funds

Superannuation funds have become a significant and structural influence in Australia's capital markets. Their growing participation, especially in private markets, underscores the need for regulatory frameworks that ensure these investments are managed prudently and transparently.

Challenges in public market attractiveness

Feedback highlighted that public markets play a critical role in capital raising and price formation. However, there is a need to adjust regulatory settings to enhance their appeal. Suggestions include further streamlining the IPO processes, simplifying governance requirements and facilitating more foreign listings.

Balanced regulatory approach

ASIC seeks to strike a balance between implementing regulatory measures to mitigate risks and allowing private markets to innovate and grow. The discussion paper invited feedback on achieving this equilibrium without stifling market development.

Global regulatory alignment and comparability

Stakeholders emphasised the need for regulatory comparability with key markets such as the US, UK and EU – particularly as global capital allocators operate across jurisdictions. This includes ensuring that disclosure frameworks, fund governance expectations and data collection efforts remain competitive and interoperable to support Australia's capital market participation globally.

2.1 Australia's private capital markets

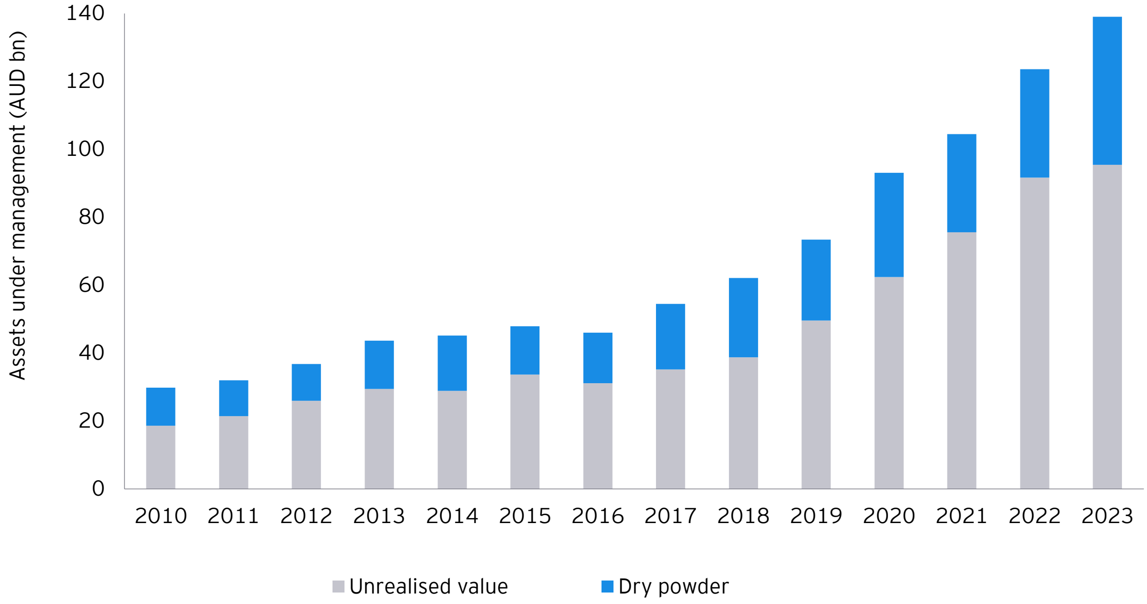
The structure of Australia's capital markets is changing, and private capital markets across advanced economies are substantially growing. In the decade proceeding 2024, the value of Australian private capital funds and AUM grew by 161%, and the value of its listed entities was significantly higher than that of the ASX, which grew by 91% across the same period.[5]

As of 30 June 2023, Australia-focused private capital funds (all manager domiciles) reached AUD139 billion, tripling over the previous decade. The majority of this growth was driven by the sharp rise in 'dry powder', which was driven by strong fundraising and deal activity during 2021 and 2022.[6] As of 2023, real estate comprises the largest share of total AUM at AUD55.7 billion, followed by private equity at AUD45.5 billion and venture capital at AUD20 billion.

[5] ASIC, 2025, *DP Australia's evolving capital markets: A discussion paper on the dynamics between public and private markets*

[6] 'Dry powder' is defined as the amount of capital committed for private market funds but not deployed.

Figure 4: Australia-focused private capital AUM



Source: Preqin Pro[7]
Note: There are difficulties in precisely measuring the size of private credit markets given the lack of consistent and publicly available data, and the wide range of private capital products. A recent EY survey of private capital market participants estimates the value of private capital AUM in Australia is closer to AUD213 billion in 2025.[8]

The reduced dominance of public capital markets is evident in Australia's reduced IPO activity. The ASX recorded only 29 IPOs in 2024; the lowest number recorded in two decades. This decline is attributed to several factors, among them the strong concentration in the financial and mining sectors, which provides investors with limited exposure to growth-oriented and emerging industries. Further, many companies choosing to remain private, raise capital with private capital funds or list in offshore markets. However, in ASIC's view, it is premature to assess whether the decline in Australia's public listings reflects a structural trend.

[7] Australian Investment Council, 2024, *Australian private capital yearbook 2024*
[8] EY, 2025, *2025 Australian Debt Market Update*

Decreased dominance of public capital markets — the decline in public listings

Poor listing volumes across many advanced economies have raised concerns about the health of public capital markets. Global IPO volumes have fallen to USD44.3 billion — the lowest level in nine years. Over the past year, IPO volumes declined by 12% in the US and 64% in Europe. However, Asia-Pacific markets recorded a 28% increase, driven by regulatory easing that has stimulated a pickup in listings.

The sustained decline in public listings in the developed market has unsettled investors and regulators, raising concerns as to its drivers and the implications for financial markets. Australia followed this trend; the IPO activity and capital raised have been consistently declining since 2021. As noted above, ASIC is of the view that it is too early to assess whether the sustained decline in Australia's public listings represents a structural shift.

Across advanced economies, several factors are believed to be driving the decline in public listings. Following are the most pertinent factors for the Australian context.

- **Geopolitical volatility** — Heightened global uncertainty, driven by geopolitical tensions and shifting foreign economic policies (e.g. trade restrictions and tariffs), is dampening market sentiment on demand and investment.
- **Mergers and takeovers** — Increased privatisation and public-to-private mergers and acquisitions (M&A) activity has contributed to a concentration of public equities and reduced the number of listed firms.
- **Democratisation of private capital** — Increased accessibility of private capital markets is providing attractive and competitive alternatives to public fundraising.
- **Emergence of new industries** — Firms in sectors such as technology tend to prefer private capital because they have lower capital needs or wish to avoid the difficulties of valuing their intangible assets.
- **Rise of index trading** — The expansion of passive investment strategies has resulted in many IPO prospects being overlooked.

ASIC acknowledges the importance of actively monitoring whether this trend reflects a structural shift or a cyclical downturn. The increased trend in negative net listings has prompted ASIC to deploy its available levers to support dynamism.

Correspondingly, in June 2025, ASIC revised its IPO fast-track process as part of a two-year trial aimed at enhancing deal certainty and reducing administrative friction. The reform seeks to revitalise segments of the market by streamlining listing timelines and facilitating earlier engagement between issuers and ASIC.

The different forms of private capital and their attendant risks

There are multiple forms of private capital assets, which comprised a total of AUD139 billion in AUM at June 2023.[9] These include:

- **real estate** – investing in and developing commercial, industrial and residential properties, including existing or new buildings
- **private equity** – acquiring and managing private companies to increase their value and sell them for a profit, which can involve leveraged buyouts, growth capital or turnaround strategies
- **venture capital** – funding early-stage, high-growth startups and small businesses, with returns paid out if the business is successful
- **infrastructure** – investing in long-term, essential assets like roads, bridges, airports, utilities and energy projects
- **natural resources** – investing in companies or assets related to natural resources, such as mining, oil and gas, and agriculture
- **private debt** – providing loans to private companies, which can be to fund growth, acquisitions or recapitalise a business, acting as an alternative to traditional bank lending.

While the forms of private capital assets are diverse, they each present some familiar risks, particularly around non-transparent valuation methods, information asymmetry and poor governance processes.

Perhaps the greatest risks lie in Australia's real estate and private equity markets, which make up a combined 80% of total AUM. Without appropriate oversight and transparency, these asset classes could pose significant risks related to misleading valuations, illiquidity, information asymmetry and governance issues. Table 3 below highlights some of the potential risks inherent to each asset class without appropriate supervision.

[9] Preqin, 2024, *A Preqin and Australian Investment Council Yearbook 2024*

Table 3: An overview of private capital asset classes, their AUM and potential risks

Asset class	AUM (June 2023)[10]	Potential risks
Real estate	44%	▪ Property valuation risks, including misleading or fraudulent valuations ▪ Information asymmetry around critical information on property performance, tenancies or development risks ▪ An inability to meet redemptions due to real estate illiquidity
Private equity	36%	▪ Misleading and non-standardised performance metrics ▪ Conflicts of interest in which managers may prioritise their own interests over investors ▪ Poor corporate outcomes due to governance issues and lack of transparency in the management of private companies
Venture capital	6%	▪ Failure to disclose risks, including the high risks and high-failure rate nature of early-stage investments ▪ A 'bubble' of investments made at unsustainable prices due to inflated valuations of private companies ▪ A lack of due diligence before investing
Infrastructure	6%	▪ Project overruns and cost blowouts ▪ Negative impacts on the profitability of these assets due to changes in government policy or regulations
Natural resources	4%	▪ Inflated company valuations and misinformed investment decisions due to inaccurate or fraudulent reporting of resource reserves ▪ Failure to manage environmental damage or social impacts, which may be concealed from investors
Private debt	4%	▪ Lending to unqualified borrowers with a high probability of default ▪ Complex and non-standard terms and conditions in private debt agreements that make it difficult for investors to assess risk

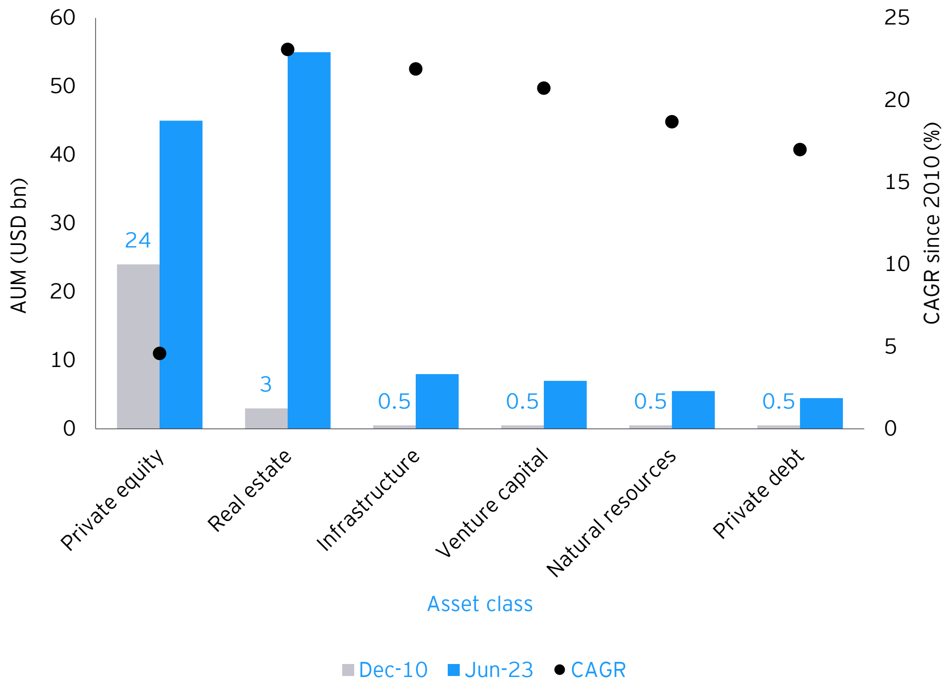
Importantly, Australia's private capital markets face some unique risks. First, many private capital asset classes are available to retail investors and high-net-worth (HNW) individuals, particularly real estate, private equity and venture capital. A lack of appropriate oversight of these markets can leave these investors exposed to potential risks.

Second, Australia's private capital markets are dominated by real estate and private equity. These asset classes are relatively non-transparent and, in Australia's case, are growing rapidly. In particular, real estate AUM has grown by a compound annual growth rate (CAGR) of 23% since 2010 (see Figure 5) — this is triple the growth of the ASX 200 over the same period.

This demonstrates the importance of expanding the visibility and transparency of these markets, which have become major asset classes. In effect, steps to improve visibility over these asset classes should be proportionate to their financial size and consistent with the trend observed across peer jurisdictions.

[10] Australian Investment Council

Figure 5: Growth in Australian private capital AUM by asset class



Source: EY analysis based on Preqin Pro

In addition to market-wide risks, private capital also presents specific risks to particular investor groups, especially high-net-worth and retail investors. These investors may gain exposure to complex private market assets through managed investment schemes (MISs), feeder funds or structured products marketed under wholesale exemptions. However, they typically have limited visibility into portfolio composition, leverage levels, valuation methodologies and liquidity profiles.

Without tailored disclosure and oversight, these investors may be disproportionately exposed to valuation volatility, redemption risks or governance failures without the tools to independently assess risk or demand redress. This heightens the need for regulatory frameworks that prioritise transparency, consistent reporting and risk-based supervision, particularly where private capital is increasingly marketed beyond institutional circles.

Australia's current reporting framework

Australia's regulatory framework for private capital markets adopts a light-touch approach, particularly for wholesale and unlisted vehicles, with no purpose-built disclosure regime in place. Oversight responsibilities are primarily shared between ASIC and the Australian Prudential Regulation Authority (APRA).

Table 4: Summary of Australia's current reporting framework

	Private capital	Superannuation
Regulator	ASIC	APRA
Reporting requirements	▪ AFSLs must lodge Form FS70 (entity-level data) ▪ Registered (retail) MISs must lodge audited financial statements ▪ Wholesale funds are not required to be registered, and financial statements are prepared on a voluntary basis ▪ Fund-level disclosure is not mandated	Mandatory quarterly and annual reporting under APRA's Prudential and Reporting Standards for Superannuation (SRS)
Data collected	FS70 data (e.g. net tangible assets, total value of the scheme or the Investor Directed Portfolio Service (IDPS) property of its managed fund); IFM data from responsible entities, wholesale trustees, IDPS operators and superannuation trustees (e.g. conduct, client type and financial capacity); third-party market intelligence provider data; limited visibility data on leverage, liquidity, portfolio exposure or counterparty risk	Fund-level data (e.g. structure and governance, investment option disclosures, performance, asset allocations, concentrations, fees and expenses) and aggregated member data
Cross agency collaboration	Fragmented and limited; ASIC obtains a data feed of some APRA-collected data; some aggregate data via ABS and RBA, but structured coordination is limited	Some alignment with ABS and RBA for macroprudential data (e.g., under SRS 552 and 720-722); better but still lacks detailed insights into private capital exposure

ASIC is the primary conduct regulator and oversees the licensing of fund managers through the Australian Financial Services Licence (AFSL) regime. ASIC collects some data from managed funds in their annual financial statements via Form FS70. This captures information such as the net tangible assets of AFSL holders and the total value of the scheme or IDPS property of its managed fund(s). It also includes disclosures of information on client classification, conduct and financial resource adequacy. This data is reported at the entity level and does not capture scheme- or asset-level detail.

ASIC also receives annual audited financial statements and, in some cases, half-yearly audited financial statements, for registered MISs. Some registered MISs are also required to lodge sustainability reports, including those holding at least AUD5 billion in total assets. Further, self-reported IFM data is submitted annually by responsible entities, wholesale trustees, IDPS operators and superannuation trustees. This data is retrospective, point-in-time and lacks granularity, which reduces its utility for ASIC's regulatory and advisory purposes.

As such, key private side risks indicators such as leverage, liquidity, portfolio diversification and counterparty exposure are not reported, limiting ASIC's capacity to monitor private capital market risks.

Supplementing this data, ASIC has access to several third-party market intelligence providers such as Bloomberg, Morningstar, Rainmaker, PREQIN and Investment Trends. While these sources provide additional data points into the private managed funds sector, they have several limitations.

- The data is collected through voluntary survey submissions, limiting its capacity to provide a complete picture of private capital market activities.
- Information is self-reported by entities, raising concerns regarding reliability.
- Classifications and definitions used by third-party market intelligence providers often differ from ASIC's interpretations, constraining its usefulness for private capital risk analysis.

Outside these sources, the Australian Bureau of Statistics (ABS) collects some data on private credit funds through national accounts. However, this data tends to be aggregated and therefore of limited utility to extract meaningful insights into financial market risks.

Australian superannuation funds are regulated by APRA, which collects annual and quarterly data on Registrable Superannuation Entities (RSEs). The full list of reporting standards is maintained by APRA as part of their Prudential and Reporting Standards for Superannuation. This includes information such as:

- **the RSE's profile and governance data**, which includes member counts and segmentation by superannuation product, asset balances and fee arrangements, governance structures, superannuation products, balance sheets and the RSE's business model
- **investment data** including liquidity metrics, securities lending, repurchase and resale transactions, exposure concentrations and valuations, and any derivative positions
- **returns, performance and fees,** which encompasses net returns, fees and costs charged to members, as well as fee structures, rebates and administrative charges to members.

ASIC receives a data feed of this information, which includes asset allocation data for RSEs and a separate category for private credit. However, APRA's terminology and definitions are different from those used at ASIC. While there are legitimate reasons for some differentiation (data is collected by different agencies for different purposes), it creates a barrier to harmonisation and integration of data across private capital market reporting. At present, APRA's data on RSEs provides a partial view of private credit market activities.

Economic and financial statistics (EFS) on registered financial corporations and authorised-deposit-taking institutions (ADIs) are also collected by APRA, on behalf of the ABS and Reserve Bank of Australia (RBA), under the *Financial Sector (Collection of Data) Act 2001*. This includes information on selected assets and liabilities on Australian books of ADIs. While the coverage of this data collection is limited, it is made publicly available through APRA's Monthly Authorised Deposit-taking Institution Statistics release. APRA, the ABS and RBA are also in the process of reviewing publication of this data.

Making better use of existing information

While current reporting arrangements leave ASIC with significant blind spots, there is scope to make better use of the information it already collects. FS70 returns, IFM data and the audited financial statements of registered schemes provide baseline insights into market participants, entity scale and financial capacity. Data feeds from APRA and the ABS provide complementary coverage of superannuation exposures and aggregate private credit activity.

In practice, the value of these inputs is constrained by the format of the data, as well as its granularity and comparability. Much of the data is lodged in PDF or other non-machine-readable forms, reducing its analytical utility. Reporting definitions also vary across sources, limiting cross-dataset reconciliation. Despite these constraints, the following incremental improvements could strengthen supervisory outcomes.

- **Digitisation and standardisation** — Converting existing FS70 and IFM submissions into structured, machine-readable formats would allow ASIC to automate aggregation and trend analysis. Even without new data points, greater standardisation would make current information more actionable.
- **Targeted analytics** — Applying risk-based filters to existing data (e.g. entity size, asset composition and investor type) could help ASIC prioritise supervisory attention within the constraints of the current coverage.

- **Integration with third-party sources** — While reliance on commercial data providers is not a substitute for regulator-sourced data, aligning ASIC's internal collections with these datasets could provide useful triangulation and validation of key market indicators.

Limitations of existing information

ASIC's current information activities provide partial insights into private capital market activity but are far from providing a complete or timely view. Data is primarily collected at the entity level, retrospective in nature and fragmented across different sources. As a result, ASIC has limited visibility into leverage, liquidity transformation, valuation practices, portfolio concentrations or counterparty exposures — the dimensions most relevant to understanding how risks can build over time and ultimately transmit across the financial sector and broader economy.

The format of existing submissions also constrains data usability. Much of the information is not digital-friendly or machine-readable, complicating aggregation and analysis. Differences in definitions and scope across sources further reduce comparability and limit supervisory value.

Incremental improvements, such as structured templates, stronger alignment of definitions and greater investment in digital infrastructure, could improve the utility of current collections. However, these measures would not resolve the fundamental blind spots. Without systematic, recurring fund-level reporting, ASIC will remain reliant on third-party providers and will be prevented from forming an authoritative, regulator-endorsed view of Australia's private capital markets.

2.2 The need and opportunity to review existing reporting frameworks

The growth of private capital markets has reshaped the capital formation landscape, prompting a review of whether existing regulatory frameworks remain fit for purpose. Notably, their ability to provide regulators with comprehensive, timely and decision-useful data that reflect these new market dynamics needs to be assessed.

The need for further intervention will depend on whether ASIC has sufficient data to assess market risks given the growth of private capital markets. These markets also present different risks that must be addressed to ensure efficient capital allocation and safeguard market integrity. ASIC has identified the following key concerns in private capital markets.

- **Information asymmetries** — The opaque nature of private capital markets limits the availability of material information to investors, impeding their ability to make informed decisions. This can result in the unequal treatment of investors, as fund managers may exploit this opacity by withholding critical disclosures. Such practices distort competition by limiting comparability across investment opportunities and may even result in preferential terms (e.g. selective redemption rights for favoured investors). This undermines fairness and weakens market confidence.

- **Conflicts of interest** — Private capital market structures are often complex, and the roles of fund managers, portfolio companies and affiliated service providers may overlap. Without robust governance frameworks, misaligned incentives can compromise market confidence. Effective conflict management protocols are essential to uphold the integrity and fairness of private capital market transactions.

- **Valuation uncertainty** — Asset valuation in private capital markets often relies on models and discretionary assumptions rather than observable market prices. This allows for valuation subjectivity, which can ultimately affect investment entry and exit pricing, performance benchmarking and fee calculations. Inaccurate or inconsistent valuations can mislead investors and distort fund performance metrics.

- **Illiquidity** – Private capital market investments are generally illiquid, with gains realised across lengthier time horizons. Illiquidity creates challenges for investors seeking timely access to funds or flexibility for portfolio restructuring. It also amplifies the impact of unfavourable market conditions, as investors may be unable to exit positions without significant value erosion.

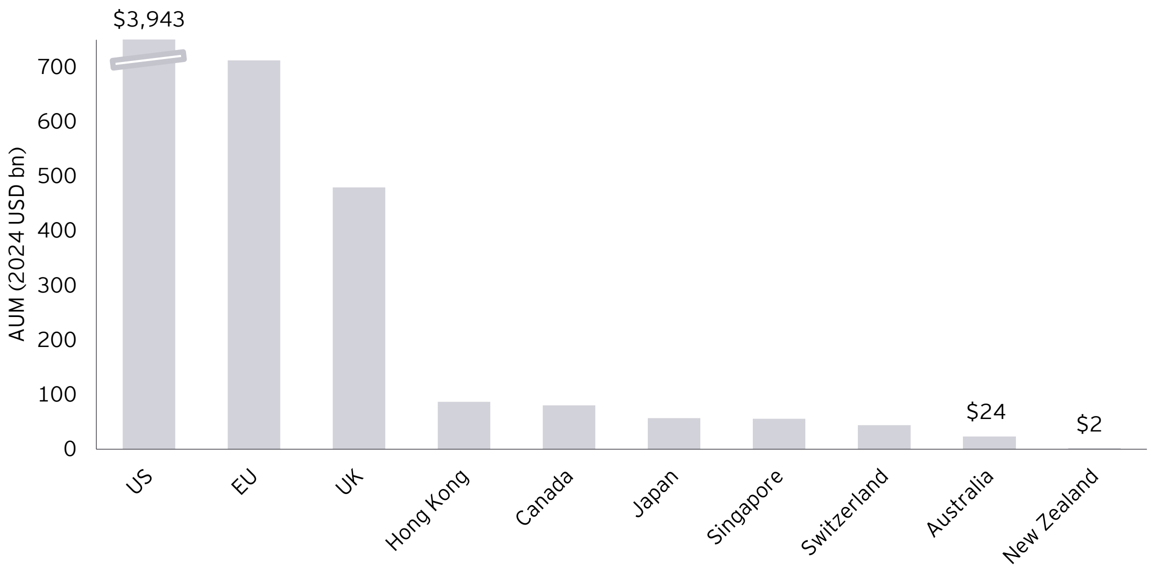
- **Leverage** – The use of leverage in private capital market funds poses heightened risks in downturns. It can amplify losses, trigger liquidity stress and lead to forced asset sales. High levels of fund- or portfolio-level leverage also increase interconnectedness and systemic risk, further complicating financial stability monitoring.

Many other advanced economies have already updated their regulations to meet changes in private capital markets

While public capital markets continue to serve as the foundation of capital markets, the growing importance of private capital markets presents unique challenges that could elevate systemic risks, including financial system disruption, which could cause significant harm to the economy. Characteristics typical of private capital markets (e.g. limited transparency and disclosure requirements, illiquidity, highly leveraged investments and valuation uncertainty) can contribute to heightened risks and financial instability. These challenges not only impact individual national economies but can also have far-reaching consequences across the global financial system due to the interconnected nature of markets and capital flows.

Regions such as the US, the EU and the UK have substantially larger private capital markets compared to other countries. As illustrated in Figure 6, the US has the largest private capital market by far with nearly USD4 trillion in AUM in 2024, followed by the EU with USD713 billion and the UK with USD480 billion. The private capital market of Australia is much smaller, with a current valuation of around USD24 billion (of funds managed by Australian-domiciled managers).

Figure 6: Private capital market AUM by country of domiciled manager (as of December 2024)



Source: EY analysis based on S&P Capital IQ and Preqin data.
Note: There are difficulties in precisely measuring the size of private credit markets given the lack of consistent and publicly available data, and the wide range of private capital products.

The sheer volume of capital in these markets ultimately exposes them to higher degrees of systemic risk. Consequently, these nations require comprehensive regulatory frameworks to mitigate these risks and maintain market integrity.

The UK's inquiry into private capital markets reflects the global regulatory response to structural shifts in capital formation

In 2025, the House of Lords Financial Services Regulation Committee launched a formal inquiry into the growth of private capital markets, reflecting rising concern among advanced economies about the adequacy of reforms after the 2008 global financial crisis to combat new systemic risks. The inquiry specifically examines whether the regulatory capital and liquidity reforms introduced after the crisis have had unintended consequences, including whether they have curtailed banks' willingness or capacity to lend to the real economy, driving a secular shift towards non-bank channels of capital allocation.

Of central interest is the extent to which this structural migration of risk has outpaced regulatory visibility. The committee has sought to understand the degree of oversight the Bank of England currently has over private capital markets, the interconnections between these markets and the formal banking system, and the potential spillovers to financial stability. These questions reflect a growing concern among global regulators that the opacity of private capital markets, especially leveraged segments, may conceal risks that could spread rapidly through interlinked credit and counterparty relationships.

The UK inquiry is part of a broader global pattern. Similar questions are being raised by the Financial Stability Board, International Organization of Securities Commissions (IOSCO) and other supranational bodies about data completeness, regulatory perimeters and the sufficiency of existing disclosure regimes. The emerging conclusion across jurisdictions is not that private capital markets inherently pose a greater risk but that the tools to monitor and manage these risks remain underdeveloped relative to their economic significance. In this context, the UK's inquiry offers a timely example of a proportionate, forward-looking regulatory recalibration that recognises the economic value of private capital formation while seeking to mitigate emerging systemic vulnerabilities.

3. The international data reporting and disclosure landscape

Just as the structure, size and composition of private capital markets differ across jurisdictions, so too do their regulatory regimes. This is reflected in the way each jurisdiction approaches data collection and market transparency. While each follows a similar regulatory architecture – under which, for example, fund managers are required to be registered or licensed in that jurisdiction – they have different ways of defining who reports, how often, what and to whom.

Regimes across Europe differ materially from those in the US and again from those in some smaller Asian countries such as Hong Kong and Singapore, but all countries maintain functioning regimes for monitoring private capital markets in their respective jurisdictions. The analysis in this section – where we outline the broad range of approaches to regulatory oversight seen internationally and in Australia – demonstrates that there is no 'one' best practice approach.

Due in part to the lack of a consensus view of a best practice approach for the collection and publication of data related to collective investment funds and private capital markets more broadly, these differences matter. They shape how effectively each regulator can monitor market activity, identify emerging risks and construct effective responses to these risks (be they regulatory reform, notices or enforcement action). Ultimately, they influence whether and the extent to which each regulator has sufficient visibility over the scale, risk profile and structure of the market.

Defining 'sufficient market visibility'

Sufficient market visibility refers to a regulator's ability to consistently observe, analyse and respond to developments in private capital markets. This includes access to timely, structured and reliable data on the size, composition and risk profile of market participants, fund structures and investment strategies.

In practice, by defining its own approach to private capital market regulation, each jurisdiction makes its own determination as to whether its visibility of market activities is sufficient. Thus, 'sufficient market visibility' is defined by the outcomes. Importantly, as is outlined in this section, there are real and relevant trade-offs between a regulator's market visibility and the requirements placed on market participants.

A regime with sufficient market visibility enables the identification of emerging risks, supports informed supervisory action and allows for the aggregate monitoring of systemic trends. This visibility must extend beyond initial licensing or registration and be supported by recurring disclosures that are scalable, comparable and adaptable to evolving market conditions.

Understanding what constitutes sufficient market visibility and how different countries achieve it provides a foundation for comparing Australia to these other jurisdictions and for informing future reform options.

International benchmarking through multi-criteria analysis

A detailed data collection and stakeholder consultation exercise was undertaken to understand and compare each jurisdiction's approach to reporting and publishing data on private capital markets. Each assessment criterion in the framework reflects a key design choice or outcome of interest, including how often data is collected and the extent to which reporting requirements cover the range of market participants or fund types (e.g. by through exemptions or reporting thresholds).

Recognising that these design choices and outcomes involve a range of trade-offs and costs related to the collection and dissemination of data, these criteria are grouped into two main categories (with each criterion given equal weighting):

- **private capital market visibility and reporting** — how well disclosures support market monitoring, risk detection, data integration and regulatory coordination
- **compliance requirements** — including costs for industry and regulators, enforceability, scalability and alignment with existing systems.

Regulatory design considerations

Before evaluating the policy options for improving Australia's private capital market reporting framework, it is important to consider the alternative regulatory regimens of other jurisdictions. Different approaches influence how data is collected, reported and used by supervisors, and can shape the overall scope and granularity of disclosure regimes.

One foundational distinction is between entity-based and activity-based approaches to reporting.

- **Entity-based approaches** collect information about the characteristics of the fund manager or adviser (e.g. AUM, leverage or investor composition).
- **Activity-based approaches** focus on the underlying economic functions and risks of the investment strategies or instruments used (e.g. use of derivatives, credit intermediation or sectoral exposures).

Most jurisdictions incorporate elements of both approaches to varying degrees, with activity-based data increasingly prioritised to capture evolving risk profiles and structural elements or even vulnerabilities.

Another consideration is whether reporting obligations are structured through form-based templates with standardised data definitions or principles-based frameworks that allow for flexibility and narrative disclosure. Form-based regimes, such as the EU's Alternative Investment Fund Managers Directive (AIFMD) Annex IV or the Form Private Fund (PF) lodged in the US) tend to enhance comparability and reduce interpretation risk but may require ongoing revisions to remain fit for purpose in dynamic markets.

Supervisory agencies also diverge on whether disclosure obligations are imposed at the fund level or at the level of individual portfolios or strategies. More granular approaches, such as reporting by fund type or asset class, support targeted oversight and aggregation across risk categories (e.g. real estate and private credit) but may increase compliance costs.

Finally, there are differences in the frequency of reporting (some do it quarterly and some annually), the thresholds for reporting (e.g. by AUM size or investor type) and the extent of disclosure (public or confidential). These design features determine how effectively reported data can be used to monitor systemic risk, inform market conduct supervision and support public transparency objectives.

Figure 7: Our framework for assessing reporting regimes

		What it measures	Why it matters
Private market visibility and reporting	Coverage and completeness	▪ Extent to which key asset classes, fund types and risk exposures are captured ▪ Availability of historical time-series data	▪ Helps identify blind spots in current regulatory oversight ▪ Supports comparability with international disclosure regimes
Private market visibility and reporting	Timeliness	▪ Frequency of reporting ▪ Lag between reporting period and data availability	▪ Timely data is critical to detecting emerging risks and market changes
Private market visibility and reporting	Support monitoring of market developments and emerging risks	▪ Usefulness of data for early detection of systemic risk ▪ Shifts in fund structures, capital flows or counterparty exposures	▪ Enhances financial stability oversight ▪ Supports proactive, risk-based supervision
Private market visibility and reporting	Data complementarity	▪ Integration with other regulatory datasets ▪ Use of standard identifiers	▪ Enables holistic, cross-sectoral insights into risk and investor behaviour ▪ Improves coordination across regulatory agencies
Private market visibility and reporting	Collaboration	▪ Willingness of industry to comply and contribute to data design ▪ Opportunities between regulators and agencies	▪ Encourages innovation in data collection and use ▪ Ensures relevance and uptake of disclosures by all stakeholders
Compliance requirements	Compliance	▪ Clarity and enforceability of reporting obligations ▪ Alignment with legislative frameworks and international standards	▪ Ensures consistency and comparability across industry ▪ Reduces regulatory arbitrage or avoidance ▪ Supports transparent enforcement and accountability
Compliance requirements	Cost and resourcing	▪ Financial and administrative burden on industry ▪ Availability of tools to automate collection, validation and analysis	▪ Sets resource requirements for regulators to process and assess data ▪ Ensures reporting requirements are proportionate and scalable

3.1 Benchmarking Australia against other jurisdictions

There is a high degree of alignment among the overarching regulatory architectures applied across jurisdictions. Most jurisdictions have some form of reporting requirements, most collect data at either quarterly or annual intervals, and most seek to standardise their reporting. All jurisdictions also require market participants, including fund managers, investment advisors and intermediaries, to be licensed or registered and to meet minimum conduct standards.

However, there are lessons that can be learned and applied in Australia based on the different approaches observed internationally. For example, while jurisdictions such as Singapore, France and Japan make elements of their collected data publicly available, they differ in how and what they disclose. Singapore publishes aggregated and de-identified findings from its annual Asset Management Survey, which provide insights into:

- the AUM by strategy and sector
- fundings sources and deployment
- retail investment flows.

Conversely, France provides aggregated time-series data relevant to systemic risk through its Webstat portal. Japan, publishes a searchable collection of reports submitted by fund managers, enabling users to interrogate disclosures across multiple dimensions.

Most jurisdictions have also invested in dedicated digital infrastructure to streamline reporting. Examples include:

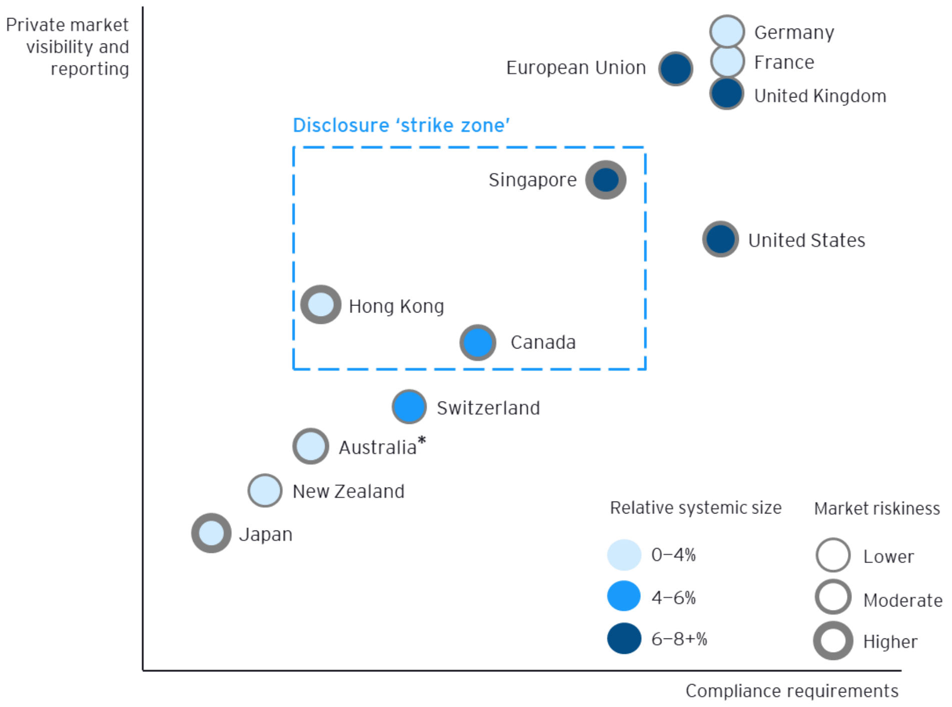
- Singapore's Data Collection Gateway
- Switzerland's *Erhebungs- und Publikationsplattform* (EHP) portal
- Japan's Electronic Disclosure for Investors' NETwork (EDINET) system
- Canada's System for Electronic Data Analysis and Retrieval+ (SEDAR+) platform.

Some jurisdictions (e.g. Canada, Germany and Switzerland) adopt relatively uniform reporting frameworks across private capital participants. Others (e.g. the US and Hong Kong) implement more granular, disclosure obligations specific to fund type, and tailored to the risk and activity profile of different market participants.

Japan's broad exemptions are particularly notable for their impact on regulatory visibility. Foreign fund managers, funds with under ¥100 billion AUM (approximately AUD950 million) and wholesale funds are largely exempt from reporting obligations. However, the relatively small scale of Japan's private capital markets limits the systemic risks associated with these exemptions. These thresholds reflect a deliberate trade-off to encourage market growth while relaxing reporting costs on select participants.

Figure 8 provides an overview of our analysis. It benchmarks the data reporting regimes of jurisdictions against each other and positions them based on our analysis of their data reporting robustness (as discussed in this chapter and Appendix A). Each jurisdiction's private market is also categorised based on a combination of factors: the relative scale of private to public capital markets and the risk profile of those markets. Private-to-public capitalisation is used as a proxy for systemic size (high, medium or low), while market risk is assessed using volatility in returns, structural features such as liquidity and leverage, and the degree of retail investor participation. Volatility in returns, as measured by the standard deviation in returns across each jurisdiction, is presented in Figure 9.

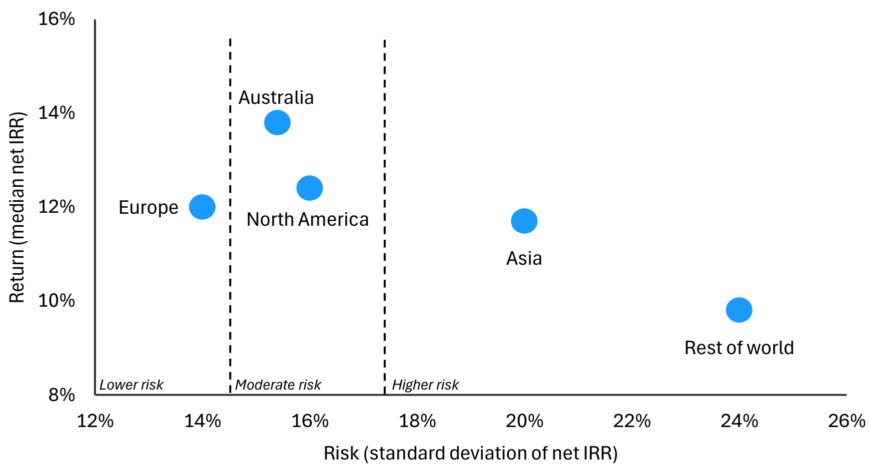
Figure 8: Balancing market visibility and compliance: a global comparison



Source: EY analysis based on S&P CapitalIQ

Note: Relative market scale of private to public capital markets compares private market AUM to public market capitalisation in each jurisdiction. The ratio is larger when the private markets are larger. Relative market risk compares the standard deviation in the IRR (a measure of risk based on volatility in returns) in each jurisdiction to the standard deviation in the IRR across global private markets. The ratio of risk is larger when markets are more volatile than the global benchmark (see Figure 9). * Comparisons of market risk should be interpreted considering Australia's unique market structure. Australia's private capital sector is characterised by high levels of retail participation relative to its peers, with a large share of funds deployed in real estate development assets. As noted in the body of this report, these features can amplify certain risks (e.g. conduct, liquidity and valuation timing), even where the overall market size is relatively smaller.

Figure 9: Private capital risk and return



Source: EY analysis based on Australian Investment Council

As shown in Figure 9, relative market risk complements this picture by comparing global volatility in returns for regions against a global benchmark. Jurisdictions such as Asia exhibit higher return variability, suggesting greater uncertainty in underlying exposures of portfolio strategies.

Australia currently sits in the low range on the private-to-public capitalisation axis, reflecting the comparatively smaller scale of its private capital relative to its public markets. However, this position should be interpreted with caution. Due to current data gaps, particularly around leverage, liquidity and valuation practices, Australia's true market risk is not fully visible.

- **Where are the informational blind spots?** Australia lacks reliable fund-level data on exposures and practices, making its risk position uncertain.
- **How is market risk considered**? Risk is not just about size; even smaller private markets can pose integrity and investor risks where exposures are opaque or concentrated.
- **Why is this important?** Without better data, ASIC cannot reliably understand risks and market developments.

A key implication (as Figure 8 shows) is the clear relationship between the level of private capital market visibility and reporting, and the associated compliance requirements. This highlights the underlying trade-off: more robust data collection, the enhanced analytical use of that data and the development of supporting digital infrastructure all have cost implications for regulators and for market participants. Therefore, the larger the private capital market, the greater the need for a more robust regulatory framework. Currently, the US, the EU and the UK have the highest visibility on data. Conversely, countries such as Australia and New Zealand have smaller private capital markets and lighter regulatory demands.

This reinforces the case for a balanced and proportionate uplift to Australia's reporting framework to improve transparency and oversight without imposing undue regulatory costs. The 'disclosure strike zone' reflects this balance, capturing the range within which jurisdictions have achieved strong regulatory visibility while maintaining manageable compliance expectations.

European Union

	Practice	Why it matters
	▪ Imposes extensive data disclosure requirements on fund managers in member states via the AIFMD ▪ The European Securities and Markets Authority (ESMA) collates data from member states and shares it with the European Systemic Risk Board (ESRB)	▪ Ensures consistent data collection and monitoring across the EU ▪ Enables comprehensive systemic risk monitoring across the EU

Regulatory framework

Private capital markets in the EU operate under a harmonised regulatory framework overseen by ESMA, with day-to-day supervision carried out by the National Competent Authority (NCA) of each member state. The EU's regulatory approach is anchored in the AIFMD, which sets out consistent standards across the states for fund manager licensing, risk management disclosure and investor protection. ESMA provides guidance, ensures the consistent implementation of the directive and aggregates data across jurisdictions, while the NCAs maintain primary supervisory authority in their domestic markets.

Registration

Under the AIFMD, fund managers must be authorised by the respective NCA in their member state. Once authorised, fund managers may use the AIFMD marketing passport to offer their funds across other EU countries without additional registration. This promotes a single market for investment products. The regime applies across a wide range of asset classes, with scaled registration and reporting requirements depending on the size and risk profile of the fund. Smaller managers operating below certain thresholds may benefit from simplified notification procedures.

Disclosures under the AIFMD are submitted directly to NCAs and ESMA. Detailed, fund-specific information provided in these submissions is confidential. Only aggregated or systemic-level data, such as that found in ESMA's risk dashboards, is publicly disclosed.

Disclosure obligations

Under the AIFMD, the disclosure requirements are extensive and form-based, and apply uniformly across all private capital asset classes.

Entity-based disclosures include:

- AUM
- leverage metrics (gross and commitment ratio methods)
- liquidity profiles (e.g. redemption terms and liquid asset percentages)
- investor concentration (e.g. top-five investor exposure)
- counterparty exposure (type and value).

Activity-based disclosures include:

- investment strategies (e.g. buyout, venture and infrastructure)
- geographic exposures (country/region of underlying investments)
- sector-specific exposures (industry categorisation).

Reporting frequency is tiered, with larger or more complex funds required to report quarterly and smaller funds required to report annually. An annual report, including financial statements, performance metrics and renumeration details, must also be submitted to the home regulator and shared with investors.

Notable features

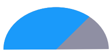
Annex IV data collected by NCAs is provided to ESMA and ESRB to support broad European systemic risk monitoring. While individual fund-level disclosures are not made public, the ESRB publishes a high-level risk dashboard, providing transparency on systemic vulnerabilities across the EU financial system. The coordinated structure ensures that risks associated with non-bank financial intermediation are monitored consistently, while allowing member states discretion in enforcement.

Key takeaways

The European model demonstrates how structured and recurring disclosures can materially enhance regulatory visibility into private capital markets. Standardised reporting templates and regular data submissions allow supervisors to consistently monitor risk factors such as leverage, liquidity, investment strategies and fund exposures – providing a more complete picture of potential systemic vulnerabilities. These reporting obligations, tied to fund size and complexity, help ensure proportionality while still capturing risks that may accumulate outside the traditional banking sector.

Beyond regulatory oversight, the data collected under these regimes also delivers broader value by informing market participants and supporting public trust in the financial system. Aggregated and anonymised outputs (e.g. dashboards, summaries and market statistics) can improve transparency without compromising confidentiality. Importantly, leading jurisdictions have identified additional data points that are particularly useful for monitoring emerging risks, including redemption terms, cross-border exposures and counterparty concentrations. These lessons underscore the role of targeted reporting in bolstering both market integrity and system-wide resilience.

Germany

	Practice	Why it matters
	▪ Requires submission of comprehensive fund-level data via an electronic submission portal ▪ Data is shared with ESMA, the ESRB and the Bundesbank	▪ Enables efficient, consistent disclosure of data, including information relevant to systemic risks ▪ Ensures market risks are monitored at a national and European level

Regulatory framework

Germany's NCA is *Bundesanstalt für Finanzdienstleistungsaufsicht* (BaFin). This Federal Financial Supervisory Authority oversees licensing, conduct standards and disclosure compliance for fund managers. Germany's regime is grounded in the AIFMD, transposed into national law through the *Kapitalanlagegesetzbuch* (KAGB). This framework applies broadly across asset classes and includes tailored provisions for retail investor protection. BaFin is known for its conservative interpretation of the AIFMD, particularly in the context of marketing and retail investor access, which results in a relatively stringent regulatory environment.

Registration

Alternative IFMs operating in Germany must register with BaFin. Fund managers with AUM exceeding EUR100 million (if leveraged) or EUR500 million (if unleveraged) are required to obtain full authorisation. Smaller managers may operate under a simplified registration regime with reduced reporting obligations. Foreign fund managers intending to market in Germany must notify BaFin, with full licensing required only if they exceed certain thresholds or target retail clients.

Disclosure obligations

German fund managers are required to submit regular disclosures to BaFin in accordance with Annex IV of the AIFMD. These disclosures include fund-level data on the AUM, investor type, leverage, liquidity arrangements and investment strategy, and must be submitted electronically via a standardised reporting template. The data is not publicly disclosed.

In addition, real estate fund managers are subject to enhanced reporting requirements covering valuation methodologies, occupancy levels, rental income and geographic asset distribution.

Germany's disclosure obligations differ from those under the EU's wider framework (see table below).

	Activity-based	Entity-based
Real estate	Enhanced reporting for valuation methodology, occupancy rates, and asset location and distribution	Governance model
Infrastructure	More granular disclosures if marketed to retail investors	N/A
Private debt	Gross and committed leverage Stress-test results (if applicable)	NAV Investor breakdown Manager remuneration structure
Hedge funds	Strategy and objectives Risk metrics	Changes in strategy, risk or target market

Notable features

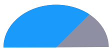
BaFin shares the data it collects with Germany's central bank, ESMA and the ESRB to support systemic risk monitoring at both the national and EU level. While this facilitates cross-agency coordination, Germany does not currently publish capital statistics in the same way as peer jurisdictions such as France. BaFin's emphasis on granular risk data and inter-agency data sharing strengthens its ability to monitor developments in the non-bank financial sector.

Key takeaways

Germany's regulatory model exemplifies a coordinated and consistent approach to private capital market oversight. Fund-level disclosures are submitted via a centralised electronic platform, allowing for uniform data collection across asset classes. Reporting obligations scale with fund size and risk, from annual to quarterly, ensuring that regulators receive timely and relevant information to assess exposures, liquidity and leverage.

The data is not siloed but is actively shared between BaFin, the Bundesbank, ESMA and the ESRB, enabling integrated supervision and systemic risk monitoring across institutions. This model reduces redundancy in reporting, improves data quality and enables the more efficient use of regulatory resources. It also illustrates how well-calibrated disclosures, when combined with inter-agency collaboration, can provide visibility into complex and fast-evolving parts of the financial system.

France

	Practice	Why it matters
	▪ Like Germany, submission of comprehensive fund-level data via an electronic submission portal is required ▪ Data is shared with ESMA, the ESRB and Banque of France (BoF), and time-series data is made publicly available	▪ Enables efficient, consistent disclosure of data, including information relevant to systemic risk ▪ Ensures market risks are monitored at a national and European level, and maintains public visibility of risks

Regulatory framework

Private capital markets in France are primarily supervised by the *Autorité des Marchés Financiers* (AMF), which is responsible for licensing fund managers, enforcing conduct obligations and overseeing disclosure practices. France operates under the EU's AIFMD framework, with national implementation via the *Code Monétaire et Financier* (CMF). The French regime applies across a wide range of asset classes and is broadly aligned with EU-wide requirements. While the CMF adopts a relatively strict interpretation of the AIFMD, the French application is generally considered less conservative than that of Germany.

Registration

Fund managers in France must be authorised by the AMF to manage or market alternative investment funds. Similar to other EU jurisdictions, simplified registration is available for smaller managers with assets under EUR100 million (leveraged) or EUR500 million (unleveraged). Foreign fund managers are required to notify the AMF before offering products to French investors, regardless of size. Once registered, fund managers benefit from the EU's marketing passport, allowing them to offer products across the EU without duplicate authorisation.

Disclosure obligations

Disclosure obligations in France closely mirror the Annex IV reporting requirements of the AIFMD. Fund managers must submit the structured reports electronically to the AMF, covering the metrics listed above, which are not made publicly available. In addition to standard Annex IV disclosures, France imposes additional sector-specific requirements.

Local investment funds, referred to as *fonds d'investissement de proximité* (FIPs), must disclose small to medium-sized enterprise (SME) investment details, including company breakdowns and capital allocations, to confirm their eligibility for tax advantages.

- Detailed reporting on SME investments, specifying the breakdown of capital allocation and individual company exposure, is necessary for compliance with national tax incentives.

Real estate funds are required to submit regular property appraisals, capturing asset valuations, rental yields, occupancy rates and location distribution.

- Reporting on regular property appraisals, capturing precise asset valuation, occupancy rates, rental yields and geographical distributions is mandatory.

Notable features

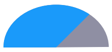
The AMF collaborates with the BoF to support macroprudential oversight. The BoF publishes aggregated time-series data on private capital trends, including the AUM, fund flows and industry composition, through its publicly accessible Webstat portal. This information is also shared with ESMA and the ESRB to support coordinated EU-wide monitoring. Data-sharing protocols between the AMF and BoF are designed to minimise duplication and reduce the reporting costs on market participants, demonstrating a balanced approach to regulatory oversight.

Key takeaways

France's regulatory regime adopts a structured, multi-agency approach to private capital oversight. Fund managers report using standardised Annex IV templates, and additional asset-specific disclosures (e.g. on real estate holdings or SME-focused venture capital funds) help tailor data collection to underlying risk types. These targeted disclosures enhance the regulator's ability to monitor fund-level exposures, while maintaining consistency with broader EU requirements.

Collected data is shared between the AMF, the BoF, ESMA and the ESRB, enabling coordinated monitoring of systemic risks at both national and EU levels. Public access to time-series data on fund flows and market structure through the BoF further contributes to transparency. This approach demonstrates how sector-specific reporting and data-sharing mechanisms can improve visibility without duplicating regulatory costs.

Switzerland

	Practice	Why it matters
	▪ Vast powers to enforce disclosure obligations ▪ No dedicated macroprudential risk authority, and data is not shared consistently between core financial institutions	▪ Encourages compliance with reporting requirements ▪ Reduces regulatory oversight of market risk across the Swiss financial system

Regulatory framework

The core regulatory body in Switzerland is the Financial Market Supervisory Authority (FINMA), which is responsible for licensing fund managers, overseeing conduct and risk management, and administering disclosure obligations. The regime is governed by the Collective Investment Schemes Act (CISA), which applies broadly across asset classes. While Switzerland is not part of the EU, the framework under the CISA aligns closely with the requirements of the EU's AIFMD, particularly in relation to the registration and reporting obligations.

Registration

Similar to the registration framework that applies to EU member states, all Swiss-based fund managers need to be licensed with FINMA to operate in Switzerland. All individual funds established in Switzerland also need approval from FINMA to be offered to investors. Foreign fund managers are generally only required to seek approval where their products are marketed to retail investors. The regime maintains a relatively high regulatory bar, particularly for funds seeking to operate in the domestic market.

Fund-specific disclosures submitted to FINMA are confidential. Switzerland does not regularly publish aggregated systemic risk data or market-level reports.

Disclosure obligations

Fund managers are required to submit annual reports using a standardised template broadly modelled on the EU's Annex IV framework. This captures data on asset exposures, leverage, liquidity, valuation practices and fund performance. Disclosures are submitted electronically via FINMA's EHP platform. While the reporting frequency is annual for all funds – regardless of size – FINMA supplements this with targeted surveys and supervisory reviews. It holds wide enforcement powers to ensure compliance, including the ability to revoke licences or liquidate non-compliant funds.

Switzerland's disclosure obligations vary from the EU's wider framework (see table below).

	Activity-based	Entity-based
Private equity / venture capital	N/A	AUM Fund performance Basic valuation approach (if a regulated collective investment scheme (CIS)
Real estate	N/A	Basic fund-level disclosures on valuation and governance if structured as a regulated CIS
Infrastructure	N/A	Same as above—standardised template applies
Private debt/credit	Leverage by asset class Liquidity risk	Foreign funds must appoint Swiss representative and submit prospectus Investor concentration Governance details
Hedge funds	More detailed disclosures of NAV and counterparty exposures	Valuation method Legal structure Financial statements required if a regulated CIS, otherwise not routinely filed

Notable features

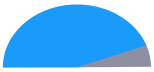
FINMA operates as both the conduct and systemic risk regulator, in contrast to many jurisdictions where these roles are institutionally separated. Switzerland does not maintain a dedicated macroprudential authority, and cross-agency data sharing with the Swiss National Bank (SNB) is limited. While FINMA uses *ad hoc* investigations and special audits to assess systemic risk, it does not currently maintain continuous or real-time oversight of the private capital sector, limiting its ability to respond dynamically to market shifts.

Key takeaways

Switzerland maintains a comprehensive fund-level disclosure framework through FINMA, with all licensed private capital managers required to report annually using a standardised data template. This regime ensures baseline visibility across asset classes, but the uniform annual frequency – regardless of fund size or complexity – limits the capacity to track market developments in near real time. Unlike in some EU jurisdictions, Switzerland lacks a macroprudential authority and data sharing between FINMA and the SNB remains limited, constraining system-wide risk visibility and the oversight of financial interlinkages.

FINMA is granted extensive enforcement powers, including the authority to revoke licences, seize profits or liquidate non-compliant funds. This strong regulatory toolkit underpins high levels of compliance with disclosure requirements and allows for decisive intervention when risks emerge. However, the lack of a dedicated systemic risk body and limited inter-agency coordination mean Switzerland's framework relies more heavily on ex post supervisory tools than on proactive market surveillance.

United Kingdom

	Practice	Why it matters
	▪ Alternative IFMs submit periodic disclosures covering exposures, leverage and liquidity ▪ Data is integrated into Bank of England risk monitoring	▪ Illustrates how reporting can be used across conduct and prudential mandates to monitor systemic developments in non-bank credit ▪ Structured, repeatable and risk-relevant

Regulatory framework

Private capital markets in the UK are primarily supervised by the FCA, which is responsible for regulating fund managers, ensuring conduct standards and overseeing risk disclosures. The regulatory focus is on fund manager authorisation, risk management and transparency, particularly for entities marketing to retail or semi-professional investors. The regime relies on the AIFMD, which the UK retained post-Brexit with modifications through the FCA Handbook. UK rules are outcome-focused and principles-based, allowing flexibility in implementation while maintaining high standards.

Registration

All UK fund managers of private equity, venture capital, real estate and hedge funds must be authorised by the FCA under the AIFMR. Smaller managers may qualify for a 'sub-threshold' exemption but must still notify the FCA of their operations in the country. Foreign fund managers are also generally only required to notify the FCA rather than register.

Disclosures submitted under the AIFMR are confidential and are submitted directly to the FCA. Aggregated data may be made available through industry reports such as those produced by the Investment Association.

Disclosure obligations

Reporting is typically required quarterly or annually depending on the size and risk classification applying to the particular fund. As a former EU-member, the UK's reporting regime still largely aligns with the Annex IV requirements mandated for EU members. Reporting applies uniformly across all asset classes. Required data includes the AUM, investor type, fund strategies, leverage ratios, liquidity arrangements and valuation methodology. The data must be submitted to the FCA. Reduced reporting requirements apply for sub-threshold managers.

Sub-threshold managers

- Sub-threshold managers are required to report basic fund-level information on the AUM, investor type and investment strategy but with less frequency and detail than full-scope AIFMs.

Integration with prudential oversight

- Fund data is used to support systemic risk monitoring by the Bank of England, with cross-agency coordination mechanisms in place.

Notable features

The UK publishes aggregate asset management statistics, including private capital trends, through the Investment Association and FCA industry reports. While firm-level data is not publicly disclosed, the UK allows some flexibility for fund marketing, particularly under the UK's National Private Placement Regime and broader Financial Promotion Rules.

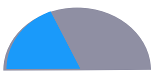
Notably, the FCA is currently consulting on reforms to the UK's asset management regime, including proposals to streamline reporting, improve fund classification and enhance investor disclosures across private capital markets. This signals an intention to modernise the regime while maintaining its core focus on investor protection and market oversight.

Key takeaways

The UK's regulatory regime provides structured oversight of private capital markets through a tiered system that aligns reporting obligations with fund size and complexity. Authorised fund managers, particularly those classified as full-scope AIFMs, are required to submit regular disclosures that include detailed fund-level data on leverage, liquidity, investor type and valuation. This supports a more risk-sensitive approach to supervision, enabling regulators to monitor exposures across a diverse fund landscape while reducing unnecessary costs for smaller managers.

Although firm-level data is not made public, the UK maintains strong visibility through a combination of regulatory filings and aggregated industry reporting. These mechanisms support the early detection of market trends and emerging risks and contribute to broader financial system oversight. Recent reform initiatives reflect a continued effort to streamline and modernise disclosure requirements, demonstrating that transparency and flexibility can coexist within a principles-based regulatory framework.

Canada

	Practice	Why it matters
	▪ National Instruments (NIs) adopted as local subordinate legislation by provincial regulators ▪ All public and private entities must register with the regulator via the National Registration Database	▪ Harmonised system allows simpler applicability of the legislation and improved adaptability based on jurisdiction ▪ Transparency over the entire private capital market due to a uniform registration process and online portal

Regulatory framework

Private capital markets in Canada are primarily governed by National Instruments (NIs) and Multilateral Instruments (MIs). NIs are uniformly adopted across all 13 Canadian jurisdictions, while MIs are implemented in multiple jurisdictions but not universally. The Canadian Securities Administrators (CSA) play a pivotal role in coordinating capital market regulations, developing NIs that specifically address the nuances of both public and private capital markets. Once established, these NIs are adopted as local subordinate legislation by provincial regulators. This ensures that the overarching NI is enforced while being tailored to the unique characteristics of each jurisdiction.

Registration

In Canada, any firm involved in trading, advising, or managing investment funds in private capital markets must register under *NI 31-103*. This process is facilitated through the National Registration Database, an online platform operated by the CSA where firms apply for, maintain and update their securities registration status in Canada. The registration requirement applies to both Canadian and foreign-owned firms, as well as exempt market dealers (most private capital funds), who are permitted to distribute securities without a prospectus under *NI 45-106*. Companies operating as venture capital corporations under their respective provincial acts must obtain registration from the provincial regulator.

Fund-specific data is disclosed to provincial regulators but is not made publicly available through the National Registration Database. Market-level summaries may be published via the SEDAR+, but these do not contain granular fund-level data for private capital entities.

Disclosure obligations

Non-reporting issuers in the private capital market must still disclose certain information to the regulator, including details about the issuer, products sold, purchaser information and financial reports such as audited financial statements. While public disclosures are made via the SEDAR+, most private capital market participants only need to disclose information to the regulator, and this information is not made public. Additionally, although private capital market disclosures in Canada cover a variety of asset classes, the NIs broadly apply to 'securities' as a whole, and there is no specific legislation for each asset class.

Reporting is entity based and applied uniformly across all asset classes. At a national level, data disclosures focus on:

- AUM
- legal structure
- jurisdiction and registration status
- distribution activity
- principle regulator
- limited financial information (e.g. fee structure disclosures in offering documents).

Notable features

The Canadian private capital market faces some challenges due to a lack of comprehensive time-series data. Quarterly market reports from the Canadian Venture Capital and Private Equity Association provide some insights into private equity and venture capital investments; however, the availability of historical data remains limited.

Disclosure requirements are relatively strong and timely, with timelines ranging from 10 to 90 days. Disclosures often utilise standardised forms and often align with international standards due to regulatory cooperation between the CSA and other international bodies.

When considering systemic risk, various data sources, including the Ontario Securities Commission (OSC) Investment Fund Survey and the CSA Risk Committee's annual reports, contribute to monitoring and assessing risks in the financial landscape. The Systematic Risk Surveillance Committee, part of the Bank of Canada, fosters collaboration among financial authorities to share risk assessments and trends.

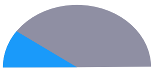
Overall, while the regulatory framework for Canadian private capital markets is considered reasonably effective, especially given its level of compliance costs, it lacks the specific guidelines and detailed regulations found in many other countries.

Key takeaways

Canada's regulatory framework provides structured and consistent oversight of private capital market participants through NIs and MIs, which are implemented by provincial regulators as binding local rules. This decentralised model allows for regulatory consistency while preserving jurisdictional flexibility. Registration requirements under *NI 31-103* cover a broad spectrum of firms, including exempt market dealers, which capture the majority of private capital managers operating in Canada.

Reporting obligations are standardised, with specific forms and deadlines mandated for fundraising activity, investor profiles and capital flows. These disclosures support regulatory visibility into who is raising capital, from whom and under what conditions. While the system primarily focuses on transparency around capital formation and investor protection, rather than fund-level risk metrics, it provides valuable insights into market dynamics and potential concentration risks. Canada's model demonstrates how mandatory disclosures can improve the monitoring of private capital market activity even in the absence of a centralised prudential authority.

Japan

	Practice	Why it matters
	▪ Exemptions apply to funds managed by foreign investors and funds offered to professional investors ▪ No consistent fund-level reporting on leverage, liquidity or exposures	▪ Gaps in supervisory visibility hinder early identification of systemic risks ▪ Limits ability to assess risks or monitor trends in institutional credit allocation

Regulatory framework

Japan's principal regulatory body is the Financial Services Agency (FSA), which is responsible for regulating the licensing and registration of private capital markets in Japan, and collecting data from participants and monitoring systemic risk. The central legislative instrument governing private financial markets is the Financial Instruments and Exchange Act (FIEA), which applies broadly across asset classes.

Registration

Both Japanese and foreign fund managers must be registered with the FSA to operate in Japan. The FSA actively incentivises foreign firms to enter the Japanese market by providing attractive exemptions. These exemptions significantly reduce the compliance costs for foreign fund managers by eliminating registration and disclosure obligations. Although complex, when these exemptions apply, fund managers are only required to notify the FSA of their operations in Japan. Two of the most far-reaching exemptions apply when the fund:

- has a business office in Japan but more than 50% of the fund assets are invested by foreign investors, or
- is offered to at least one professional investor (including banks, pension funds and investment corporations) and not more than 49 eligible non-professional investors (including listed companies and close relatives of the fund manager).

Disclosure obligations

The disclosure obligations applying to private capital market participants in Japan are limited. Disclosure requirements only apply to large funds with 500 or more investors and a total offering exceeding ¥100 billion (approximately AUD1 billion). However, additional exemptions apply when:

- the fund is only offered to professional investors (unless secondary offerings are made to non-professional investors), or
- less than 50% of the fund's portfolio consists of securities and derivatives.

When disclosure obligations apply, fund managers must submit an annual report to the FSA containing information about the fund, including its objective, structure, performance, risk factors and valuation procedures.

If funds directly invest in real estate, the Act on Specified Joint Real Estate Ventures applies. This mandates that fund managers submit an annual business report containing their balance sheet, information on business activities, income and expenditure, and investor numbers and profiles.

All disclosed fund information is submitted via the electronic EDINET system and made publicly available.

Notable features

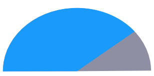
Japan's monitoring of systemic risk in private capital markets is fragmented, relying heavily on on-site inspections and case-specific reviews by the FSA. Unlike many advanced markets, Japan does not have a dedicated macroprudential authority or a coordinated system for data sharing between key financial institutions. In 2024, the IMF conducted a review of Japan's financial sector and recommended expanding the scope and frequency of data collection, integrating financial databases and strengthening stress-testing protocols for investment funds. Although the IMF found most funds to be resilient to redemption shocks – largely due to strong liquidity management frameworks – these findings underscored the limitations of a disclosure regime that is both narrow in scope and periodic in nature.

Key takeaways

Japan adopts a light-touch approach in regulating private capital market participants by providing extensive exemptions for foreign fund managers, funds offered only to professional investors and funds investing in assets with low liquidity. This has helped to promote the growth in Japan's private finance sector and has kept compliance costs low but significantly reduces regulatory oversight of market developments. This is not an approach that should be endorsed in Australia if the monitoring of systemic market risks is to be prioritised.

In 2024, the IMF assessed Japan's financial regulatory framework. Despite finding that most funds were resilient to redemption shocks, it still recommended that the FSA expand the scope of its data collection and implement the stress-testing of investment funds. This may provide an indication to Australia that stronger frameworks that prioritise regulatory visibility with higher compliance costs are preferable to light-touch frameworks designed to promote growth in the private finance sector.

Singapore

	Practice	Why it matters
	- A unified, technology-enabled regime requires fund managers to report structured, fund-level data through standardised templates - The Monetary Authority of Singapore (MAS) integrates this into both conduct and systemic risk supervision - Public release of data	- Demonstrates how a centralised, calibrated model can provide timely and usable data without excessive costs - Strong alignment with supervisory needs and significant market transparency

Regulatory framework

MAS is Singapore's central bank and chief financial regulator, which regulates private capital market activity through the *Securities and Futures Act 2001* (SFA) and subsidiary legislations. Singapore's regime is enforced through a streamlined data reporting platform, alongside MAS-led supervisory reviews and inspections with non-compliance potentially resulting in fines or other penalties.

Registration

Fund managers must be licensed under the Capital Markets Services regime unless exempted, with obligations differing by licence class and fund activity. MAS issues notices, guidelines and consultation papers that elaborate on conduct, disclosure and reporting expectations for private capital entities. Foreign fund managers offering funds to accredited or institutional investors may be exempt from prospectus requirements but must still notify MAS. If a foreign fund manager conducts fund management activities in Singapore, they need to obtain a Capital Markets Services licence or an exemption.

Disclosure obligations

All regulated entities in Singapore report regulatory data through the MAS Data Collection Gateway platform. Reporting requirements include the AUM, investor concentration and fund flows. Monthly reports must be submitted by funds with a Capital Markets Services licence, detailing fund valuation and expenses, investor profiles, fund and share class details, performance and distribution metrics. Daily reports submitted by licence holders cover unit pricing, units outstanding, fund holdings, security terms and investor transactions. Key disclosures by asset class where data collection differs in granularity are detailed in the table below.

	Activity-based	Entity-based
Private equity	Investment strategy Geographic exposure Asset class exposure	AUM Valuation method Investor concentration
Venture capital	Investment strategy Geographic exposure	AUM Investor breakdown
Real estate	Investment strategy Location of assets Rental income	AUM Valuation approach Expense ratio
Private debt	Asset type Counterparty exposures Liquidity	AUM Risk classification Leverage
Infrastructure	Project sector Asset location	AUM

Activity-based data is more prevalent for managers exceeding AUM thresholds.

These Fund Management Companies must also participate in MAS's annual surveys. The Asset Management Survey collects detailed data on the AUM by strategy and sector, sources and investments of funds, and retail investment activity. The Survey of the Private Banking Industry focuses on asset management and profitability, requiring breakdowns of the total AUM (leveraged and unleveraged), mandate types, fund strategies, asset allocations and geographic distributions.

Notable features

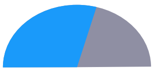
A defining feature of Singapore's regulatory approach is its emphasis on transparency. MAS annually publishes the aggregated results of the Asset Management Survey, providing market participants and policymakers with access to detailed, de-identified insights into the structure and trends of the asset management sector. This publication not only improves stakeholder confidence but also enhances regulatory accountability and signals a strong commitment to market transparency.

Key takeaways

Singapore's regime combines breadth, frequency and consistency in data collection, providing high regulatory visibility across private capital markets. Fund managers are required to submit detailed daily and monthly fund-level reports via the MAS Data Collection Gateway, covering asset valuations, unit pricing, investor transactions, holdings and expenses. This is supplemented by annual MAS-led surveys that provide strategic insights into the AUM, fund structures, investor types and regional allocations.

This layered approach allows MAS to monitor systemic risks in near real-time and enables trend analysis through recurring disclosures. The public release of aggregate survey results further enhances transparency and stakeholder awareness, offering clear insights into market dynamics while supporting supervisory credibility. The combination of routine data reporting and a unified digital platform represents a tightly integrated framework for regulatory oversight.

Hong Kong

	Practice	Why it matters
	▪ Different data requirements depending on the specific licence held by a private capital fund manager ▪ Recurrent collection of data	▪ Supports consistent regulatory insights to monitor systemic risks over time ▪ Structured data submission requirements tailored by fund type and size

Regulatory framework

The SFC is the central authority responsible for administering the SFO, Cap. 571, which establishes the regulatory framework for licensing, conduct and disclosure obligations in Hong Kong's securities and futures markets. The Hong Kong Monetary Authority (HKMA) also contributes to the regulatory landscape through its role in the prudential supervision of authorised institutions and its oversight of systemic risk. The SFO is supported by subsidiary legislation and circulars issued by the SFC to clarify or update expectations on risk management or reporting.

Registration

Private capital funds must hold a Type 9 licence (asset management), and some also require Type 1 (dealing in securities) or Type 4 (advising on securities) licences, depending on their activities. The licensing regime applies at both the corporate and individual level. Exemptions are reviewed on a case-by-case basis and may apply to some entities, such as single-family offices or intra-group arrangements.

Foreign-owned fund managers must be licensed if they engage in marketing or regulated activities in Hong Kong, regardless of the fund domicile. The SFC requires such firms to demonstrate adequate local substance, including operational controls and oversight of outsourced functions.

Disclosure obligations

Data collection requirements for private capital funds vary depending on the type of fund. All private capital fund managers must report on the AUM, leverage levels, liquidity indicators and valuation data. Type 9 fund managers must submit monthly financial resources returns, which include details on the net asset value, solvency and counterparty exposures.

Audited financial statements are required annually for all licensed asset managers, with private Open-ended Fund Companies also submitting annual fund-level reports and notifying the SFC of material changes. Large hedge funds (defined as those with a NAV exceeding USD500 million) are subject to more frequent risk reporting under updated disclosure templates, which cover the NAV, portfolio exposures and liquidity profiles. Private equity and venture capital funds must file annual compliance and financial reports as required under their specific regulatory regime.

	Activity-based	Entity-based
Private equity	Investment strategy Geographic and sector exposure Use of leverage	AUM Investor concentration Fund admin information
Venture capital	Investment focus Stage of funding Country of incorporation	AUM Investor type
Real estate	Property location Valuation data Rental yield	AUM Asset appraisal method Cost basis
Private debt	Borrower profile Loan structure Liquidity terms	AUM Risk rating Counterparty exposures

Notable features

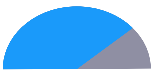
Hong Kong's disclosure framework is closely aligned with the fund structure and underlying activity, applying differentiated requirements to hedge funds, venture capital and private equity funds. While the SFC does not publish fund-level data, it maintains oversight through routine and event-driven reporting. There is no real-time public database, but licensing and registration information is made publicly available.

Key takeaways

Hong Kong applies a licensing-based framework with differentiated disclosure obligations calibrated to the nature and scale of the fund's activity. The reporting frequency varies from monthly (e.g. for solvency and financial resources) to annually (e.g. for audited financial statements), with more intensive risk reporting imposed on large hedge funds. These requirements provide the SFC with structured, forward-looking visibility of asset-level risks and market exposures.

The system enables regulatory visibility across different segments of private capital markets while preserving flexibility through activity-based licensing and reporting. Although fund-level data is not published, the regime supports systemic risk monitoring through regularised reporting and scale-sensitive obligations.

United States

	Practice	Why it matters
	▪ Private capital fund advisers must register with the Securities and Exchange Commission (SEC) and report structured data on fund size, investment strategy, leverage and liquidity ▪ Reporting thresholds and templates vary by fund size and type ▪ Data feeds into broader financial stability monitoring through the Financial Stability Oversight Council (FSOC)	▪ Supports system-wide risk monitoring using consistent datasets ▪ Provides scalable and risk-adjusted reporting that reflects fund complexity

Regulatory framework

The SEC is the primary regulator of private capital fund advisers in the US. Its responsibilities include licensing, conduct supervision and data collection under the *Investment Advisers Act of 1940*. The US framework emphasises systemic risk visibility, investor protection and market transparency, with tailored disclosure requirements based on fund size, activity and risk profile. Collected data supports macroprudential oversight and feeds into broader system-wide monitoring by the FSOC.

Registration

Private capital fund advisers with more than USD150 million in regulatory assets under management (RAUM) are required to register with the SEC and comply with the full set of disclosure and conduct obligations under the Investment Advisers Act of 1940. Advisers with RAUM below this threshold may still be required to report as 'exempt reporting advisers' if they manage certain types of private capital funds, such as venture capital funds. Foreign advisers must register if they have more than 15 US-based clients or investors and over USD25 million in RAUM attributable to those investors. Registration triggers broader compliance obligations, including maintenance of books and records, compliance program requirements and examination by the SEC.

In addition to private fund advisers, the US also permits the operation of business development companies (BDCs), which are regulated investment companies under the Investment Company Act of 1940. BDCs are typically publicly listed and invest in long-term, unlisted private assets such as SME debt and equity. The BDC framework is often viewed by industry as a benchmark regime for disclosure and transparency in the private capital sector.

Disclosure obligations

Registered private capital fund advisers are required to submit Form ADV (a Uniform Application for Investment Adviser Registration), a publicly available disclosure that provides detailed information on the firm's structure, strategies, fee arrangements, conflicts of interest and disciplinary history. In addition, advisers with at least USD150 million in private capital fund AUM must file Form PF with the SEC. This confidential report contains detailed risk-related information, including fund exposures, leverage levels, liquidity profiles, investor concentration and asset class allocations.

Form PF reporting frequency varies by fund size and type. Advisers with at least USD2 billion in hedge fund AUM must report quarterly, while others must report annually. Reporting for private equity advisers is typically annual but will become more frequent and granular under recently proposed SEC amendments. These changes aim to expand the scope of Form PF to cover real-time events, such as fund terminations and significant investor withdrawals, improving the speed and quality of systemic risk detection.

	Activity-based	Entity-based
Private equity / venture capital (Form PF)	Investment strategy Geographic exposure Use of leverage and derivatives Fund liquidity profile	AUM Leverage metrics (gross and commitment) Investor type and concentration Counterparty exposures
Form ADV	Services offered Types of clients (e.g. HNW investors or funds) Conflicts of interest Custody arrangements	AUM Fee structures Ownership and control Disciplinary history Affiliations
BDCs	Portfolio composition (equity/debt) Fair value hierarchy Industry and geographic Classification Credit quality	Total assets and NAV per share Asset appraisal methodology Related-party transactions Board governance and risk disclosures

Notable features

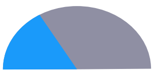
The US regime is among the most mature globally, both in terms of market scale and regulatory architecture. It offers differentiated and risk-sensitive data collection that enables targeted oversight of large and potentially systemic market participants. While fund-level data is not published, aggregate data is shared within the regulatory ecosystem, including with the FSOC and other prudential regulators, to support macroprudential supervision. This architecture balances confidentiality with visibility, using standardised reporting to facilitate inter-agency coordination and financial stability monitoring.

Key takeaways

The US regime provides regulators with comprehensive visibility over the largest and most systemically relevant segments of private capital markets. The combination of Form ADV and Form PF creates a dual-tiered disclosure model: public firm-level data alongside confidential, risk-focused fund-level reporting. Reporting frequency and detail scale with fund size and activity type, enabling structured insights across asset classes such as hedge funds, private equity and private credit.

The regime supports the real-time monitoring of systemic risks and promotes regulatory coordination through shared access to data within the financial oversight architecture. While investor-facing transparency remains limited, the model demonstrates how high-value data can be collected at scale without compromising market function or commercial confidentiality.

New Zealand

	Practice	Why it matters
	▪ No centralised or structured data reporting framework for private capital funds ▪ Private capital funds generally operate outside formal licensing or disclosure	▪ Limits regulatory visibility into fund-level activity, leverage and risk exposure ▪ No consistent mechanism to assess systemic trends or emerging vulnerabilities across private capital markets

Regulatory framework

Private capital markets in New Zealand are primarily overseen by the Financial Markets Authority (FMA), which regulates fund managers and licensed MISs under the Financial Markets Conduct Act 2013. The regulatory approach is principles-based and centres around investor protection, licensing standards and disclosure obligations. The Reserve Bank of New Zealand plays a limited role in private capital markets, focusing instead on macroprudential oversight of banks and insurers.

Registration

Fund managers offering retail investment products must be licensed by the FMA and register their schemes on the Disclose Register, which also houses core offer and product information. However, fund managers that exclusively offer wholesale products, including many private capital and venture funds, are not required to register their funds or obtain a licence unless they cross into retail distribution. This results in a bifurcated regulatory model where wholesale funds are subject to relatively light-touch requirements. Foreign fund managers may operate in New Zealand under exemptions, provided they market only to wholesale investors and do not establish a physical presence.

Disclosure obligations

Retail MISs are required to publish quarterly fund updates and annual reports that detail fund performance, asset allocation, fees and material changes. These are submitted via the Disclose Register and made publicly available. Conversely, there are no structured disclosure obligations for wholesale or unregistered funds, nor is there any centralised data collection process for private capital funds outside the retail regime. The FMA collects some data through The KiwiSaver and Managed Funds Survey, but this only captures a subset of the market and is not designed to monitor systemic risk.

	Activity-based	Entity-based
Retail MISs (all asset classes)	Fund performance Asset allocation Fees Material changes to portfolio/strategy	AUM Fund type/structure Annual financial statements

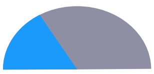
Notable features

New Zealand's system maintains strong investor protections in the retail space but provides limited regulatory visibility into wholesale markets. The Disclose Register is considered a useful transparency tool for consumers and regulators, but its coverage gaps, particularly for unregistered funds, constrain broader market surveillance and systemic oversight monitoring.

Key takeaways

New Zealand's regime adopts a minimalist approach to wholesale fund oversight. While licensing and disclosure requirements are robust for retail fund offerings, wholesale and private capital vehicles operate with limited regulatory reporting. This limits the FMA's ability to assess leverage, liquidity or fund-level risk in the non-retail market. The absence of centralised data collection mechanisms and differentiated supervisory tools reduces systemic visibility – a challenge common to many smaller jurisdictions. The contrast between New Zealand's clear retail regime and the opacity of its wholesale segment highlights the importance of tailoring regulatory responses to evolving market structures.

Australia

	Practice	Why it matters
	▪ No formal, structured data collection for private capital funds ▪ Wholesale and unregistered funds operate without consistent reporting obligations	▪ Limits ASIC's and APRA's ability to monitor risk build-up, assess liquidity, leverage, portfolio diversification and counterparty exposures, and to benchmark sector resilience ▪ Significant visibility gap

Regulatory framework

Private capital markets are regulated by ASIC and APRA. ASIC is the primary conduct regulator, overseeing the licensing of fund managers under the AFSL regime and their conduct under the *Corporations Act 2001*. ASIC is responsible for MIS licensing and oversees compliance obligations, particularly for schemes offered to retail investors. APRA regulates RSEs and collects quarterly and annual investment data through its prudential reporting framework. Australia lacks a purpose-built disclosure regime for wholesale private capital funds, and no single agency maintains a comprehensive mandate to oversee the private capital market in its entirety.

Registration

Retail fund managers must register their MIS with ASIC and hold an AFSL, which carries ongoing obligations around disclosure, compliance and governance. Conversely, wholesale and unlisted fund structures, including most venture capital, private equity and private debt vehicles, are not required to register with ASIC and operate with limited direct oversight. For these vehicles, licensing applies only at the entity level. In the superannuation sector, APRA collects fund-level investment data from RSEs and aggregated RSE member data. However, this is limited to superannuation vehicles and does not extend to the broader universe of private capital participants.

Disclosure obligations

Disclosure obligations in Australia are highly segmented. Retail MISs must comply with ASIC's reporting regime, which includes submitting periodic financial statements and product disclosure statements. ASIC receives some data managed funds in their annual financial statements via Form FS70. Wholesale funds are not subject to any mandatory fund-level disclosure obligations and are not required to report on leverage, liquidity, investment concentration or counterparty exposure. This data is retrospective, point-in-time and lacks granularity to provide visibility over the private capital landscape.

APRA-regulated superannuation funds provide quarterly fund-level data covering structure and governance investment option disclosures, performance, asset allocations, fees and expenses, and member aggregated data. ASIC receives a data feed of this information, which includes asset allocation data for RSEs and for private credit. RSE structure, governance structure and financial statements must be disclosed to APRA on an annual basis. These disclosures include investment options, ownership, board and committee structures, balance sheets, and details of the RSE's operating model and business activities. Any changes to RSE products and governance structures must also be reported. APRA's terminology and definitions tend to differ to those of ASIC.

APRA also collect (and release) EFS on the Australian assets and liabilities of ADIs and Registered Financial Corporations, under the *Financial Sector (Collection of Data) Act 2001*. The Act covers financial sector entities (money market corporations, other corporations on APRA's Register of Entities and discretionary mutual funds), requiring them to submit a copy of audited balance sheets (assets and liabilities in Australia). These are made available to ASIC and are published monthly by APRA.[11]

Notable features

Australia's regulatory architecture results in fragmented reporting, with significant variations based on fund structure and investor classification. While APRA's superannuation data provides one of the most detailed insights into institutional investment patterns, it is not integrated with broader market data, nor is it collected for the purposes of analysis outside of APRA's prudential standards and responsibilities. Coordination between ASIC, APRA, the RBA and the ABS occurs for selected macro-financial surveillance purposes (for example, through the Council of Financial Regulators), but there is currently no structured mechanism for cross-agency oversight of private capital risks. Due to the lack of centralised, consistent data collection, it is challenging to assess leverage, liquidity or interconnectedness across the financial system.

Key takeaways

Australia's current framework offers limited visibility of private capital markets, particularly outside the superannuation sector. While licensing obligations exist for fund managers, there are no standardised fund-level reporting requirements for wholesale or unlisted vehicles, and disclosure obligations are inconsistent across asset classes. Data collection is fragmented across regulators, and there is no dedicated mechanism to monitor market-wide risk exposures in real time.

The absence of structured, scalable reporting pathways, particularly for large, systemically significant private capital managers, creates a data blind spot that limits both supervisory oversight and macroprudential monitoring. The existing licensing framework provides a foundation for reform, but enhanced data coordination and tiered reporting requirements may be needed to bring regulatory visibility in line with global developments.

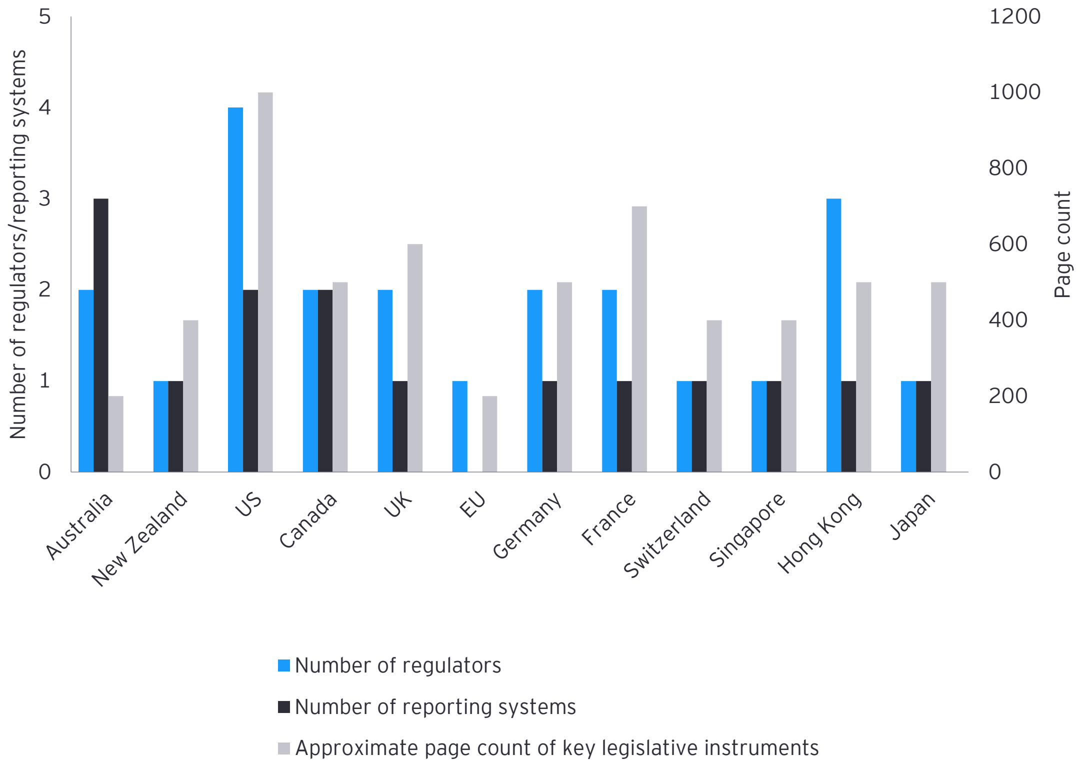
[11] The publication of this data by the RBA, ABS and APRA are currently under review.

3.2 International models offer practical lessons and tested approaches that can inform an Australian solution

Across leading jurisdictions, a common policy objective is emerging: to strike a balance between regulatory oversight and operational efficiency. Peer markets such as the US, the UK, the EU and Singapore have developed structured, risk-based reporting regimes that scale disclosure obligations according to fund size, systemic importance and investment strategy. These systems are typically underpinned by standardised templates, digital reporting portals and tiered thresholds, offering regulators the visibility needed to monitor financial stability without imposing uniform or excessive reporting across all fund types.

The comparative analysis of global frameworks underscores a clear trade-off between regulatory complexity and the utility of collected data. As shown in Figure 7, countries with larger private capital markets and higher systemic exposure – notably the US, the UK and Canada – tend to operate more intricate compliance systems, involving multiple regulators, reporting platforms and lengthy legislative instruments. These frameworks reflect a deliberate cost-to-benefit calibration, with more granular reporting justified by the scale of domestic financial intermediation and risk transmission. Conversely, smaller jurisdictions such as New Zealand and Switzerland have opted for simpler regimes, often with fewer agencies and lower disclosure intensity.

Figure 10: The complexity of national regulatory compliance frameworks



Source: EY analysis based on Capital IQ data

Australia's current regime sits at the lighter end of this spectrum, with fragmented oversight and minimal structured fund-level reporting. However, the international experience shows that it is possible to enhance visibility and comparability in a proportionate way – through scalable data design, targeted thresholds and improved coordination between agencies. These lessons informed the recommendations that follow, which explore practical options for evolving Australia's framework while maintaining regulatory efficiency and industry competitiveness.

4. Options for reforming Australia's data disclosure arrangements

Australia's existing licensing and supervisory architecture provides a strong foundation for oversight of private capital markets. Entities that operate MISs are required to register with ASIC, while superannuation funds are subject to detailed reporting obligations through APRA. However, current arrangements lack a consistent, risk-based reporting regime that extends across the breadth of private capital market participants — particularly for the wholesale and unregistered fund segments. This limits the ability of regulators to monitor market composition, detect emerging risks and compare exposures across investment strategies.

The review of international models indicates that the most effective regimes are those that pair licensing obligations with structured, recurring disclosures at the fund level. These disclosures enable regulators to observe aggregate exposures, evaluate systemic risk, and adapt oversight as market conditions evolve. In contrast, Australia's fragmented reporting approach restricts visibility and inhibits a consistent view of market size, leverage, liquidity and investor concentration across private capital markets.

International practice highlights the importance of sequencing reforms so that the scale, coverage and frequency of reporting are introduced in a proportionate way. A baseline collection of information across the whole industry provides ASIC with core market coverage, while a second layer of more frequent and detailed reporting can be applied to a narrower group of funds whose size, structure or investor profile elevate systemic or conduct risks. This calibration would ensure that regulatory objectives can be well supported, and that additional reporting obligations are concentrated where the benefits are likely to outweigh the compliance costs.

The comparison of how other jurisdictions collect, analyse and disseminate data on private capital markets leads to several options for reforming Australia's data disclosure arrangements. These options reflect an understanding of 'what works' in other jurisdictions, adapted to an Australian context and reflecting Australia's current disclosure arrangements. Developing these options broadly followed the following steps.

1. A review of approaches in other jurisdictions provided insight into common approaches and arrangements.

2. Stakeholder engagement with regulators in other jurisdictions added context on what works (and what doesn't), the cost-effectiveness of different approaches, and the relative pros and cons of different regulatory arrangements.

3. Best practice guidance on policymaking and regulatory reform was used to define each option in a way that optimised for success.

4. Options were contextualised to build on Australia's current arrangements and avoid regulatory overreach.

This arrived at the following options for improving Australia's data disclosure arrangements:

- **an annual voluntary survey** of private capital market participants, covering (at least) the number of market participants, their AUM, domestic investments and disposals

- mandatory periodic data collection on the activities of **risk-significant fund managers**, defined to include both larger managers with substantial AUM and smaller managers operating in higher-risk fund types (e.g. real estate or highly leveraged strategies), which would allow ASIC to monitor key variables such as NAV, leverage ratios and liquidity buffers

- improved and expanded **mandatory reporting requirements for venture capital limited partnerships (VCLPs)**

- the release of an **annual 'State of the Market' report**, reflecting ASIC's view of the market (including the size and structure of the market, systemic risks, and key domestic and international trends)

- other options for **improving market visibility and awareness**, including increasing transparency in methodologies for private asset valuation and improving data sharing across agencies.

These options are not mutually exclusive. Rather, they form a menu of possible responses that could be trialled, combined, scaled and refined over time to arrive at a mature reporting framework for private capital market participants that aligns with best practice policy making and regulatory reform.

Best practice in policy and regulatory reform in Australia

A range of tools, toolkits, guidelines and roadmaps help inform effective policymaking. Insights from these resources can help to guide decision making on each of these options. These resources include the Department of Finance's Regulatory Policy, Practice & Performance Framework, the *Australian Policy Handbook* and the Australian Public Service Commission's Delivering Great Policy Model. In general, they advocate for:

- clarity and simplicity
- integration into existing systems and processes
- design with implementation and end users in mind
- a strong evidence-based and focus on risk-mitigation
- starting small and scaling up what works.

The last point, in particular, is a hallmark of innovative approaches to regulation (these approaches go by many names, including regulatory experimentation, anticipatory regulation, participatory regulation, innovative regulation and regulatory technology).

In general, financial services has been a strong adopter of innovative regulatory practices. ASIC's Innovation Hub was established in 2015 and its regulatory sandbox in 2016. Almost 20 businesses have participated in the sandbox in the past five years (when it was superseded by the Australian Government's 'enhanced regulatory sandbox'). ASIC has pursued 12 regulatory technology initiatives since 2018, spanning a technology-assistance guidance tool to help businesses navigate financial services licensing to a trial to see who could best detect and identify risk indicators of misconduct with financial promotions targeting vulnerable consumers.

This provides a strong base on which to trial and experiment with regulatory responses to data disclosure arrangements, scale up what works and maintain an effective reporting regime over time.

Two key regulatory design considerations that complement these principles of best practice are outlined below. These will help to design and implement the chosen options, and maintain flexibility with as the private capital market continues to evolve.

- **Risk-based** – Behind new technological innovations and financial products, there are some common and familiar risks. By keeping regulations focused on mitigating specific risks, such as illiquidity, valuation uncertainty and leverage, this can allow regulations to adapt to changing market conditions.

Importantly, however, some new financial products come with an elevated risk compared to traditional products. For example, cryptocurrencies may require additional oversight compared to traditional financial products as they present a heightened risk to investors.

- **Technology neutral** — This principle allows the market to continue to innovate and introduce new technologies, as long as they comply with existing regulations. This is an important design feature of financial regulations to ensure that innovation can continue to benefit the market.

From these principles, a series of potential options have been identified.

- **Instituting a regular review mechanism** — To help keep regulations current, ASIC could consider prescribing a regular review period. This regular review, which could be every three years, would allow ASIC to revisit and update regulations to adjust to developments in the market and emerging trends. This regular review process is similar to processes that ASIC and other regulators already undertake.

- **Setting up a market intelligence capability** — Noting that ASIC already engages regularly with market participants, there is scope to set up a dedicated unit that actively engages with parts of private capital markets. This unit or capability could focus on gathering intelligence on private capital markets, identifying emerging trends and over-the-horizon risks, and feeding these insights into the regulatory development process.

  Other regulators, such as the US FSOC and the ESRB, conduct similar market intelligence-gathering exercises. Importantly, the RBA also has a successful and longstanding market intelligence function that has been crucial to understanding market dynamics and sentiments beyond what existing macroeconomic data can provide.

Option 1: A voluntary annual survey of market participants

Peer jurisdictions provide clear examples of how structured, proportionate reporting regimes can enhance regulatory visibility while preserving flexibility and minimising compliance costs. In markets such as the US, UK and the EU, regulators have introduced tiered disclosure obligations that scale with fund size and complexity, supported by standardised templates and risk-based thresholds. These systems have improved transparency, enabled more effective supervision, and strengthened public confidence — without requiring full public disclosure of sensitive fund-level data.

For Australia, a scalable, survey-based mechanism could provide a consistent baseline for private capital market visibility across asset classes and fund structures. By capturing key fund-level data through a structured annual template, regulators could build a repeatable source of information that supports ongoing supervision, risk profiling and policy insight. This approach allows data to be collected in a way that is proportionate and adaptable — leveraging AI-enabled processing and analytics tools to reduce compliance costs while improving quality and usability over time.

Design considerations

Lessons can be learned about different approaches to survey structure from international jurisdictions. For example, countries with high data standardisation (such as the EU, Singapore and Hong Kong) tend to survey market participants for data on their:

- AUM
- NAV
- investment strategy and fund strategy classification
- geographic allocation of investments
- asset class exposure, broken down by asset type

- investor type breakdown (e.g. retail vs institutional)
- leverage ratios (gross and/or commitment)
- liquidity profile (of both assets and investor redemptions)
- valuation methodologies
- counterparty exposures and borrowing arrangements.

Tailored reporting for large hedge funds is also applied by some jurisdictions (such as the US, EU, Singapore and Hong Kong). These obligations, which cover hedge funds with systemically significant NAVs (often exceeding USD500 million), include:

- NAV fluctuations
- portfolio concentration
- redemption liquidity assumptions

Critically, the diversity of private capital strategies and the breadth of data that could be collected increases the importance of proportionality. Not all asset classes present the same risk profile or warrant uniform disclosure. A survey-based approach allows ASIC to test specific metrics, assess the practicalities of data provision, and adjust scope or design before codifying new requirements. The survey should not be a static instrument, but an evolving tool — adaptable to market maturity, policy needs and infrastructure development.

The survey could ideally be co-designed by industry. Fund managers and industry associations are well placed to shape the survey's scope, definitions and data templates, ensuring they reflect market realities while still closing key regulatory blind spots. An industry-led approach could also build credibility and increase participation, while signalling shared responsibility for transparency. Under such an approach, regulators would be able to leverage the results as a repeatable, structured source of information that supports supervision, risk profiling and policy insight.

Implementation considerations

- **Target high-risk areas first** — Focus initial questions on known drivers of systemic or supervisory concern, including leverage, liquidity terms, asset class concentration and investor redemption rights.
- **Apply a modular structure** — Allow questions to flex in depth or complexity based on fund size, strategy and risk profile, while maintaining a common core for comparison.
- **Unify reporting templates** — Align with existing disclosure obligations, where possible, to minimise duplication and streamline integration across reporting regimes.
- **Support technology-enabled reporting** — Design for structured data capture from the outset to enable automation, improve data quality and reduce processing effort.
- **Pilot through innovation pathways** — Test the survey design, data definitions, and submission processes through ASIC's innovation hub or sandbox-like mechanisms, using voluntary participation by a subset of industry. This approach would allow practical issues to be identified and resolved before broader rollout, while also fostering co-design and engagement with early adopters.
- **Allow for future evolution** — Build flexibility into the survey's design to support new risk areas, reporting metrics and analytical use cases as market conditions change.

The survey could be developed, distributed and analysed exclusively by ASIC. This would give ASIC the greatest agency and control over questions in the survey (and therefore the types of market visibility) and an ability to make changes in response to market feedback. It would also require dedicated resources within ASIC.

Importantly, should response quality or coverage fall short, ASIC would retain the ability to mandate elements of the survey, following the path taken by the EU and other advanced jurisdictions that have progressively shifted from voluntary to mandatory reporting. This provides a clear mechanism for strengthening data quality and coverage while preserving the flexibility to trial, refine and scale the approach in line with industry capacity.

An alternate approach would be to propose a jointly funded survey through the ABS. Funding could come from other financial regulators interested in information from private capital market participants. It could also come from the Department of Industry, Science and Resources, noting its history of funding the Venture Capital and Later Stage Private Equity survey from 2000 to 2018–19. This approach could help to subsidise the cost of the survey, outsource its operation (taking advantage of experience and scale at the ABS) and allow for the analysis of longer-term trends in the venture capital and private equity markets in Australia (i.e., by asking similar questions to those posed in the preexisting survey).

International experience with voluntary survey instruments

The review of international practice demonstrates that voluntary surveys like those proposed above can achieve high participation rates without the need for formal mandates.

Anecdotal evidence from stakeholder consultations showed that some surveys can achieve response rates of 90%. Regulators in these jurisdictions noted that the survey process fosters a sense of industry ownership. Over time, as surveys become a source of truth about the size and structure of private capital markets, they can inspire trust in the regulator and have spillover benefits into other forms of engagement.

Trust can be built over time by minimising the compliance costs of the survey and co-designing it with industry (so it includes insights both ASIC and the industry require). This can help to overcome the 'free rider' problem, where industry is interested in and use the results of a voluntary survey but do not actively participate in it.

Option 2: Risk-tiered periodic reporting

Periodic (monthly or quarterly) reporting for a select cohort of risk-tiered funds can provide timely, consistent insights into private capital market dynamics that may signal emerging risks to market integrity and investor protection. Unlike annual surveys, which offer a periodic snapshot and require time and resources to collect and analyse, monthly submissions enable regulators to detect shifts in investment activity, liquidity and leverage ratios as they happen. This is especially valuable in the context of a rapidly growing and evolving private capital landscape, where systemic risks can emerge quickly and from unexpected places.

International practice shows this approach is feasible and can present value for money. In Singapore, MAS requires fund managers to report monthly on fund valuation, investor profiles and portfolio data. Similarly, Hong Kong's SFC mandates monthly returns capturing fund-level solvency, NAV and counterparty exposures. These models demonstrate that more frequent reporting from key industry participants can be implemented without disrupting market function — particularly when focused on funds with the governance capacity and resourcing to respond.

To ensure proportionality and minimise compliance costs, differentiated reporting requirements should be based on clearly defined fund characteristics. Tailoring obligations based on fund characteristics can help ensure reporting is targeted to where it adds the most regulatory value, rather than increasing complexity for its own sake. This supports a more risk-sensitive model that aligns regulatory effort with supervisory benefit, using the following characteristics.

- **Fund-specific tailoring** – Larger, more complex funds with elevated leverage or liquidity transformation risks may warrant more frequent and detailed reporting. In contrast, smaller or less systemically relevant funds could be subject to less frequent or simplified disclosures.

- **Risk-based prioritisation** — More regular reporting is justified for funds exhibiting characteristics that elevate financial stability or investor protection concerns such as:

  - illiquidity
  - high leverage
  - valuation opacity
  - complex structures
  - strong interconnections with other market participants.

Real estate and private credit funds are especially relevant as they often hold long-dated assets while offering shorter redemption terms, creating structural liquidity mismatches that can amplify stress in periods of market volatility. Similarly, secondaries funds may contribute to valuation volatility depending on pricing cycles and transaction dynamics.

In addition to systemic risks, heightened investor protection concerns arise where private capital funds are accessed by HNW or retail investors — often via MISs, feeder structures or products offered under wholesale exemptions. These investors typically lack visibility into underlying portfolio risks and may face limited recourse in the event of valuation shocks, gating or fund failure. In such cases, more regular and structured reporting would help regulators monitor exposures, protect investor interests, and intervene where necessary.

This option would implement a risk-tiered framework that considers investor type, fund size and strategy, and the presence of liquidity or leverage transformation. It would blend entity-based and activity-based metrics to create a more complete regulatory picture of fund structure and behaviour.

The design of Option 2 builds directly on the datapoints identified in Option 1. Using the same categories of leverage, liquidity, valuation, concentration, counterparty exposures and trend/flow information ensures consistency across voluntary and mandatory channels, while allowing higher-frequency data collection from systemically significant participants. This approach preserves a common disclosure architecture, reducing duplication and supporting comparability across reporting regimes.

In practice, these datapoints can be captured through both entity-based and activity-based reporting.

- At the **entity level**, managers would disclose balance sheet measures such as overall leverage, liquidity management arrangements and counterparty exposures.

- At the **activity level**, the same datapoints would be disaggregated by fund or strategy, covering valuation methods, asset concentrations, investor redemption terms and portfolio flows.

Aligning Option 2 to the same datapoint framework as the survey allows for proportionality: broader visibility through the survey, and targeted, higher-frequency insights from larger and higher-risk funds.

Table 5: Risk tiered framework for data submissions by asset class

Fund type or characteristic	Rationale for more frequent reporting	Recommended frequency	Reporting type	Focus issues
Retail-targeted funds	Higher conduct risk, less investor sophistication, exposure to hidden fees	Quarterly or monthly	Entity and activity	▪ Fee structures and related-party transactions to address conduct risk ▪ Redemption frequency and gate/suspension terms to protect less sophisticated investors
HNW-targeted funds	Complex products with limited protections, potential for liquidity risks	Quarterly or semi-annually	Entity and activity	▪ Liquidity profile (asset versus investor terms) to manage withdrawal pressures ▪ Valuation methodologies for complex/illiquid products
Large institutional funds	Systemic footprint, leverage, counterparty risk	Quarterly	Entity	▪ Aggregate leverage and derivatives positions to assess systemic footprint ▪ Counterparty exposures and collateral practices to track interlinkages
Private credit funds	Valuation opacity, liquidity transformation, counterparty exposure	Monthly or quarterly	Entity and activity	▪ Borrower quality metrics and loan-level concentration indicators ▪ Maturity mismatch monitoring to assess liquidity transformation
Real estate funds	Long-duration assets, redemption pressure, valuation timing risk	Quarterly	Entity and activity	▪ Frequency/independence of property valuations ▪ Redemption pressure and liquidity management tools ▪ Location and property asset class allocation
Secondaries funds	Valuation volatility, pricing cycle risk, transaction clustering	Quarterly	Activity	▪ Valuation approach for acquired fund interests ▪ Transaction timing and clustering disclosure
Highly leveraged funds	Amplified risk transmission channels	Monthly or quarterly	Entity and activity	▪ Gross and net leverage ratios, including derivatives ▪ Stress-testing results to capture risk transmission potential
Cross-border funds (with offshore domicile)	Monitoring jurisdictional regulatory gaps and exposure channels	Quarterly	Entity	▪ Geographic allocation of assets and investors ▪ Regulatory reporting alignment to address gaps in oversight

Design considerations

- **Focus on risk-significant cohorts** – Identify a defined group of large or higher-risk fund managers whose reporting would provide ASIC with sufficient market visibility.
- **Prioritise high-frequency metrics** – Limit reporting to key variables such as NAV, leverage ratios, liquidity buffers and valuation shifts that are most sensitive to market developments and that change over a short period of time.

- **Streamline format** – Leverage structured templates in machine-readable formats to minimise manual effort and promote standardisation.
- **Coordinate with annual survey** – Align periodic reporting with the core metrics of the annual survey, enabling cross-validation and trend analysis.

Implementation considerations

- **Defining the risk-tiered cohort** – ASIC would need to set criteria combining fund size, strategy and risk profile to capture those managers most relevant to systemic oversight, market integrity and investor protection. This threshold would directly reflect ASIC's own definition of 'sufficient market visibility'.
- **Clear guidance on data and risk ratios** – To ensure data is comparable, guidance would need to be given on what was in and out of scope, and how to calculate key ratios (e.g. leverage ratios).
- **Digital by design** – The compliance costs in this option could be reduced by easy submission to a secure portal. This data could be automatically updated onto a dashboard or 'market monitor' within ASIC, minimising the resource requirements to analyse key datapoints.
- **Compliance** – Consideration should also be given to enforcement. Where funds provide incorrect or incomplete information, ASIC could rely on general provisions relating to false or misleading disclosures. Making this expectation clear could help support data integrity and ensure confidence in the reporting framework.

Option 3: Annual 'State of the Market' report

Each of the options above would improve ASIC's market visibility. Another option is to collate and publish data on private capital markets to improve transparency and allow market participants to benefit from improved knowledge of the state of the market. This reporting could take a variety of forms.

One option is for an annual 'State of the Market' report, detailing ASIC's view of the market. This should include (at least) the size and structure of the market, systemic risks identified (or those monitored as part of ASIC's public reporting) and any key domestic and international trends in private capital markets. These insights should be anonymised and a subset of the data ASIC collects to improve its own visibility over the market. The annual report could also take on an annual theme, giving ASIC some flexibility to investigate and outline its position on key market trends and opportunities.

When observed in other jurisdictions, these reports are an authoritative source of market transparency and can help strengthen trust in regulatory oversight and reduce information asymmetry between large institutions and smaller stakeholders. Over time, a consistent public view of market trends would also support more informed policy debates, improve comparability with international markets, and demonstrate the value of structured reporting without increasing commercial or compliance risk for managers. Though they can take time and resources to compile, they can be cost-effective exercises. They also provide a platform for ASIC to 'signal' the market (e.g. by including a summary of enforcement actions).

Design considerations

- **Balance cost, clarity and policy value** – The report should focus on generating insights that are valuable to both regulators and market participants. While publishing comprehensive data can enhance transparency, reporting that is overly technical or difficult to interpret can limit its utility. Design should favour simplicity, clear visuals and a narrative structure that highlights key trends, risks and regulatory priorities without imposing undue analytical effort on ASIC.

- **Align data and definitions** — Public reporting has the greatest impact when its aligned with existing sources and definitions. This includes domestic and international reporting (e.g. to enable cross-country comparisons).

- **Enable thematic flexibility** — Embedding a rotating annual theme (e.g. leverage trends, liquidity risks, venture capital performance) allows ASIC to spotlight evolving areas of concern, respond to external events (e.g. financial instability, regulatory reforms), and remain adaptive to stakeholder interests.

- **Create a feedback loop** — ASIC should invite feedback from survey participants and broader stakeholders on the report's content, structure and usefulness. This supports continuous improvement and allows the report to evolve in line with user needs and market maturity. An open consultation process can also encourage industry ownership of the report, reinforcing its value as a shared asset.

Implementation considerations

- **Timing** — As with the balance between cost and utility, there is also a balance between cost and timeliness. Most reports on private capital markets observed in other jurisdictions are published annually.

Option 4: Enhancing governance structures

In addition to the options outlined above, a series of potential options were identified that could improve market visibility and awareness. The options described below represent relatively light-touch and low-cost measures for improving ASIC's visibility of private capital markets. These options can be considered as a package or as individual options.

Increasing transparency in methodologies for private asset valuations

Currently, methodologies for valuing private assets lack transparency and rely on subjective models, assumptions and expert opinions. These valuations may not always be independent, and valuations can be performed infrequently, leading to outdated information for investors. Further, valuation methodologies may not be consistent, even for a given fund.

There are two main ways for ASIC to help increase the transparency of these valuation methodologies.

- **Publishing detailed guidelines on private asset valuation methods** — ASIC (potentially in collaboration with other government agencies or financial institutions) could publish a detailed set of guidelines that outline acceptable methods for valuing private assets. Existing guidelines, such as the International Private Equity and Venture Capital Valuation Guidelines, could represent a starting point. This is similar to published guidelines from a range of federal and state government agencies on cost–benefit analysis, regulatory impact assessments and environmental impact statements.

- **Greater transparency and disclosure requirements for valuation governance frameworks** — As part of APRA's SPS 530 prudential standards on superannuation funds, RSE licensees must implement a valuation governance framework to ensure accuracy and consistency in valuing assets. This requires super funds to report to their board on the valuation methodology employed for each asset class and provide sources of valuation inputs. They must have a review process to ensure that valuation policies remain effective, and to test and validate valuations. ASIC could consider requiring similar disclosures from private capital market participants on their valuation governance frameworks.

Improving data sharing across Australian government agencies

Across the different jurisdictions considered as part this analysis, several regulators engaged in formal data sharing across government agencies. For example, Germany's BaFin regularly shared data with the German Central Bank (Bundesbank), ESMA and the ESRB to support systemic risk monitoring at both the national and EU levels.

Currently, ASIC has a close collaboration with APRA. There is also scope to strengthen data-sharing and communication with other agencies, including the RBA, which has responsibilities for financial stability, and the ABS, which already collects relevant aggregated data. Clarifying which agencies are involved, and aligning objectives and definitions, would help ensure consistent coverage of risks across the financial system.

Consultations indicate that while large non-bank lenders are generally captured through existing frameworks (such as data collected by APRA under the *Financial Sector (Collection od Data) Act 2001*), gaps remain for certain entity types and structures — including some MISs and trust-based lending vehicles. Addressing these visibility challenges would likely require updates to reporting standards, shared definitions, and ongoing coordination between regulators.

There may also be value in exploring shared reporting templates or expanding current reporting obligations to improve coverage, particularly where risks to financial stability, market integrity or investor protection intersect. Strengthened data sharing does not necessarily require new institutional arrangements, but rather a deliberate alignment of objectives, infrastructure and regulatory purpose across agencies.

Building on mandatory reporting requirements for VCLPs

Eligible VCLPs (including early-stage VCLPs (ESVCLPs) and funds of funds) are entitled to beneficial tax treatment in Australia. These benefits — which can include a flow-through tax treatment, income tax exemptions and treatment of carried interest on a fund's capital account (rather than as income) — are designed to increase venture capital investment in Australian businesses, by both domestic and international funds.

There are conditions attached to these benefits, including that fund managers are based in Australia and the partnership have at least AUD10 million in committed capital. As such, limited partnerships are a subset of venture capital funds operating in Australia. At last count, there were 127 ESVCLPs and 105 VCLPs in Australia. Committed capital across the life of both programs is almost AUD33 billion, invested in over 2,800 Australian businesses by over 15,000 partners.[12]

These conditions include mandatory reporting requirements for VCLPs and ESVCLPs. The *Venture Capital Act 2002* requires each registered partnership to submit a quarterly and annual return, detailing (among other things):

- each partner's committed capital in the partnership and any acquisitions or disposals of a partners equity interests in the partnership
- any changes to the partnership agreement
- investments made during the period
- disposals of investments during the period (including any profits or losses incurred from each disposal)
- investments owned at the end of the period.

[12] DISR, 2024, Venture capital dashboard FY 2023/24

The program was reviewed as part of the *Venture Capital Tax Concessions Review* in 2022. Reporting requirements were not in scope of this review, though the program was well received by industry and had helped to grow the sector.[13] These mandatory disclosure requirements for a segment of the private capital market provide a model that could be applied across the sector more broadly. This would give ASIC (and other market participants) visibility of the investment plans of a range of funds, their structure, as well as periodic information on investments and disposals. ASIC should also seek to make use of this data on a specific segment of Australia's private capital market – made available by the Department of Industry, Science and Resources — where possible.

Design considerations

- **Leverage existing structure —** This takes advantage of an existing data collection exercise for one segment of the private capital market (venture capital). Changes to this structure could be made by exception.

- **Adopt reporting cadence** — The complementary quarterly and annual reporting requirements already exist, providing a template for expansion to the remainder of private capital market participants.

Implementation considerations

- **Legislative reform –** This may require legislative reform of, or reference to, the *Venture Capital Act 2002*. This Act currently contains the mandatory reporting requirements for VCLPs and ESVCLPs.

- **Cross-agency collaboration –** Expanding this mandatory reporting framework out beyond just VCLPs may require coordination (on the collection and reporting of data) with the Department of Industry, Science and Resources, and the Industry Innovation and Science Australia Board who administer the program alongside the Australian Taxation Office.

- **Uplift of existing reporting frameworks – T**he ABS is currently undertaking a data uplift project related to the Managed Funds release. APRA has also advised it will consult on changes to its publication of EFS, and that the RBA is reviewing its own publication of financial aggregates. Enhanced governance structures and data sharing arrangements should consider these ongoing processes.

4.1 Aligning with broader regulatory reform

The proposed options for reforming private market data reporting are designed to improve wholesale visibility of private market activities as they evolve over time. Together, the measures form a coherent package. They include reforms that could be implemented within ASIC's existing regulatory powers (Options 1, 3 and 4), as well as a potential mandatory reporting requirement (Option 2), which would likely require legislative change.

These reforms will increase compliance requirements for industry. Any move to strengthen current reporting arrangements will inevitably introduce new costs for market participants. However, we believe these costs can be modest. By working collaboratively with industry and leveraging standardised digital reporting platforms, the compliance requirements can be effectively managed. Leveraging existing data collections and ongoing reforms to data collection and reporting requirements (noted below), and effectively managing overlap between agencies' reporting requirements where possible can help to mitigate the cost of implementing the package of reform options.[14]

[13] Treasury, 2022, Venture Capital Tax Concessions Review

[14] APRA's management of the reporting standards that apply to RSEs and ASIC's management of portfolio holdings disclosure requirements that apply to superannuation trustees is an example of an area where agency overlap should be continuously monitored and managed.

Current economic policy discussions are heavily focused on lifting Australia's productivity and examining the role of regulation (and deregulation) in enabling innovation and dynamism. While the proposed reforms represent an expansion of regulatory obligations in the financial system, several points should be emphasised.

- The proposed reforms are light-touch, proportionate and aligned with international best practice.
- They are unlikely to inhibit industry innovation. On the contrary, if co-designed with industry (as recommended), they could support innovation and enhance market confidence.
- Legislative changes to enable mandatory reporting for risk tiered funds (Option 2) would be consistent with, and complementary to, APRA's ongoing efforts to strengthen superannuation fund reporting. This is discussed below.

APRA reforms and the need for a parallel uplift

APRA is currently undertaking a multi-year program to strengthen the breadth, depth and consistency of superannuation reporting. Phase 1 of the program focused on expanding coverage across investment options, fund-level operations, and performance metrics, including the introduction of look-through reporting for asset classes such as unlisted property and infrastructure. Phase 2 aimed to enhance reporting of choice products, address data quality gaps, and improve reporting for evolving products and structures (e.g. lifecycle strategies and tailored investment options). This phase, 'Depth', has resulted in changes to:

- Enhance reporting on trustee profiles, fund profiles, indirect investment costs and investments (November 2023).
- Reduce the reporting burden on supervised entities (September 2024).
- Enhance reporting on liquidity and valuation risk, governance practices, and product distribution arrangements in Trustees' business operations (December 2024).
- Reporting on investment exposure concentrations and valuations (March 2025).

These reforms aim to update APRA's superannuation reporting as part of the Superannuation Data Transformation program, improving their supervisory activities and facilitating prudential objectives. APRA have consulted with ASIC (as well as industry through several consultations) as part of this program. The program could allow ASIC to better monitor fund disclosures to members, assess consistency between marketing claims and actual portfolio holdings, and identify instances of misleading conduct or inadequate risk disclosure. If no further action was taken by ASIC, the reforms would still lift in visibility over superannuation investment practices and systemic patterns.

It is important to note that the APRA reforms are not designed to address the broader gaps in ASIC's surveillance of non-superannuation investment products, particularly unlisted private capital vehicles such as wholesale managed funds, unregistered schemes, and discretionary structures. These vehicles are not directly captured under APRA's collection standards and are often subject to minimal or highly fragmented disclosure requirements. APRA does, however, collect data on exposure of RSEs to unlisted assets, which may include private capital investment vehicles.

In addition, APRA's standards are tailored to prudential objectives rather than market conduct. Key market integrity and investor protection concerns — such as distribution practices, investor suitability, ESG-related disclosures, and performance marketing — require data granularity and definitions that go beyond the prudential lens. Without complementary uplift to ASIC's data collections, gaps will remain in areas of risk identification, cross-product comparison, and oversight of the broader managed investment ecosystem.

In light of these issues, following APRA's reforms with a parallel ASIC-led uplift (as proposed) would support a harmonised and consistent regulatory framework, offering the market a unified data reporting architecture across both prudential and conduct regulators. This alignment would reduce duplicative reporting, improve data quality through standardised definitions, and support more effective joint supervision across Australia's investment landscape.

5. Conclusions

The report and analysis support ASIC's primary policy objective of enhancing visibility and strengthening the reporting landscape for Australia's private capital markets. Recognising that Australia's existing regulatory framework currently trails international benchmarks, the report emphasises the importance of more robust monitoring and oversight to address gaps in current market transparency and systemic risk management.

Drawing from best practices across international jurisdictions, the report identifies several key areas where data reporting arrangements could be improved. Central among these is the importance of regular and consistent data collection to build comprehensive market intelligence and facilitate informed regulatory oversight. Enhancing market transparency through structured and periodic reporting — particularly from systemically important entities — is crucial to actively monitor market developments, as well as manage potential systemic risks.

Further, the report highlights the value of public disclosure and transparency measures, which serve to reduce information asymmetries and bolster market confidence and integrity. Collaborative industry engagement and co-design are presented as essential elements for any reformed arrangements, helping ensure that regulatory enhancements are proportionate, scalable, and sensitive to market conditions.

Integral to any new initiatives to strengthen data reporting and disclosure arrangements are improved governance frameworks and enhanced data sharing arrangements among regulatory bodies like ASIC, APRA and the RBA. These measures aim to create more effective and cohesive oversight, ensuring regulators are equipped to respond to evolving market dynamics and emerging risks as private capital markets continue to grow and evolve.

Appendix A Scorecard of international disclosure frameworks

This scorecard shows the scores assigned to each jurisdiction's disclosure framework, assessing its performance against our framework.

	Australia	US	Canada	UK	Singapore	HK	Japan	EU	Switzerland	Germany	France	NZ
Coverage and completeness	2	4	3	4	4	4	1	4	4	4	5	2
Timeliness	2	3	2	5	4	2	2	4	2	4	4	2
Monitoring of market developments and emerging risks	2	4	4	5	4	3	1	4	2	4	5	2
Data complementarity	2	3	2	4	4	3	1	4	2	4	4	2
Quality and utility average	2	4	3	4	4	3	1	4	3	4	4	2
Collaboration	2	4	3	4	5	3	1	5	3	5	5	3
Cost and resourcing	3	4	4	4	3	2	1	4	3	4	4	2
Complexity	3	4	3	4	4	3	1	4	3	4	4	2

Source: EY analysis

Asia-Pacific and Oceania

	Australia	Singapore	HK	Japan	NZ
Coverage and completeness	Broad regulatory coverage of private capital funds (e.g. MISs and superannuation) captures all major asset classes, with public registers and historical data available. However, data is not yet unified across all fund types, as wholesale funds outside these regimes have less visibility.	Singapore's regime covers most private capital fund types through the required licensing or registration of fund managers (Registered Fund Management Companies and Licensed Fund Management Companies). Broad asset classes - private equity, venture capital, real estate, hedge funds, etc. - are included in regulatory reporting. Smaller venture managers enjoy exemptions, but in general the regulatory perimeter captures the key players in the private capital markets.	All asset managers must be licensed in Hong Kong, but the regulations impose minimal specific disclosures for private capital funds beyond basic firm-level reporting. This means private capital funds (hedge, private equity, etc.) are not required to routinely report detailed data, resulting in partial coverage of the market's activities.	Japan's disclosure for private capital funds is very narrow or emerging. Many domestic private capital funds operate under exemptions (e.g. Special Business for Qualified Institutional Investors) that require little or no reporting, resulting in a narrow scope of funds that regulatory bodies systematically cover. Only retail-facing funds have fuller disclosure, leaving most private capital vehicles opaque.	New Zealand's framework imposes very narrow or emerging disclosure requirements on private capital funds. Outside retail-offered MISs, private capital funds catering to wholesale investors can operate with virtually no ongoing reporting, so coverage of this sector by regulatory bodies is extremely narrow.
Timeliness	The regime combines quarterly reporting (e.g. APRA's superannuation data) and annual fund disclosures, providing reasonably timely information albeit with some lag for certain fund types.	Private capital fund managers in Singapore report data quite frequently (in some cases monthly, with reports due by the 15th of the following month, and even daily for certain risk metrics). This frequent and prompt submission schedule means regulatory bodies have up-to-date information for oversight.	Reporting is infrequent. Licensed fund managers typically provide only annual aggregate information (e.g. firm AUM and a simple breakdown) and the SFC occasionally conducts surveys (such as of hedge fund assets) rather than requiring regular fund-by-fund reporting. Thus, regulatory bodies have narrow or emerging near-term visibility into market changes.	There are few to no scheduled reporting obligations specific to private capital funds in Japan. Regulators do not receive quarterly or annual filings from most alternative funds, which means data on these funds is not yet updated regularly (often only collected at registration or if a problem arises).	No regular reporting timeline exists for private capital funds in the current light-touch regime. In practice, if a private capital fund is not yet making a public offer, it may not report any data on a periodic basis. This limited access to scheduled disclosures means any information available quickly becomes outdated or remains absent.

	Australia	Singapore	HK	Japan	NZ
Monitoring of market developments and emerging risks	Regulators leverage collected data (for example, APRA's supervisory data on liquidity, leverage, and exposures in super funds) to monitor systemic risks and emerging trends in private capital markets.	MAS monitors risk indicators (such as liquidity mismatches or concentrated exposures) using the detailed data from fund managers and has the power to investigate anomalies. The data collected enables MAS to detect systemic trends or emerging issues in private capital markets, although not all findings are public.	Private capital market risk monitoring relies on narrow or emerging data in Hong Kong. The SFC may use indirect indicators and occasional surveys to gauge leverage or liquidity in the sector, but it lacks a comprehensive, real-time view of emerging risks in the private capital fund space compared to peers with systematic reporting.	With no routine data on metrics like fund leverage or investor redemption activity, the FSA's ability to detect emerging threats relies on comprehensive financial indicators or crises triggering reactive checks, rather than ongoing monitoring of fund data.	There is virtually no ongoing collection of data for risk monitoring in New Zealand's private capital markets. Regulators have very narrow or emerging insight into developments (e.g. growth in leverage or liquidity risk) among private capital funds, and must rely on general market information or issues being self-reported, which hampers early detection of emerging risks.
Data complementarity	Data from private capital markets is not yet fully integrated: APRA's and ASIC's systems use distinct formats (though APRA uses standard taxonomies for superannuation data), and there is no single identifier linking all private capital funds across databases.	MAS aligns data definitions with global standards and uses common identifiers where possible, improving interoperability. Regulatory filings use a consistent taxonomy and can be linked within MAS's comprehensive financial surveillance systems. Some private capital fund data remains in separate channels (especially for exempt sub-threshold managers), but overall complementarity is fit for purpose.	Disclosures are not highly standardised; there is no widespread use of unique fund identifiers like Legal Entity Identifiers (LEIs) for private capital funds, and data is collected in siloed reports. The limited access to a unified reporting template means private capital fund information cannot be easily cross-referenced with other financial data sets.	There is minimal use of standard identifiers or unified templates in whatever narrow or emerging disclosures exist. The fragmented, infrequent data cannot be easily linked to other financial datasets. In practice, private capital fund information remains in silos (or entirely off the radar), hindering any complementary analysis with banking or market data.	There is a limited access to standardised data or integration with other financial data sets. Since private capital fund disclosures are minimal, there has been no move to implement common identifiers or link private capital fund information to other regulatory databases. Each fund's data, if any, remains in isolation.
Collaboration	Australian regulatory bodies engaged industry in developing data requirements (e.g. APRA's consultation on super fund data) and coordinate between ASIC, APRA, and Treasury on private capital market oversight.	MAS often co-designs regulatory initiatives with industry feedback and maintains formal channels for regulator-industry collaboration. For example, it consults the fund management industry on new disclosure rules. Internationally, MAS is very active in IOSCO and other bodies, ensuring Singapore's framework stays aligned with global best practices.	The SFC coordinates with industry through public consultations on regulatory changes and shares some information with other regulatory bodies (e.g. the HKMA and international bodies). However, the private capital fund disclosure framework was primarily designed by regulatory bodies, not co-developed through industry partnerships, and remains relatively basic.	Coordination with industry on private capital fund disclosure has been narrow or emerging. Regulatory changes in this area have been incremental and largely top-down. Japan does participate in international bodies (IOSCO, etc.), but domestically there have been few collaborative initiatives to enhance transparency in private capital markets.	The regulator engages with industry mainly on high-level principles and has not co-designed a private capital fund disclosure regime. New Zealand tends to follow basic global norms but has not developed specific collaborative initiatives for private capital market transparency. Overall, there is little in the way of partnerships to enhance data collection in this area.

	Australia	Singapore	HK	Japan	NZ
Cost and resourcing	Implementing comprehensive data collection (especially for superannuation) has entailed significant costs for industry, but regulatory bodies phased in requirements and allocated specialised teams. This balance has managed costs vs. oversight reasonably well, though smaller managers still face compliance costs.	MAS uses advanced IT systems for data submission and analysis, reducing manual effort and cost for both regulatory bodies and firms (e.g. via the OPERA platform for fund reporting). It calibrates reporting requirements by firm size to avoid undue costs on smaller managers, and dedicates substantial resources to supervise and innovate (including regulatory technology solutions) in private capital market oversight.	Hong Kong's minimalistic reporting keeps compliance costs low for industry, but it also signals under-investment in regulatory tools and manpower for private capital fund oversight. Regulators dedicate fewer resources to collecting and analysing private capital fund data, which limits the depth of supervision (albeit aligning with Hong Kong's market competitiveness focus).	With very few reporting obligations, compliance costs for private capital fund managers are negligible, but regulatory bodies have correspondingly invested little in systems or staff for private capital market data. The limited access to dedicated resourcing means oversight gaps persist (even if this low-cost approach reduces costs on industry).	The minimal regulation keeps costs very low for industry and requires only basic regulatory oversight. However, this also means minimal resources are devoted to private capital market monitoring – no special IT systems or teams. The cost-benefit skews toward low end, but at the expense of obtaining useful data for oversight.

Europe

	EU	France	Germany	UK	Switzerland
Coverage and completeness	The EU's AIFMD framework requires that most alternative funds (above small AUM thresholds) are registered and report data, covering a wide range of private capital fund types across member states. Virtually all significant private equity, real estate, hedge and other funds are captured by the directive's disclosure requirements.	Under AIFMD, France supports comprehensive inclusion of private equity, real estate, venture and other alternative funds in disclosures. Virtually all substantial funds and managers fall within the reporting scope administered by the AMF, giving a comprehensive coverage of the private capital fund universe.	Germany's implementation of AIFMD, combined with additional national requirements (e.g. Bundesbank's reporting for all investment funds including institutional Spezialfonds), covers nearly all private capital funds and strategies. The disclosure regime is very comprehensive, leaving almost no major gaps in the private capital markets data collected.	Virtually all alternative investment funds are covered under the UK's AIFMD-equivalent regime. Authorised AIFMs must report on the funds they manage, which supports comprehensive coverage across private equity, hedge, real estate and other private asset classes (with only small sub-threshold managers exempt from full requirements).	Swiss law (FinIA/FinSA) covers managers of CISs, but funds aimed exclusively at qualified investors have lighter disclosure obligations. Many private capital funds in Switzerland fall into that category, meaning they are not required to publish detailed data. Coverage exists through manager regulation, yet private capital fund-specific reporting is largely absent, keeping much of the market activity off official radars.
Timeliness	Under AIFMD, reports are submitted on a quarterly, semi-annual or annual basis depending on fund size, with a one-month post-period deadline for regulator filings. This strict schedule supports data is relatively up to date for oversight purposes.	French AIFs follow the AIFMD periodicity; larger funds report quarterly while smaller ones at least annually, with submissions due shortly after each period ends. This regular cycle means regulatory bodies have timely data throughout the year for monitoring purposes.	German authorities receive investment fund data at high frequency (monthly portfolio reports through the Bundesbank, plus quarterly or annual AIFMD filings). These frequent submissions (often within weeks of period-end) enable timely monitoring of market developments with minimal delay.	AIFMD-based reporting in the UK requires quarterly, semi-annual or annual submissions depending on fund size, with tight deadlines (typically one month after each period-end) ensuring up-to-date data. This timely flow of information enables regulatory bodies to oversee developments in the absence of significant delay.	Apart from standard annual financial statements and basic supervisory reporting by fund managers, there are few interim disclosure requirements for private capital funds. Data on fund operations or portfolios is not yet routinely updated through the year, so regulatory bodies often receive information only infrequently (e.g. during audits or compliance checks).

	EU	France	Germany	UK	Switzerland
Monitoring of market developments and emerging risks	ESMA and national regulatory bodies aggregate data from across the EU on indicators like fund leverage and liquidity, and regularly perform risk assessments. This provides a comprehensive view of emerging systemic risks in private capital markets, evidenced by EU-wide reports analysing trends in alternative funds.	The AMF and Banque de France use extensive fund reporting to identify trends (e.g. leverage levels, valuation or liquidity risks) in alternative funds, enabling early warning of market stress. Supervisory analyses of private capital funds are routine, leveraging the rich data collected under the AIFMD regime.	Granular data (including fund leverage, liquidity profiles, and asset exposures) reported to BaFin and the Bundesbank allows close tracking of market developments. Regulators regularly assess risk indicators across the private capital fund sector and have a robust early-warning system for emerging risks, supported by the breadth of data available.	The FCA and Bank of England analyse AIFMD reports (which include metrics on liquidity, leverage, and exposures) to flag market developments and risks. Data-sharing among UK regulatory bodies (e.g. via the Financial Policy Committee) supports early risk detection, and recent episodes (like open-ended fund liquidity issues) have been closely monitored using these data.	FINMA's oversight of private capital fund risks is constrained by sparse data. Monitoring relies on general financial stability indicators and firm-level supervision rather than dedicated fund-specific data streams. The absence of regular, detailed reporting means potential emerging risks in private capital funds might only be noticed after they materialise or via indirect signals.
Data complementarity	AIFMD reporting uses common data standards and templates across the EU (Annex IV reports), improving consistency and allowing merging of datasets at national and European levels. The use of identifiers (such as fund codes and manager LEIs) is increasingly incorporated, enhancing interoperability of the data.	French disclosures follow the standard EU templates and identification codes, facilitating interoperability. Regulators can readily correlate fund data with other financial information (for instance, via LEIs and national registers), and the consistency of data enhances its usefulness alongside banking or market datasets.	Germany benefits from EU-standardised reporting (AIFMD Annex IV) and additional national statistical reports. Data uses uniform classifications and identifiers, and is integrated into the Bundesbank/ECB systems, allowing it to be cross-analysed with other financial data (e.g. banking sector exposures).	The UK uses the standardised AIFMD Annex IV template with common identifiers (such as LEIs for fund managers and funds), allowing data to be combined with other regulatory datasets. Reporting definitions are consistent with international norms, which aids interoperability and comparison across jurisdictions.	Private capital fund disclosures in Switzerland are not integrated across systems. Data that is collected (primarily qualitative or high-level) comes in basic formats and is not yet easily cross-linked, since there is no widespread use of standardised identifiers like LEIs for funds. This limits the ability to complement fund data with other market data.
Collaboration	The EU's framework was developed through extensive consultation among member states and industry stakeholders. Ongoing cooperation is ensured via ESMA's coordination (e.g. sharing data and best practices among regulatory bodies) and alignment with IOSCO standards, reflecting a high degree of collaboration.	The AMF works with industry associations (like France Invest) on best practices for fund transparency and cooperates at the EU level through ESMA. There is frequent industry consultation on new rules, reflecting fit-for-purpose collaboration and ensuring that French practices remain aligned with comprehensive European standards.	German authorities (BaFin and the Bundesbank) collaborate closely and engaged industry experts during AIFMD implementation. They also contribute actively to EU-wide supervisory coordination and standard-setting. Domestically, there is fit-for-purpose inter-agency data sharing and cooperation in overseeing the fund industry.	UK authorities routinely consult with industry on regulatory changes and maintain fit-for-purpose collaborations (for example, data sharing between the FCA and the Bank of England on funds). The UK also works closely in international forums (IOSCO, FSB) to align its standards, showing a high level of cooperation and adaptability in its disclosure regime.	Swiss regulatory bodies do consult industry stakeholders on regulatory updates and keep Swiss rules comprehensively consistent with international expectations. However, there are few joint initiatives specifically targeting improvements in private capital fund data transparency. The collaboration is more about maintaining general market competitiveness and compliance with global norms than enhancing disclosure depth.

	EU	France	Germany	UK	Switzerland
Cost and resourcing	EU-wide reporting brings notable compliance costs for fund managers (acknowledged in AIFMD's impact assessments) and requires substantial regulatory coordination. Still, centralizing data via ESMA yields some efficiency in oversight. Regulators continue to refine requirements to balance the costs with the benefits of comprehensive data.	France's regulatory bodies have the staff and IT systems to manage AIFMD reporting and have worked to streamline processes. Although firms incur significant compliance costs, the regulatory bodies' cost-benefit approach (e.g. providing clear guidance and phased implementations) has helped manage the costs. Overall resourcing is sufficient to handle and analyse the data collected.	Significant resources are dedicated to fund data collection and analysis in Germany – for example, maintaining advanced IT infrastructure for monthly reporting. While compliance costs for firms are high due to extensive reporting duties, the process benefits from automation and economies of scale in a large market. Regulators have justified these costs with the value gained in oversight.	The UK has invested in systems (like the FCA's digital reporting platforms) to handle fund data and to enforce compliance. While reporting is inevitably costly for firms, regulatory bodies provide support and have introduced proportional requirements (e.g. lighter rules for smaller managers) to manage the costs. Overall, the regulatory agencies are well-resourced to analyse the incoming data, making the cost justified by fit-for-purpose oversight capabilities.	Swiss authorities have maintained a lean regulatory approach to avoid creating costs for the funds industry. This results in low compliance costs for private capital fund managers but also means fewer resources (technology and staff) are devoted to collecting and analysing private capital fund information. The cost-benefit tilt favours low regulatory overhead, at the expense of detailed oversight.

North America

	Canada	United States
Coverage and completeness	Coverage is narrow or emerging: regulatory bodies primarily receive exempt distribution reports when funds raise capital, with no comprehensive ongoing data collection. Private capital funds not offered to retail investors can operate with minimal disclosure, so many vehicles remain outside regular reporting.	The US requires extensive reporting for larger private capital fund advisers via Form ADV and Form PF, which together cover a comprehensive array of asset classes (private equity, hedge funds, etc.). However, smaller and venture-focused advisers are exempt from these filings, leaving some gaps in coverage (many funds fall below the USD150 million AUM threshold or qualify as exempt reporting advisers). There is narrow or emerging single public registry of all private capital funds, since filings like Form PF are confidential.
Timeliness	There is narrow or emerging periodic reporting schedule for private capital funds beyond the initial capital-raise filings, resulting in a limited access to ongoing timely data. Information is typically only updated at the time of new offerings, not quarterly or annually.	Large hedge fund advisers must report quarterly (within 60 days of quarter-end) and most others file annually (within 120 days of fiscal year-end), meaning data can be several months old by the time regulatory bodies see it. Public disclosures are even less frequent (Form PF data is not yet public, and Form ADV gives only narrow or emerging yearly snapshots), reducing overall timeliness.
Monitoring of market developments and emerging risks	Without routine private capital fund reporting, Canadian regulatory bodies lack data on fund flows or leverage, limiting their ability to spot emerging risks. Oversight relies on comprehensive market surveillance and occasional ad hoc studies rather than dedicated fund data.	Form PF provides regulatory bodies with data on leverage, portfolio exposures, and fund liquidity which the FSOC and SEC use to detect systemic risks. This framework has improved authorities' ability to monitor hedge fund and private equity risks, though the information is not yet real-time and remains confidential (limiting wider market awareness of emerging issues).
Data Complementarity	Recent reforms introduced a harmonised reporting form using some standard fields (e.g. requiring a fund's Legal Entity Identifier), but Canada lacks an integrated system to connect these sporadic filings with other financial data. The overall data remains fragmented.	Private capital fund data in the US is siloed across multiple filings with narrow or emerging standard identifiers. For instance, Form PF and Form ADV do not universally require LEIs for funds, and the data isn't linked to other regulatory datasets. The limited access to a unified reporting taxonomy and the confidentiality of Form PF data means that complementary use of the data (across agencies or with public capital market data) is restricted.
Collaboration	The CSA (provincial regulatory bodies) collaborated to harmonise exempt offering reports and consult industry on rules, showing some coordination. However, there are few partnerships focused on private capital fund data, and Canada has not pursued an expansive disclosure regime in line with international initiatives.	The SEC and the Commodity Futures Trading Commission coordinated in implementing Form PF jointly, demonstrating inter-agency collaboration. Industry input was obtained through notice-and-comment during rulemaking, but the regime was largely regulator-driven rather than co-designed. Internationally, the US participates in bodies like IOSCO, but its private capital fund disclosure standards were developed independently, leading to less direct alignment with regimes like AIFMD.
Cost and resourcing	The light reporting approach reduces direct costs to fund managers, but it also reflects narrow or emerging resource allocation by regulatory bodies for private capital market data. No dedicated systems or teams continuously analyse private capital fund information, indicating cost savings at the expense of oversight depth.	Compliance with Form PF is resource-intensive for industry (the SEC estimated substantial hours and costs for filings in its rule releases), and the regulator itself must devote specialised staff and systems to handle the data. While the electronic filing system (IARD) streamlines submissions, the overall cost/benefit is moderate – firms bear significant compliance costs and, due to privacy of the data, the comprehensive market doesn't benefit, though regulatory bodies gain internal oversight value.

Appendix B Methodology

To support ASIC in evaluating options to improve its private capital market reporting regime, EY applied a structured, three-phase methodology anchored in comparative policy research and international benchmarking. This approach was designed to generate practical, evidence-based recommendations that reflect both global regulatory best practice and the unique characteristics of Australia's private capital markets.

Our methodology drew on legal and regulatory analysis, data taxonomy comparisons, stakeholder insights and a multidimensional evaluation framework. It aimed to identify what data is collected internationally, how it is used, and the enabling conditions – technical, institutional and legal – that support effective reporting.

Phase 1 – Discovery

The first phase involved a structured discovery exercise focused on the reporting and disclosure regimes of 11 peer jurisdictions: the US, the EU, the UK, Germany, France, Canada, Switzerland, Singapore, Hong Kong, Japan and New Zealand. First, we confirmed scope and key evaluation questions with ASIC, before conducting a review of relevant legislation, regulatory instruments, disclosure templates, regulatory portals and guidance materials across each jurisdiction.

We catalogued the legal and institutional architecture underpinning private capital market regulation, identifying the principal regulatory bodies, legislative instruments, and the specific disclosure obligations that apply across fund types and investor classes. This research was structured using a consistent set of assessment questions grouped under themes such as legal foundations, coverage and completeness, timeliness, risk monitoring, interoperability, collaboration, compliance, and cost.

By standardising our approach across jurisdictions, we established a consistent basis for comparison, enabling us to map the depth, breadth and frequency of data collection across peer markets. This laid the foundation for cross-country analysis in Phase 2.

To guide this analysis, EY developed a multi criteria analysis (MCA) framework that informed the research questions presented in the table below. Each criterion in the MCA reflects a key regulatory design choice or outcome of interest – such as how frequently data is collected, or the extent to which reporting obligations apply across different fund types and investor classes. Recognising that these design choices involve trade-offs between regulatory utility and implementation costs, the MCA grouped criteria into two categories: the quality and utility of each jurisdiction's reporting regime, and its cost-effectiveness. This framework helped structure our benchmarking exercise and ensured that the comparative analysis was consistent and tailored to ASIC's policy objectives.

General – legal	What is the primary legislation or regulatory framework governing private capital markets?
	Which regulatory body/bodies are responsible for overseeing private capital market disclosures?
	Are private investment funds required to register or notify the regulator before operating?
	Are foreign-owned funds operating domestically required to disclose anything to the regulator?
	Are there specific categories or thresholds that trigger reporting obligations?
General – disclosure	What types of data is collected from private capital market participants?
	Which disclosures are made public versus only available to the regulator?
	Are fund performance metrics or valuation methodologies required to be disclosed?
	Are there sector-specific disclosure regimes that include private capital flows?

Coverage and completeness	What asset classes are captured under private capital markets disclosure regulations?
	Are fund structures clearly delineated and included?
	Are private capital funds required to submit entity-level and/or fund-level data?
	Are historical time-series datasets available?
	Is there a central registry of private capital market funds or entities?
Timeliness	What is the mandated frequency of disclosures?
	What is the typical time lag between reporting period and data availability?
	Are there different timelines for regulator-only vs public disclosures?
Monitoring of market developments and emerging risks	What types of data is used to detect systemic risks in private capital markets?
	Are fund flows, redemptions, leverage, or liquidity risk metrics captured?
	How do regulators monitor interconnectedness across entities or sectors?
	Are there provisions to identify shifts in capital allocation or investor behaviour?
Data complementarity	Do private capital market disclosures use standard identifiers?
	Is the data linked or interoperable with other regulatory datasets?
	Are standard templates or taxonomies used?
Collaboration	Have private capital market disclosures been co-designed with industry or other regulators?
	What mechanisms exist for regulators and industry to engage on reporting design or costs?
	Are there partnerships in data collection?
	What legal instruments underpin the reporting obligations?
	How is compliance monitored or enforced?
	Is there alignment with international standards?

Phase 2 – Gap analysis

In the second phase, we conducted a comparative gap analysis to evaluate Australia's current regulatory settings against international benchmarks. Each jurisdiction's reporting regime was assessed against the qualitative scoring framework outlined in Phase 1. These dimensions reflect a balance between the utility of collected data and the proportionality of the compliance effort required.

Crucially, this phase also incorporated targeted stakeholder consultation to ensure the findings reflected not only the formal design of regulatory regimes, but also their operation in practice. These engagements provided firsthand insights into how survey and reporting regimes were implemented, what challenges were encountered, and how jurisdictions managed industry engagement, compliance and iterative improvements.

Stakeholders shared their perspectives on survey participation, industry buy-in and lessons from transitioning between voluntary and mandatory reporting models. These insights were particularly valuable in testing the feasibility of options under consideration for the Australian market and identifying low-friction pathways for progressive reform. The combination of document analysis and practitioner insight strengthened the robustness of the comparative findings and grounded the final recommendations in regulatory experience, not just policy design.

Phase 3 – Reporting

Phase 3 involved translating the comparative insights and stakeholder feedback gathered during earlier stages into a set of practical reporting options for ASIC's consideration. These options were designed to reflect the diversity of international practice while responding to the specific regulatory and market context in Australia.

In developing these options, EY considered the trade-offs identified through the MCA and cross-jurisdictional benchmarking. Particular attention was paid to balancing regulatory utility with implementation feasibility, ensuring that proposed approaches could support effective oversight while remaining scalable and proportionate to industry capacity. The final recommendations aim to provide ASIC with a flexible foundation for future policy development, adaptable to evolving market conditions and regulatory priorities. This will assist ASIC in developing a more robust private capital market reporting regime in Australia.

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