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The Manager
Diversity, Localism and Accessibility Section
Australian Communications and Media Authority
By online submission

25 August 2022

APAC Regulatory Reporting
On behalf of FIL Limited, FIL Asia
Holdings Pte Limited and
subsidiaries

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**Re: Foreign ownership of Australian
media assets: review of legislative
requirements
Consultation paper (July 2022)**

Level 21, Two Pacific Place,
88 Queensway,
Admiralty
Hong Kong

Dear Manager,

Thank you for your invitation to comment on the captioned Consultation Paper. We hereby submit our comments with respect to issues on "Notification requirements for foreign stakeholders" (Questions 12 through 17 in the Consultation Paper).

Yours sincerely,

Charles Guo
Senior Manager, APAC Regulatory Reporting

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12. Do you have any suggestions for improvements on how to streamline the notification process while still achieving the intended policy objective?

There are three main suggestions to align the notification methodology with that of ASIC / ASX disclosure regime, namely:

- 1) Substitute direct holding percentage (of an ASX-listed media company) for the 'fractional tracing' calculation methodology of networks / joint venture networks;*
- 2) Substitute the ASX-listed media company for the networks and licenses in ACMA controller database as the subject of notification;*
- 3) If the parent / group-level (foreign investor) entity has fulfilled the notification obligation, exempt their subsidiaries / 'associates' from such notification obligations, provided that a clear organization structure is attached in the notification by the parent entity.*

13. What are the costs to business of complying with the notification provisions to meet FOMA obligations? To what extent can these costs be reduced (for example, by removing duplication with other reporting/notification requirements and/or by streamlining Division 10A)? If you are a foreign stakeholder, you may include specific costs that you have incurred when making notifications.

Significant manual efforts have been undertaken by us in

- 1) gathering and grooming the extra data to facilitate 'fractional tracing', such as the media interests snapshots, the respective ownership of joint venture networks by their holding companies, for both ongoing monitoring and notification preparation purposes;*
- 2) mapping the ASX-listed media company names and holdings to those of the networks and licenses in ACMA controller database;*
- 3) performing duplicate monitoring and notification for our subsidiary and 'associate' (investor) entities, even when the aggregate holdings have been reported to ACMA at the parent / group-level (foreign investor).*

Referring to our response to Question 12, if such suggestions could be acted upon accordingly, the costs arising from above-mentioned manual efforts could be eliminated or significantly reduced.

14. Are the circumstances when a foreign person is required to notify the ACMA (sections 74F to 74L of the BSA) appropriately designed? Should notifications be required in other circumstances, or should fewer notifications be required? If the latter, how might a scenario for fewer notifications be achieved?

We think the circumstances are appropriately designed.

15. Is the information that is required to be provided in the notifications (sections 74F to 74L of the BSA) appropriate? If not, what information is essential? What information is less essential and why?

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Referring to our response to Question 12, we think the information in "Part A - Australian media company(s)" of the notifications could be replaced with the ASX-listed media company, while the relevant holding percentage in subsequent parts (Part C of 74F, Part E of 74H) could reflect the direct holding as such (i.e. removing the 'fractional tracing' methodology)

16. Is the scope of the FOMA framework suitable to achieve its stated policy outcomes, including the types of media entities covered, the meaning of key terms such as 'foreign stakeholder' and 'foreign person' and the size of the minimum interest that triggers a notification requirement?

We don't have comments for this question.

17. Are there additional circumstances relating to interests held in AMCs by foreign stakeholders that should be notified by foreign stakeholders and recorded on the Register?

We don't have comments for this question.