



25 October 2018

Rod Sims

Chair

Australian Competition & Consumer Commission

Inquiry into foreign currency conversion services

By email: forex@accc.gov.au

Dear Sir

Thank you for the opportunity to provide a submission into the *Inquiry into foreign currency conversion services* issues paper issued by the Australian Competition & Consumer Commission (the “**Issues Paper**”).

Ant Financial is dedicated to using technology to bring the world equal opportunities. Our technologies, including blockchain, artificial intelligence, security, Internet of Things and computing, empower us and our ecosystem partners to serve the unbanked and underbanked, bringing more secure, transparent, cost-effective and inclusive financial services to individuals and SMEs worldwide. We serve Chinese travellers overseas by enabling Alipay acceptance at merchants in popular destinations. By the end of March 2018, together with its global JV partners, Ant Financial served 870 million users worldwide.

In a few markets, Ant Financial has formed strategic partnerships to serve local users in those markets. We have not done this in Australia. Instead, our focus is to enable cross-border payments for Alipay PRC users at Australian merchants, whether the payment be offline or online.¹ This is achieved by working directly with some merchants but in the majority of cases by working through acquiring partners.

¹ For more information on Ant Financial, please visit our website at www.antfin.com.

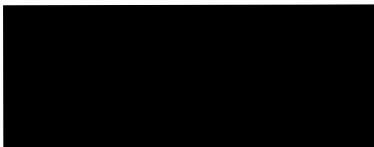


We note the terms of reference as outlined in the Issues Paper.² Ant Financial does not provide payment services for Australian residents, rather it is for Chinese PRC cross-border users only. Settlement to Australian merchants is in AUD, with the FX fee being applied to the Alipay wallet holder at the time of the transaction. So there is no foreign currency risk to Australian merchants.

As such, we believe that Ant Financial is outside your terms of reference. Should the ACCC have any questions or concerns we would welcome the opportunity to discuss these matters.

Should you require any further information about the matters raised in this submission please contact me. Thank you once again for the opportunity to provide a submission on this important matter.

Yours sincerely



Country Manager
Alipay Australia & NZ

² *Inquiry into foreign currency conversion Issues Paper*, Australian Competition & Consumer Commission, 2 October 2018, [link](#), p. 3.

