



7 February 2020

Australian Competition and Consumer Commission  
23 Marcus Clarke Street  
Canberra ACT 2601

By email: [ACCC-CDR@acc.gov.au](mailto:ACCC-CDR@acc.gov.au)

To whom it may concern,

**Re: Consumer Data Right – Consultation on how best to facilitate participation of third party data providers**

As a major Credit Reporting Body in the Australian credit landscape, illion welcomes the opportunity to provide this submission to the Australian Competition and Consumer Commission (ACCC) regarding consultation on how best to facilitate participation of third party service providers in the Consumer Data Right (CDR) framework.

illion is a strong supporter of the implementation of a Consumer Data Right (CDR) in Australia. The CDR framework will provide substantial benefit to financial services consumers, transforming the way they interact with the banking system by providing the ability and tools to safely share data with different lenders, other financial institutions and fintech companies. In doing so, consumers will be able to access the most appropriate and economical financial products to suit individual needs. Likewise, granting access to consumer data will ensure providers will be able to offer innovative products at more competitive rates. illion believes that intermediaries, such as credit reporting bodies, will be critical to the practical implementation of the CDR in Australia, beginning with Open Banking.

If there are any questions or concerns arising from this submission please feel free to contact me at

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Yours sincerely,

A handwritten signature in black ink, appearing to be "Steve Brown", written in a cursive style.

**Steve Brown**  
**Director - Bureau Engagement**

## **About illion and its role in the banking and finance landscape**

illion is a data and analytics business, operating in Australia since 1887. Using extensive credit and commercial databases, we assist banks, other financial services providers and other businesses to make informed credit and risk management decisions, and help consumers access their personal credit information. Our data assets, combined with our end-to-end product portfolio and proprietary analytics capabilities, enable us to deliver trusted insights to our customers in the banking and finance industry and facilitate confident and accurate decision making. illion is highly invested in the Australian market with over 130 years of data history and experience. This experience combined with in-depth research, advanced analytics capabilities, and a comprehensive view of the data landscape, have made illion the market leader in Australia.

We also make this submission on behalf of subsidiary illion Open Data Solutions (formerly Proviso), the leading aggregator of banking data in Australia. illion Open Data Solutions (ODS) specialises in automated bank data retrieval and analysis, delivered to a wide variety of customers including ASX and NYSE listed lenders, banks and credit unions, private lenders, broker groups, online retailers, Fintech innovators and more. illion Open Data Solutions will play a key role in the financial ecosystem under Open Banking.

## **Digital Data Capture (DDC)**

We believe understanding the importance of Digital Data Capture (DDC) technology is a critical component of how third party service providers such as illion will participate into the CDR framework.

illion believes DDC, sometimes referred to as screen scraping, will provide an important benchmark to assess the performance of Open Banking.

DDC is the process of collecting screen display data from one application and translating it so another application can display it. This is always based on the consumer's consent and will typically facilitate access to a financial service. It allows a trusted third party data firm to access financial transaction data by securely logging into a digital portal on behalf of a financial institution's customer. Within the financial sector, this technology is widely used by lenders, financial management applications, personal finance dashboards, and accounting products to retrieve customers' financial data with their consent. For example, a budgeting app uses DDC to retrieve the incoming and outgoing transactions in a user's bank account, powering the analysis it provides to assist the consumer in managing their spending.

illion believes DDC is a critical mechanism to empower consumers and facilitate competition, valued by consumers, is secure and cost-effective, and is making a significant contribution to the competitive dynamics in the current market.

illion notes the inclusion of DDC in ASIC's December 2019 revision of Regulatory Guide 209 (RG 209), validating its use and confirming the efficiency it provides to verification processes. According to ASIC:

*“Developments in relation to open banking and digital data capture services will affect the accessibility, and cost of obtaining, transaction information and an overall view of the consumer's financial situation. These kinds of services may also help licensees to streamline*

*their process—for example, potentially enabling licensees to complete both inquiries and verification of consumer information.”*

We have included two surveys that we undertook on brokers and non-brokers use of illion’s DDC service. These were undertaken for ASIC a part of their review of RG209. The surveys identified that there were a range of benefits identified by users from their use of DDC including more accurate identification of expenses, better identification of over indebtedness and improvement in efficiency of processes.

We note that the current timeline for the rollout of the CDR will take many years and may be subject to additional delays. There is a need for a mechanism to be available for smaller lenders and service providers such as brokers to provide access to digital bank statement data in the interim. DDC provides a valuable tool for organisations outside the larger banks to compete effectively on providing a customer friendly method to securely share bank statement data. We believe that a combination of ongoing access to a DDC solution and an accessible intermediary regime is essential for these smaller lenders and ADIs to compete with larger players.

## **Consumer Data Right**

### **Preamble to response**

illion understands it is the policy intent of the CDR regime is to foster competition and innovation to the benefit of consumers. In order to achieve this goal, we believe it is necessary to make open banking as broadly available as possible. As such we have set out below our view that in a number of use cases, intermediaries who provide services which are effectively the technological ability to interface with other parties and aggregate and value add to data sets, should be catered for in the CDR rules. In addition, we consider there are a number of use cases where the participants will not be involved in the provision of banking services but will require access to a limited subset of the open banking data elements in order to provide valuable services to consumers and need to be regulated accordingly.

In our view the proposed accreditation regime currently also does not provide recognition for businesses that have parallel industry-based regulation which provides sufficient protections for consumers. Given illion’s role as an intermediary currently providing Digital Data Capture (DDC) services to our customers, we believe it is important that those same organisations can access data through the Open Banking regime in parallel to the existing use of DDC. In its consultation paper dated December 2019, the ACCC considers the role of intermediaries and seeks to understand the various roles and their regulatory implications by way of the specific questions which are set out below. However, in understanding the range of innovative business models that intend to operate in the CDR regime, it is necessary to perhaps provide an outline of the business models that are *currently* operating under existing regulatory regimes for data sharing and considering how those existing models should be able to expand to operate within the CDR regime without prohibitive additional regulatory burden.

By prohibitive regulation, we refer to regulation which requires a threshold investment by a participant in order to access Open Banking data that would have the impact of preventing their participation in the regime. We understand that Fintechs have made representations that the estimated \$100,000 cost is prohibitive. We further understand that consumer rights groups are claiming that this is an attempt to exploit loopholes. We support a threshold set of rules which an organisation must comply with which must not be a threat or barrier to competition. We believe regulators are well equipped to deal with monitoring compliance and enforcement and that pushing

the cost of entry to participants is unproductive and would defeat the policy objective of improving competition and innovation.

### **Current methods of accessing personal information that will form part of CDR Data**

There are currently at least two regimes under which consumers share personal information on a consent basis, which are operating without incident. If the open banking regime is too complex, it is likely that the two pre-existing arrangements will continue as the preferred method for sharing personal information. This would defy the policy objective to give consumers the option to share information within the CDR regime.

In terms of pure consent based data sharing, there is a class of information which is already being shared on a consent basis between individuals and third parties to facilitate payments and records of payments outside the banking ecosystem.

The Privacy Act covers existing schemes for which parties share personal information, including banking information. The access seeker provisions specifically empower an individual to authorise a person as agent to obtain their credit information from credit reporting bodies and credit providers and deal with those parties on behalf of the individual.

This regime has been used with the assistance of technology by many of the comparison websites to ensure that an individual is only shown offers of credit for which they would prequalify based on parameters set by credit providers relating to credit scores. This regime operates under authority of part IIIA of the Privacy Act and is based on explicit consent and explicit limitation of use of information. This regime is monitored by the OAIC and consumers have redress for any misuse of their information by reference to the internal and external dispute resolution provisions of the credit reporting bodies and credit providers.

We are not aware of any breaches by access seekers which have resulted in claims against access seekers directly. However, if there were such claims in our view that these would be able to be pursued by the ACCC under its consumer powers without need to further detailed regulation such as is proposed in the accreditation regime.

We believe an accreditation regime could provide regulations which permit organisations that are authorised under other regimes to be regarded as accredited for the purposes of open banking without additional regulatory hurdles. We note that some elements of credit information are excluded from CDR data and the open banking regime, however not all elements and therefore regulatory overlap exists.

### **Parallel regimes – exemption from accreditation requirements**

We recognise that intermediaries who provide services which deliver the technological ability to interface with other parties and aggregate and value add to data sets, need to be regulated in a way that is similar to that applicable to accredited data recipients, to provide comfort to data holders and others with whom they interface around robust information security and complaint handling procedures.

However, it is relevant to consider the parallel safeguards that operate under the existing regimes for existing uses of data.

Currently consumers have a right to access personal information held by organisations under the Privacy Act and methodologies for using this for the benefit of consumers and banking participants have been in place for some time. This has been under the parallel regulation of the OAIC and the Australian Securities and Investments Commission (ASIC) and has been operating largely without consumer complaint. In relation to matters raised by consumer advocates, we note that all players

under the credit licensing regime are required to be members of external dispute resolution schemes and as such it is a matter which, if was problematic, would have come into the public awareness via complaints.

Under the existing regime, and in particular the Australian Privacy Principles, where a large organisation that is regulated by the Privacy Act contracts with an unregulated participant, it is standard practice to include contractual provisions which provide safeguards for consumers by binding the small organisation to comply with the Privacy Act. This is often included together with obligations for various insurances to provide protection not only for the large organisation but for the consumer, should there be a need for redress.

Illion believes the current regulatory regimes are working in a way that sufficiently protects the consumer. Adding additional layers as a barrier to entry would be detrimental to the potential benefits of the system.

While much of the Australian open banking system is based on the UK model, the operation of open banking as proposed in Australia will deliver “read only” functionality not read and write functionality as in the UK. This means that the risk profile, which is access only and not the ability to actually undertake transactions is different and consequently requires a less burdensome regulatory approach.

Also, individuals have access to their data under Australian Privacy Principle 12 and there are existing technology solutions currently known as Digital Data Capture which we have previously mentioned in this submission.

Once CDR commences, much of the data currently in use under DDC will form a subset of CDR data. Accordingly, consideration should be given to if the existing system is operating sufficiently, the intermediaries in this system should be allowed to participate in the open banking regime without significant additional regulatory burden.

The definition of CDR data assumes and subsumes a number of existing data sets which are used within the banking ecosystem without significant detriment to consumers. As these existing data sets will be arguably absorbed into the CDR regime, it is necessary to consider whether imposing additional regulatory burdens on organisations who are currently operating in a data sharing environment without notable consumer detriment is a matter that should be pursued and whether there is an alternative approach to maintaining consumer confidence in the system.

If intermediaries can obtain a form of accreditation they can easily move to open banking and provide existing customer with consumer data based on the contract between the existing customer and the individual seeking their data.

Most of these existing customer organisations are regulated by the *Privacy Act 1988* (Cth). If they are not regulated i.e. a start up, then they can formally opt in. Currently, this formal opting in is generally achieved by contractual provisions between large organisations and unregulated organisations as mentioned above. We note that in the draft privacy safeguard guidelines issued by the OAIC in October 2019, Privacy Safeguard 8 covers the protections for overseas disclosure, paragraphs 8.24 and following talk about the possibility of contractual safeguards and taking all reasonable steps. It is our contention that the reasonable steps approach to contractual safeguards between those who are clearly regulated and those who are intermediaries is a reasonable and balanced approach to imposing the cost of compliance as between the regulated entity and the regulator who then retains the opportunity to monitor and enforce any apparent breaches.

There is already a significant regulatory burden for most other existing customers, be they credit providers or credit intermediaries, under the National Consumer Credit regime and licensed by ASIC under the *Corporations Act 2001* (Cth).

In responding to the questions below, we seek to elaborate on the view that expanding the accreditation regime would in fact be an unwarranted additional burden on these entities.

Instead we contend that there are existing safeguards provided from existing regulatory regimes, such as ASIC, to allow these parties to participate with little additional regulation where they obtain the data from an appropriately accredited intermediary. The existence of parallel regulatory regimes covering overlapping conduct is a significant issue in the space in which ODS operates. In building any additional obligations on these entities, it is incumbent on the ACCC to have regard to the existing parallel regulatory safeguards applicable to data recipients providing the services to individuals.

### **Outcome sought**

This submission seeks to ensure data is regulated as data and that the key regulator of data, the Privacy Act, retains oversight, and is linked in a clear and unambiguous way to other industry based regulatory regimes to ensure all participants from all industries have clarity around the regulation of access to and use of data.

As a technology company that provides current intermediary services to a range of customers in a range of industries we see that a broad lens is required to ensure respect is given for industry based rules outside of banking and data is available for uses within appropriate and not over restrictive parameters.

illion considers in its intermediary role it should obtain accreditation similar to an accredited data recipient, and should then be able to assist customers, including current customers, without them having to meet any further requirements than apply under Privacy Act. In this regard we note the recent Federal Government commitment in response to the Digital Platform Inquiry to strengthen the Privacy Act and increase penalties. This further reinforces the case for have the Privacy Act as the primary regulatory instrument governing CDR data.

Apparent duplication is confusing for consumers and creates a number of potential parallel paths for service delivery and it is preferable that there is some clear acknowledgement of the interrelationship between industry based regulation and data based regulation so that consumers and participants can be clear as to compliance or otherwise with those regimes.

The common fundamental is *open and transparent consent* and, in our view, that already exists in the APP 12 access and access seeker regimes. Limitations on use are achieved by the terms of the consumer consent. Safekeeping of information is satisfied by compliance with APP 10 which requires organisations to take reasonable steps based on the information that they hold.

## Consultation questions: intermediaries

	Question	Responses
1.	<p>If you intend to be an intermediary in the CDR regime, or intend to use an intermediary, please provide a description of the goods or services you intend to provide to accredited persons or to CDR consumers using an intermediary. Do you intend (or intend to use an intermediary) to only collect CDR data, or collect and use CDR data? What value or economic efficiencies do you consider that Consultation on how best to facilitate participation of third party service providers 4 intermediaries can bring to the CDR regime and for consumers?</p>	<p>Open Data Solutions Pty Ltd (ABN 89 166 277 845) (<b>ODS</b>) currently operates as an intermediary in the banking ecosystem by way of providing DDC for financial intermediaries and ADIs on the basis of consumer authorisation. Clear and transparent consumer authorisation is fundamental to the operation of ODS. Over 70 Financial institutions, 4500 brokers and 700,000 individuals make use of the service each month currently.</p> <p>ODS recognises the critical importance of the individual consumer and the end user institution and that the needs of each of these parties needs to be clearly addressed in the terms and conditions on which they contract with ODS.</p> <p>ODS collects data from data holders, generally ADIs, and may use it to provide to other intermediaries or CDR holders, or may use that CDR data to provide analysis and value added services to the data holder in respect of that particular data.</p> <p>ODS perceives, in its role as an intermediary, that there are likely to be many use cases that will involve use of some elements of CDR Data outside banking related uses and in these cases, the issue of accreditation concerns ODS as potential users of the ODS technology may not meet the current requirements, and for the reasons set out below, those requirements may be excessive for the relevant use case.</p> <p>The value that ODS brings to the regime for a consumer is threefold. First, it uses technology to reduce transactional friction in terms of accessing a consumer's record and providing it to a third party on their behalf. Secondly, being able to access that information electronically, it is able to provide analysis and insights to the data holder to allow them to consider responding to consumer needs. Finally, we help to identify and avoid fraud.</p>
2.	<p>How should intermediaries be provided for in the rules? In your response please provide your views on whether the rules should adopt either an outsourcing model or an accreditation model, or both and, if so, and in what circumstances each model should apply</p>	<p>We recognise that there will be a number of intermediaries who may require different approaches. As an intermediary who already deals with large, regulated customers we are already contractually bound to compliance with agreed information security standards. It is common for highly regulated large players to impose contractual conditions on suppliers. On this basis, accreditation similar to that for accredited data recipients is acceptable, particularly in relation to information security standards as intermediaries will be interacting directly with data holders.</p> <p>The examples provided in the Privacy Safeguards are simplistic and it may be that if regulation were designed to follow the detailed data flow, on a principles basis, it would be more effective than regulation which is prescriptive and on assumptions as to facts that may not be fully reflected in the rules.</p> <p>We also note that the outsourcing model, as considered in the rules, relies on some assumptions as to the types of products and services the outsourced provider would be providing.</p>

		<p>We reiterate that many potential participants in open banking are already subject to parallel industry based regulation to that applicable under CDR and mechanisms need to be in place to recognise and credit these other regulatory systems, whether by way or exempting regulations or otherwise.</p> <p>Intermediaries and their technology will drive the success of the service and this needs to be balanced with the potential regulatory hurdles.</p> <p>We bring to your attention in this context the recent announcement regarding the ASIC sandbox project. It is understood that since it was introduced in 2015, only 7 entities have been accredited to operate in the sandbox environment and only 44 have applied. We have previously performed an analysis of the sandbox rules in a different context and have come to the view that the costs outweighed the benefits to participate. We cite this as evidence that high regulatory burden has and could be expected to continue to operate as a block to participation in the open banking economy.</p> <p>We consider an accreditation model would be appropriate in this context and in the context of the customer’s intermediaries serve In question 3 below; we set out some provisions that would relate to contracting arrangements between parties to facilitate appropriate safeguards.</p>
3.	<p>What obligations should apply to intermediaries? For example, you may wish to provide comment on:</p>	
(a)	<p>If intermediaries are regulated under an accreditation model, the criteria for accreditation and whether they should be the same or different to the criteria that apply to the current ‘unrestricted’ level, and the extent to which intermediaries should be responsible for complying with the existing rules or data standards;</p>	<p>We support an accreditation model which has some flexibility by granting various levels of accreditation for intermediaries. As service providers who are part of the data chain but not at the end of it, and are using data primarily to facilitate another person’s use, the level of accreditation needs to be appropriate. We are however concerned about over complication and rules which fail to be technologically neutral.</p> <p>The strict classification of various levels of participation assumes that there are ongoing static levels of participation. In our view, this is prohibitive for innovation and allowing flow and movement which is likely to be facilitated by technology. It means that if a participant changes the business model then they may unwittingly change from one layer of regulation to another layer of regulation and suddenly be non-compliant. Prescriptive requirements are, in our view, not to be preferred and principles based regulation would facilitate both competition and innovation and reduce the burden on any participant who is seeking to innovate or update their business model.</p> <p>Given that many intermediaries are already subject to the Privacy Act and to licensing under the Corporations Act, which requires an annual audit of compliance with licence conditions, as well as membership of an external dispute resolution scheme to provide a mechanism for consumer complaints, is our view that any system of accreditation</p>

		<p>needs to take into account existing safeguards that may apply to an intermediary so as not to restrict competition and innovation.</p> <p>As an intermediary who provides services to end users of data who are unlikely to be accredited, but be providing a service direct to consumer, ODS supports a tiered accreditation models for users of data that recognises the are uses of part of CDR data for purposes that will not require full accreditation, and in particular where they are outside the banking regime, take into account appropriate regulation of the data.</p>
(b)	<p>If intermediaries are regulated under an outsourcing model, the extent to which contractual obligations should be regulated between accredited persons and intermediaries;</p>	<p>There is precedent for contractual obligations between entities who are regulated. In particular, we note that part IIIA of the Privacy Act provides in both section 20N that relates to the integrity of credit reporting information by a credit reporting body and section 21Q that parties must take various steps to ensure that information held complies with part IIIA. In particular, section 20N requires that the contracts between credit reporting bodies and credit providers require contractually that information they provide is accurate, up to date and complete and that the contracts ensure that there are regular audits conducted by independent persons to determine compliance.</p> <p>This regime has been operating for some time and given that there is also a credit licensing regime, contractual safeguards for intermediaries, could include requirements that they are the holders of a relevant licence and otherwise bound by the Privacy Act.</p> <p>We note where intermediaries hold a credit licence, they are subject to external dispute resolution scheme membership and often are required to have insurance in addition. The definition of outsourced service provider in Section 1.10 of the Rules would need to be amended to reflect the position of intermediaries as not all of the matters covered under the current 1.10 should be imposed on an intermediary and if an intermediary is already significantly regulated under a parallel regime, such as the ASIC ACL regime or Part IIIA of the Privacy Act then in our view, credit should be given for this and additional rules not imposed other than in accordance with “reasonable steps”.</p>
(c)	<p>If the obligations should differ depending on the nature of the service being provided by the intermediary.</p>	<p>Our view is that it would be very difficult to classify the nature of the services in any meaningful way noting this is an industry which is heavily technology driven and constantly innovating. This would suggest it is not suitable for multiple layers of prescriptive legislation and more suitable for principles based legislation.</p> <p>We agree that it is necessary for there to be confidence in the system that the intermediary who has access to data has robust information security and other governance measures.</p>
4.	<p>How should the use of intermediaries be made transparent to consumers? For example, you may wish to comment on requirements relating to consumer</p>	<p>We consider that transparency is a key issue and note that in the current DDC environment, where access is driven through consumer demand, transparency around the role of intermediaries and the extent of their access to consumer data is currently integral to the system. However, customer demand is to know who the intermediary is and to have access to them in the event of any issue arising. As a general rule the customer does not want the notification of intermediary details to interrupt the seamless transaction the intermediary is facilitating. This</p>

	<p>notification and consent.</p>	<p>is a fine balance. We note that ASIC, as the regulator of the Australian Credit Licence system and financial services generally has had a significant focus on transparency about the services various parties provide to consumers and it is our view that making the role of intermediaries transparent is something that is already partly in place and can be enhanced.</p> <p>Technology has made it simple for consumers to authorise sharing of information with “one click” systems and in many cases they are uninterested in all of the intermediate steps in getting their information from where it is to where they want it to be. In balancing transparency with the customer experience it may be that there needs to be the ability but not the requirement for the customer to be taken through each step to achieve that transparency, see <a href="#">here</a>.</p> <p>Consistent with this and balancing of transparency and process our view is principles based regulation is to be preferred, rather than a costly and prescriptive manner which is a burden to competition and innovation.</p>
5.	<p>How should the rules permit the disclosure of CDR data between accredited persons? For example, you may wish to comment on requirements relating to consumer consent, notification and deletion of redundant data, as well as any rules or data standards that should be met.</p>	<p>Our view is that intermediaries do require and should obtain accreditation, and accordingly, within the ecosystem, the consent and notification requirements should be sufficient consumer protection for any downstream parties to whom that the intermediary supplies the CDR data.</p> <p>Again, the operation of parallel regulatory regimes and safeguards means that there should be an exempting regulation for intermediaries who are otherwise significantly regulated and who have existing consumer protection provisions particularly by way of membership in external dispute resolution schemes.</p> <p>In relation to the data that is acquired and used by intermediaries, this will be governed by contracts with either accredited recipients or accredited holders and also by other legislative regimes. As noted previously, many intermediaries are holders of Australian Credit Licences and as such, will be licensed only to deal with information in certain ways and licences are subject to annual audits for compliance.</p> <p>On this basis, we consider that no additional rules within the CDR are required. The sole caveat to this is small entities who are holders of neither a credit licence or bound by the Privacy Act be required to formally opt in to the obligations under the Privacy Act and are thus subject to regulation.</p>
6.	<p>Should the creation of rules for intermediaries also facilitate lower tiers of accreditation? If so, how should the criteria and obligations of new tiers of accreditation differ from the current ‘unrestricted’</p>	<p>For the reasons stated above, it is our view that this may create an unnecessary layer of complication, cost, and compliance and is likely to be rendered redundant by advances in technology in the near future for intermediaries unless such rules are principles based and technologically neutral.</p> <p>Prescriptive rules of such a nature will stifle innovation and may lead to inadvertent breach of those rules while the organisation remains compliant with the underlying principles.</p> <p>We consider tiered accreditation of potential data users who do not engage an intermediary based on the level and nature of the data and</p>

<p>accreditation level, and what is the appropriate liability framework where an accredited intermediary is used?</p>	<p>the use to which it is put is a more appropriate regulatory approach and follows the Privacy Act principles-based regime.</p>
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**Consultation questions: permitting CDR data to be disclosed to non-accredited third parties**

<p>7.</p>	<p>If the ACCC amends the rules to allow disclosure from accredited persons to non-accredited third parties and you intend to:</p>	<p>ODS intends to obtain accreditation and on that basis, can answer the questions below in its capacity as an accredited person. However, there may be a period before it obtains accreditation when it may receive data from an accredited person and we need to consider this possibility as well.</p>
<p>(a)</p>	<p>Receive CDR data as a non-accredited third party, please explain the goods or services you intend to provide, the purposes for which you propose to receive CDR data, and how this may benefit consumers;</p>	<p>Currently, ODS receives data which would be a subset of CDR data from ADIs and others to provide value added services which is the application of analytics to data held by parties such as banks who wish to utilise ODS’s categorisation and analytics capabilities to develop insights from the CDR data. That is a stand-alone service currently provided by ODS as a non-accredited intermediary which it could provide also has an accredited intermediary.</p> <p>ODS is of the view the Privacy Act provides sufficient regulation and the ACCC has existing powers under the ACL to protect consumers without additional prescriptive rules that may be rendered redundant by technology.</p>
<p>(b)</p>	<p>Be an accredited person who discloses CDR data to non-accredited third parties, please explain the intended goods or services you intend to provide and how they may benefit consumers.</p>	<p>On the assumption that ODS obtains accreditation there are several use cases where it may disclose data to non-accredited third parties, who may also be financial intermediaries, and the benefit to consumers of that service is effectively the technology and analytics which reduce friction in the process.</p> <p>For example, where a consumer is using a broker (who is unlikely to be accredited but will hold an Australian Credit Licence and likely be subject the Privacy Act,) the consumer will authorise ODS as an intermediary to obtain data on behalf of that consumer and provide it to the broker intermediary. The intermediary broker may use that information to make recommendations to the consumer or to provide the information on to further third parties who are also accredited parties.</p> <p>In this scenario, for each of the almost 5000 individual brokers serviced by ODS, these are potentially small businesses who could not bear the cost of additional regulation imposed in an accreditation regime. As a downstream user of information from an accredited intermediary, we consider those brokers should not require any accreditation as they will have a direct contractual relationship with the consumer.</p>

		<p>We consider below a number of use cases where a subset of CDR may be required by parties who are not in the banking field and the protection of the data elements they obtain, for their use, may be sufficiently protected by the Privacy act without additional regulatory overhead.</p>
8.	<p>What types of non-accredited third parties should be permitted to receive CDR data? Why is it appropriate for those types of third parties to be able to receive CDR data without being accredited?</p>	<p>As stated above, there are a number of other safeguards that exist within the banking eco system relating to the collection, holding, use and disclosure of personal information relating to individuals of which CDR data is a sub set. To begin there are the Australian Privacy Principles which apply generally. If consumers are seeking credit, and seeking credit information than the additional restrictive parts of part IIIA of the Privacy Act apply to that credit information. The use to which an intermediary is able to put that information is then regulated by the extent of their Australian Credit Licence.</p> <p>In our view, these existing safeguards within the operating system which currently facilitates DDC without incident are sufficient safeguards for non-accredited third parties to receive CDR data from accredited intermediaries.</p> <p>For example, take a property management company that seeks to use open banking to access a landlord’s account to see that the expected deposit of rent has been received at the expected time. It could receive a flag – yes or no, or of confirmation of the amount. This information would limit risk of default due to early action being enabled.</p> <p>As stated above, there are existing regulatory regimes pre dating the CDR regime and which provide safeguards for the use of what are effectively subsets of CDR data which are operating without incident. In our view, those should be allowed to continue and reliance on those regimes should be preferred to the imposition of additional prescriptive requirements which would prevent competition and potentially stifle innovation.</p>
9.	<p>What privacy and consumer protections should apply where CDR data will be disclosed by an accredited person to a non-accredited third party?</p>	<p>We reiterate the comments at paragraph 8 and note that ASIC has additional roles and abilities under the Corporations Act to deal with protection of consumers in relation to financial services. It is our view then that no additional rules are needed in this scenario.</p>
10.	<p>What degree of transparency for CDR consumers should be required where an accredited person discloses CDR data to a non-accredited third party? For example, are there particular consent and notification obligations that should apply?</p>	<p>It is apparent in the existing ecosystem that consumers are becoming more demanding about understanding the use to which their data is put and the parties with whom it is shared. This is a part as business as usual in the current regulatory regime and it is our view that under the CDR no additional rules need apply.</p>





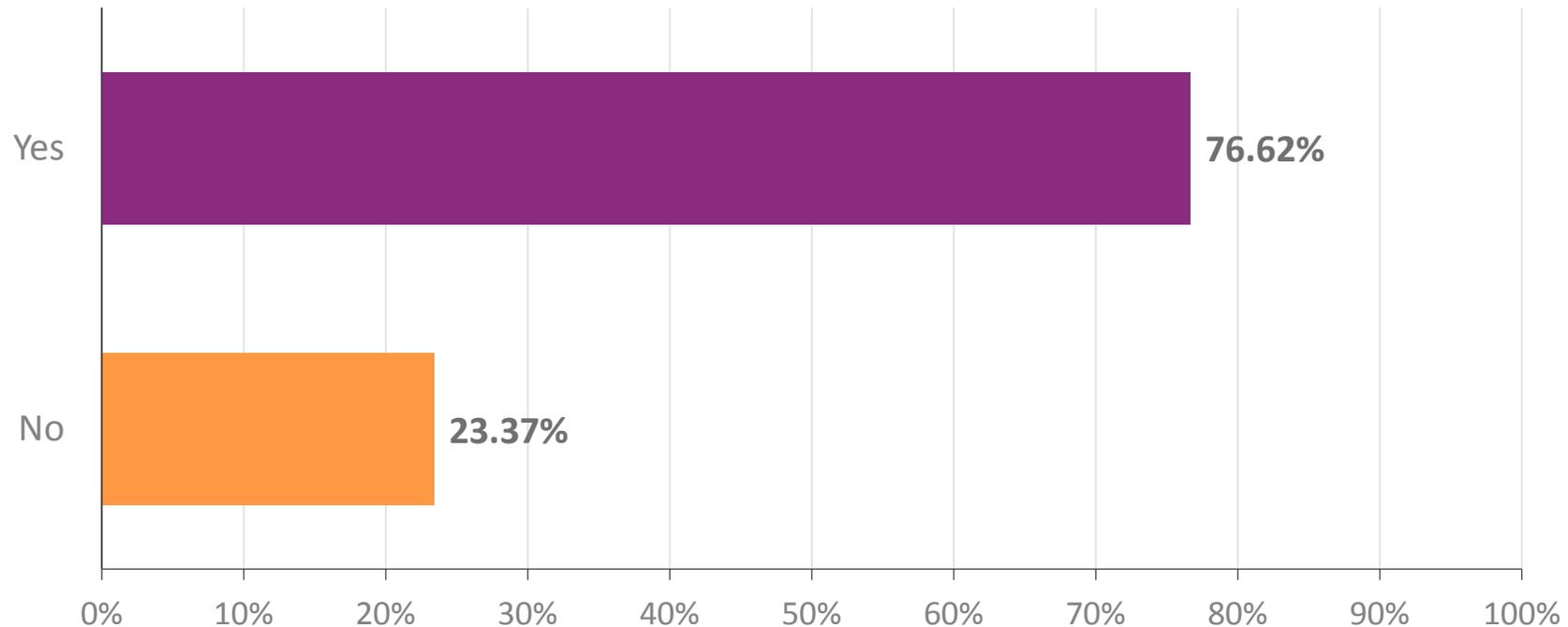
illion

Open Data Solutions

# illion Open Data Solutions Responsible Lending Survey

Non-Brokers

## Q2: Is the estimation of income and expenses that we provide more accurate than your previous process?



Answered: 77 Skipped: 0



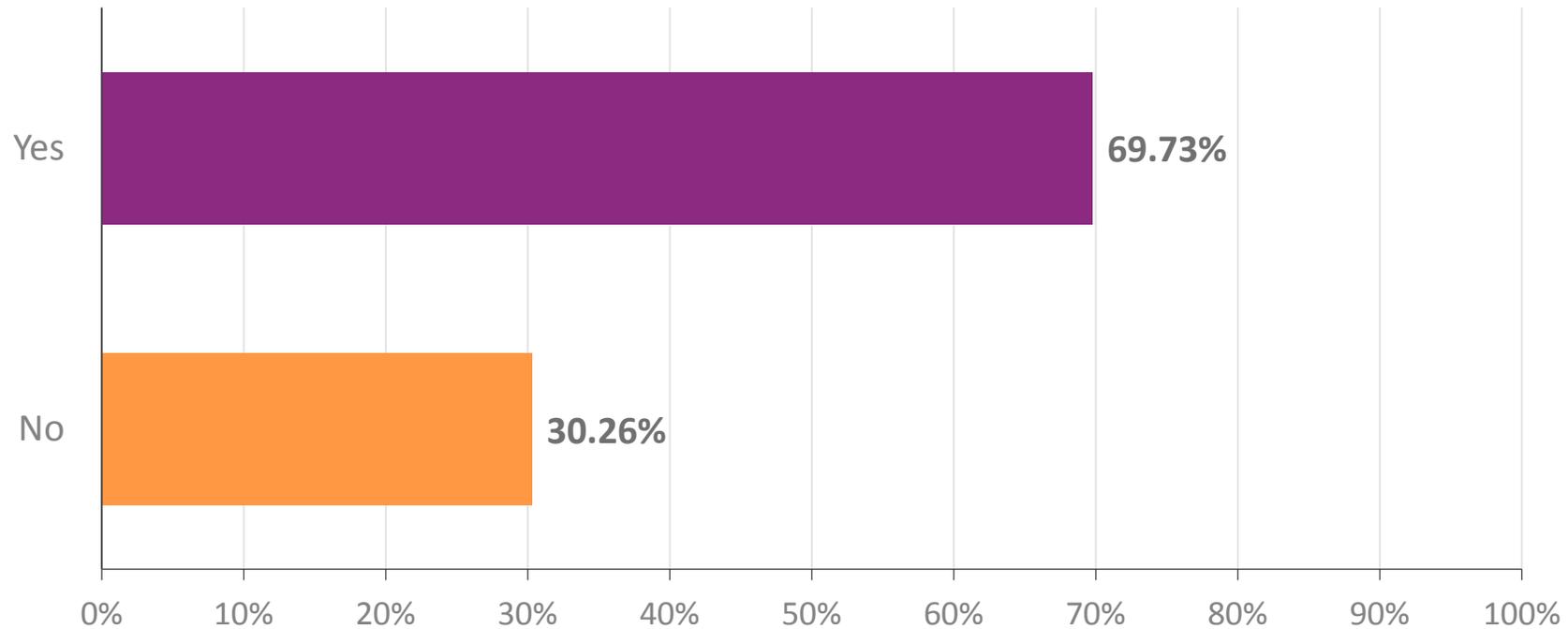
## Q2: Is the estimation of income and expenses that we provide more accurate than your previous process?

ANSWER CHOICES	RESPONSES	
YES	76.62%	59
NO	23.37%	18
TOTAL		77

Answered: 77 Skipped: 0



# Q3: Are the disclosed expenses different (in amount) from those provided through your previous process?



Answered: 76 Skipped: 1



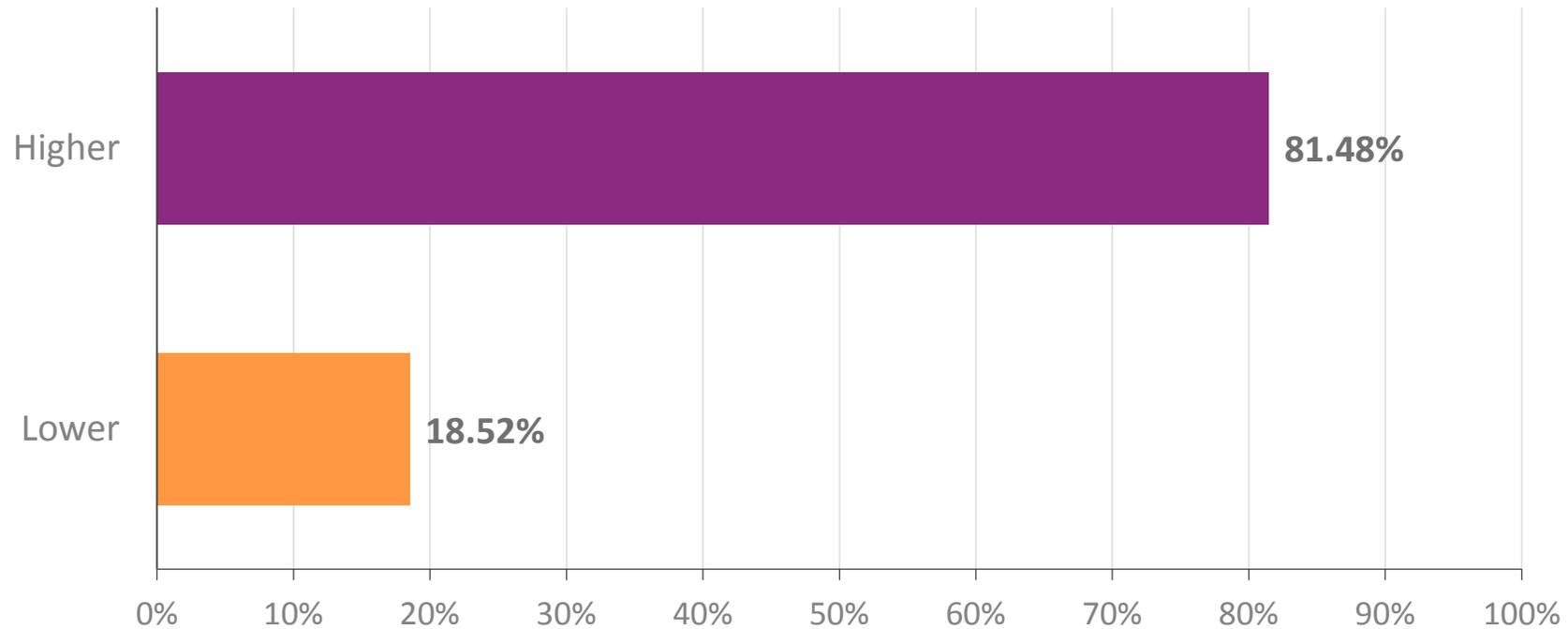
# Q3: Are the disclosed expenses different (in amount) from those provided through your previous process?

ANSWER CHOICES	RESPONSES	
YES	69.73%	53
NO	30.26%	23
TOTAL		76

Answered: 76 Skipped: 1



# Q4: If your answer to Question 2 is YES, are the disclosed expenses



Answered: 54 Skipped: 23



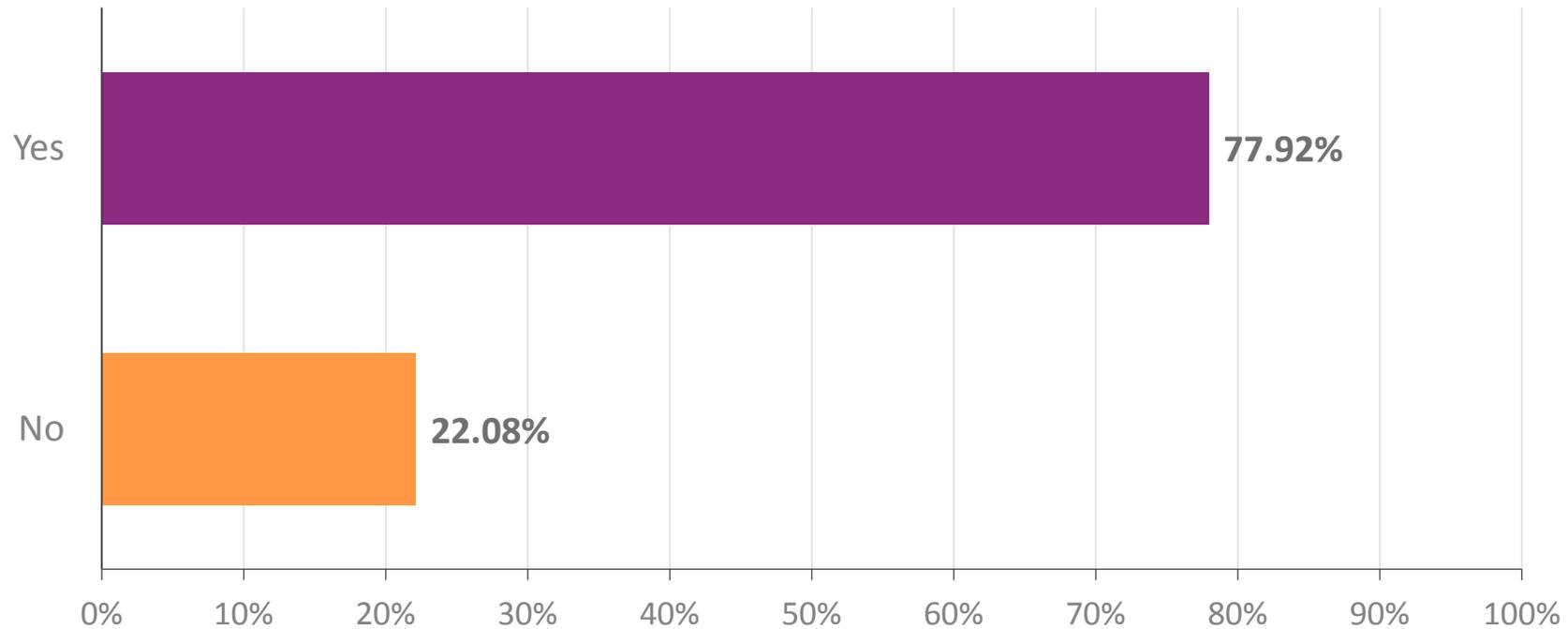
## Q4: If your answer to Question 2 is YES, are the disclosed expenses

ANSWER CHOICES	RESPONSES	
HIGHER	81.48%	44
LOWER	18.52%	10
TOTAL		54

Answered: 54 Skipped: 23



# Q5: Is there less statement fraud?



Answered: 77 Skipped: 0



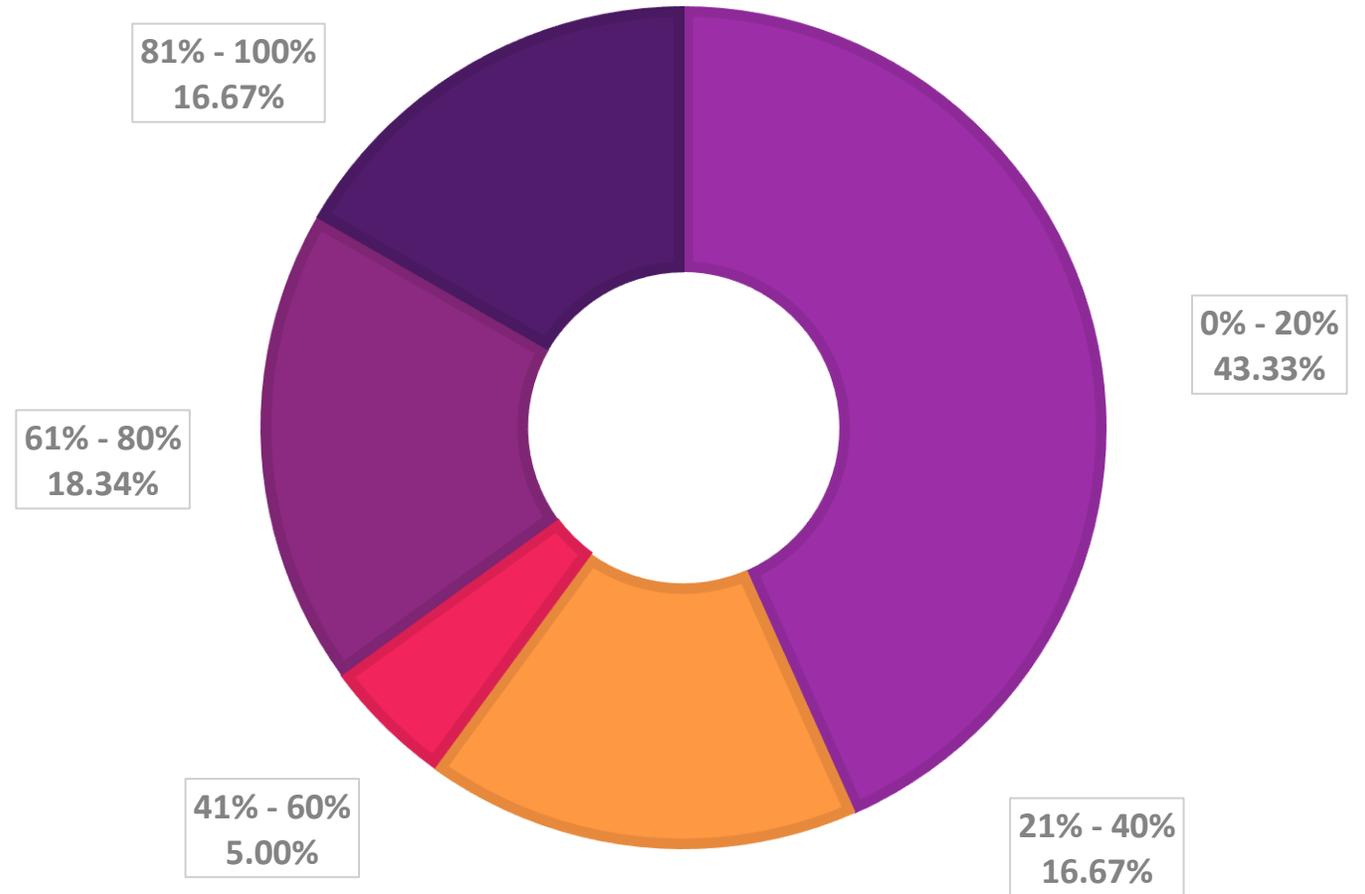
## Q5: Is there less statement fraud?

ANSWER CHOICES	RESPONSES	
YES	77.92%	60
NO	22.08%	17
TOTAL		77

Answered: 77 Skipped: 0



Q6: If your answer to Question 5 is YES, please range the fraud reduction



Answered: 60 Skipped: 17



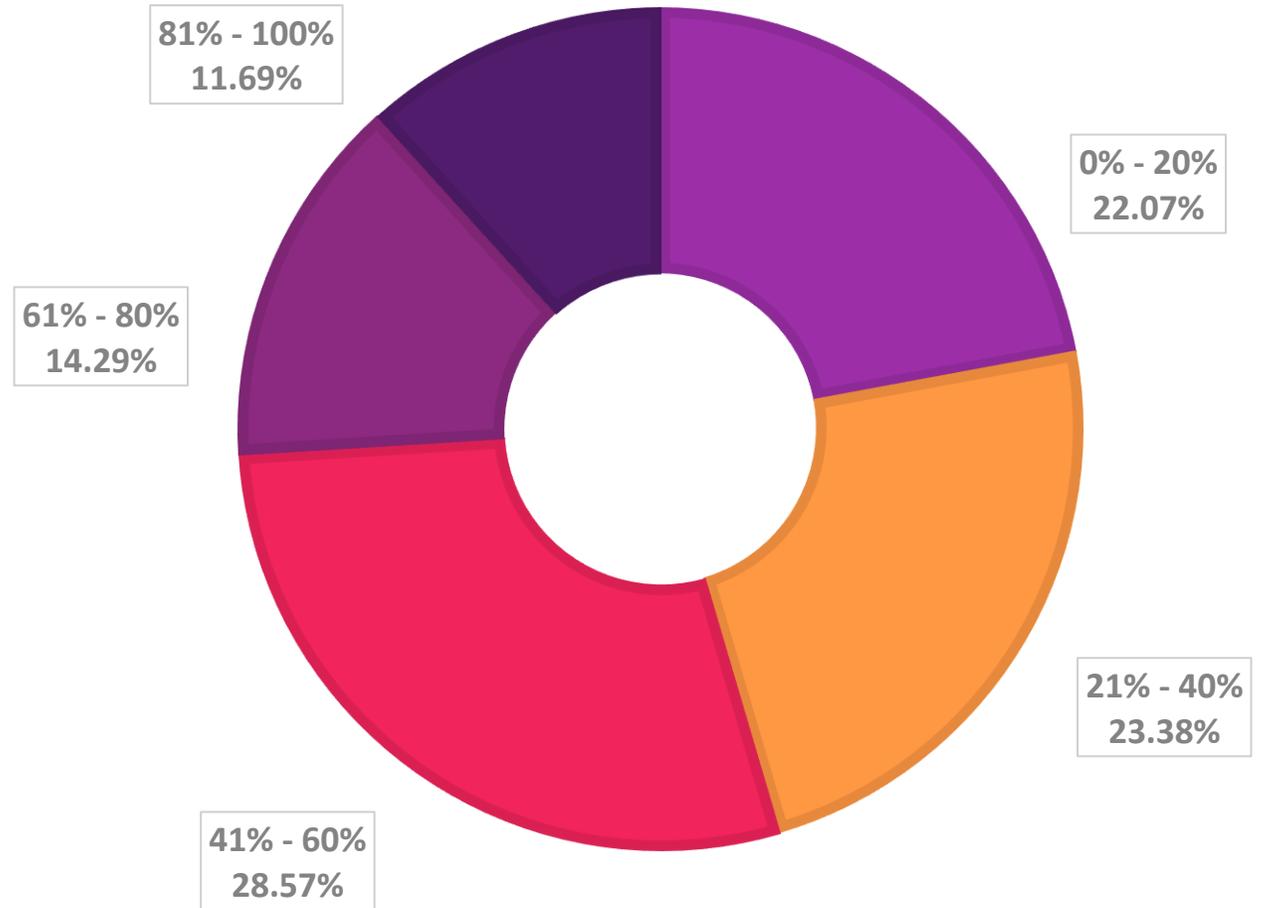
## Q6: If your answer to Question 5 is YES, please range the fraud reduction

ANSWER CHOICES	RESPONSES	
0% - 20%	43.33%	26
21% - 40%	16.67%	10
41% - 60%	5%	3
61% - 80%	18.34%	11
81% - 100%	16.67%	10
TOTAL		60

Answered: 60 Skipped: 17



Q7: How much time as a percentage does using Open Data Solutions products save you each month compared to a manual process?



Answered: 77 Skipped: 0



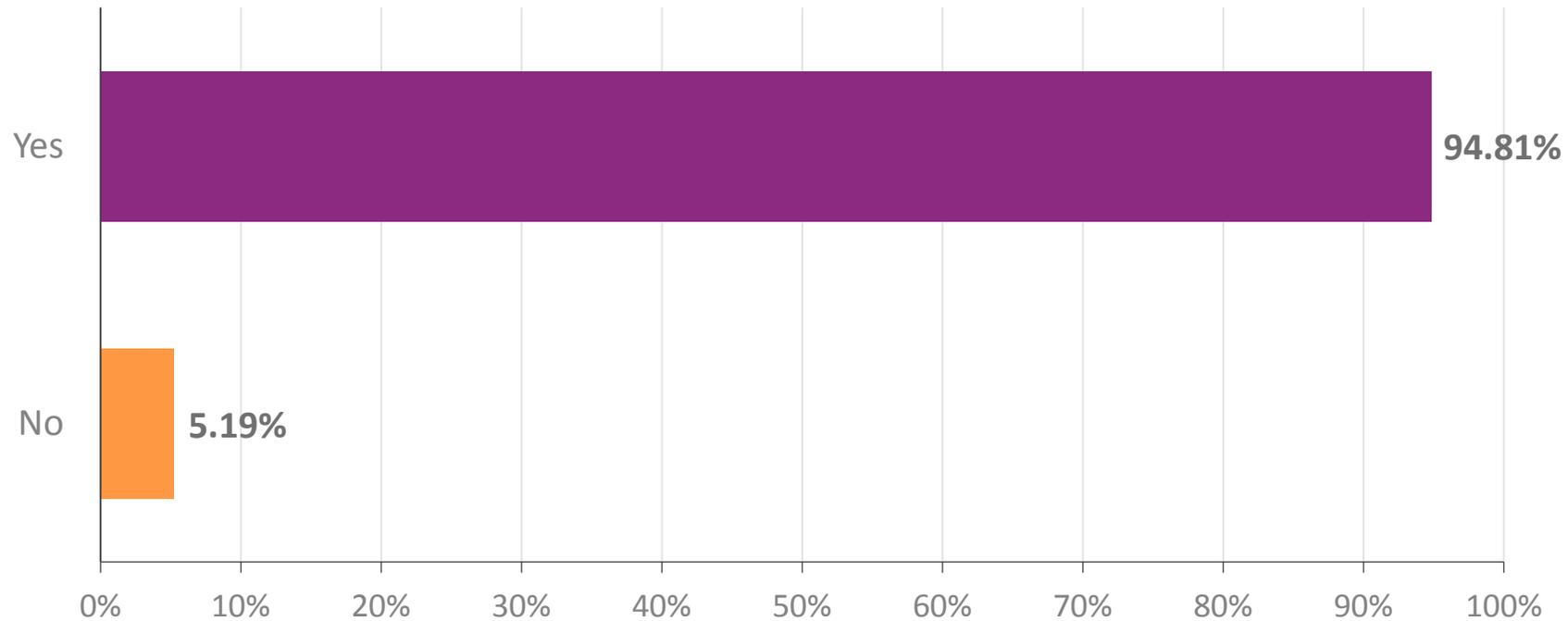
# Q7: How much time as a percentage does using Open Data Solutions products save you each month compared to a manual process?

ANSWER CHOICES	RESPONSES	
0% - 20%	22.07%	17
21% - 40%	23.38%	18
41% - 60%	28.57%	22
61% - 80%	14.29%	11
81% - 100%	11.69%	9
TOTAL		77

Answered: 77 Skipped: 0



# Q8: Do you think using our data gives you a competitive edge in terms of speed of processing and overall accuracy?



Answered: 77 Skipped: 0



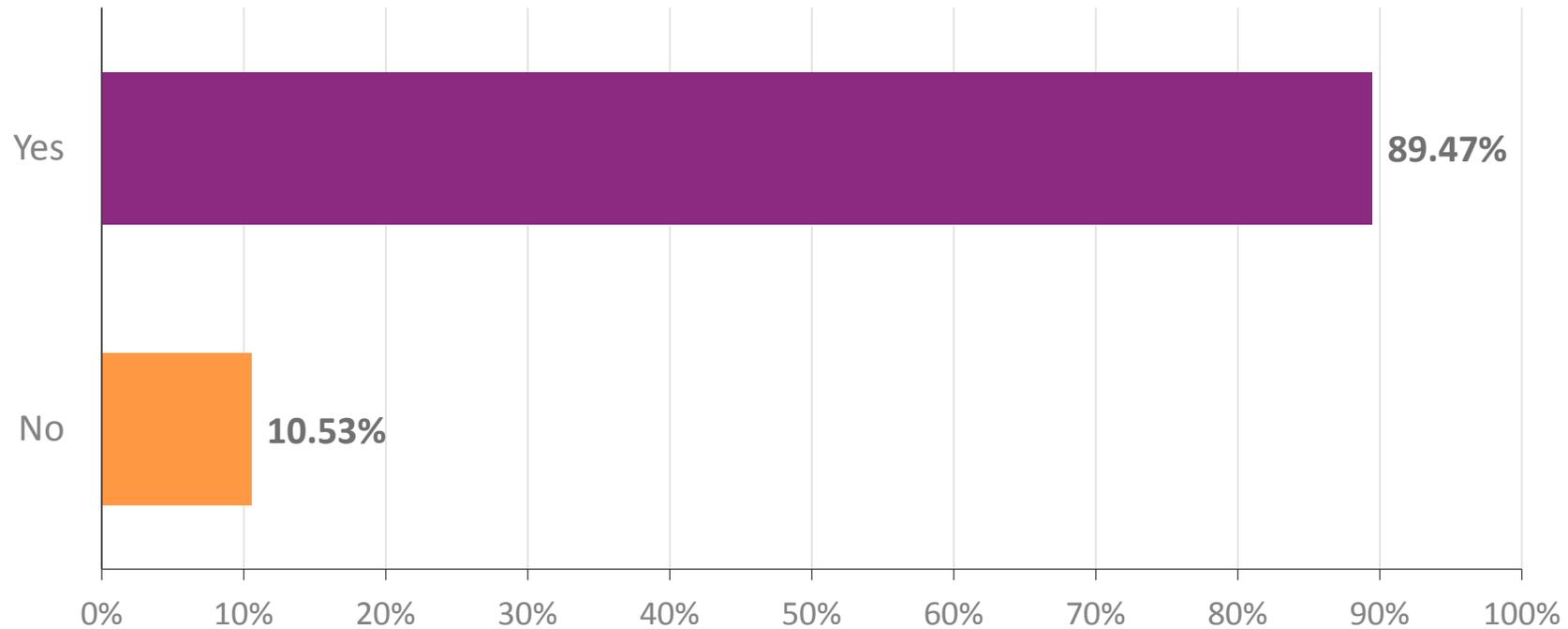
# Q8: Do you think using our data gives you a competitive edge in terms of speed of processing and overall accuracy?

ANSWER CHOICES	RESPONSES	
YES	94.81%	73
NO	5.19%	4
TOTAL		77

Answered: 77 Skipped: 0



# Q9: Has using Open Data Solutions products helped you more accurately identify over indebtedness?



Answered: 76 Skipped: 1



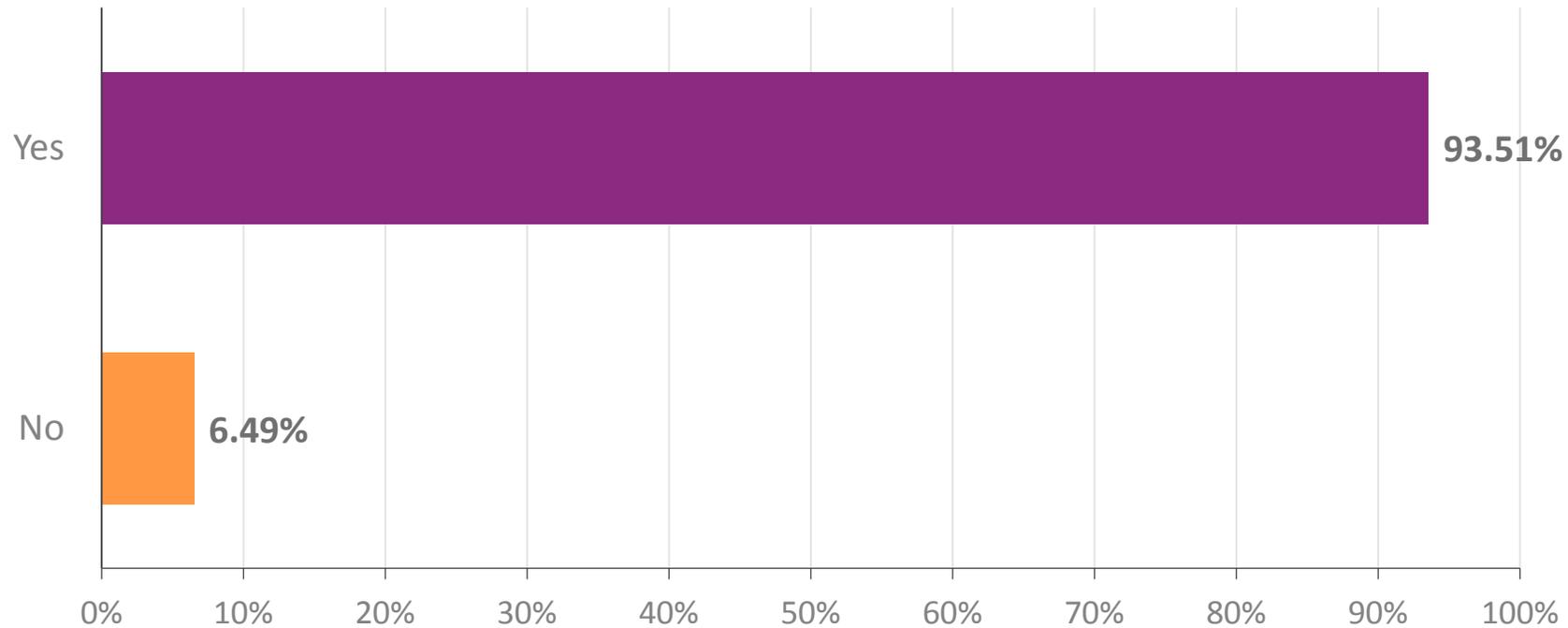
# Q9: Has using Open Data Solutions products helped you more accurately identify over indebtedness?

ANSWER CHOICES	RESPONSES	
YES	89.47%	68
NO	10.53%	8
TOTAL		76

Answered: 76 Skipped: 1



# Q10: Thinking about straight-through-processing, has using our service helped reduce assessment times?



Answered: 77 Skipped: 0



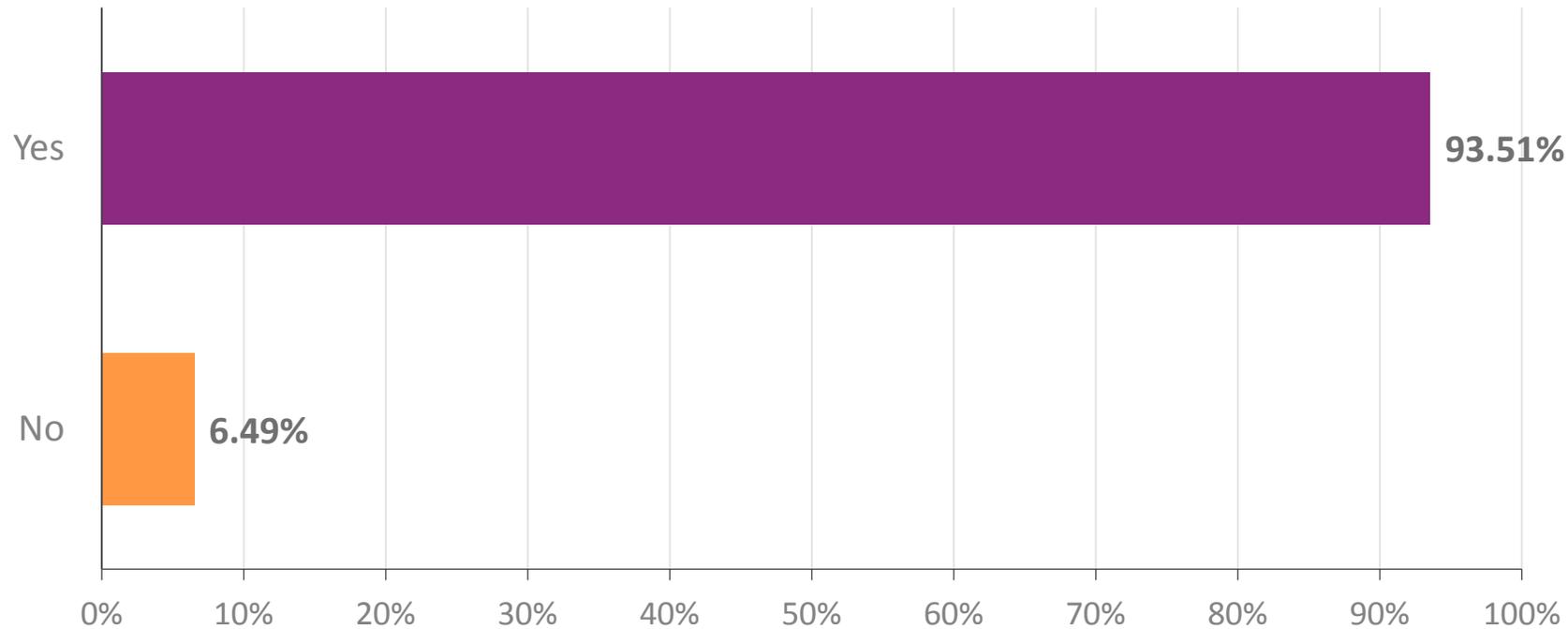
# Q10: Thinking about straight-through-processing, has using our service helped reduce assessment times?

ANSWER CHOICES	RESPONSES	
YES	93.51%	72
NO	6.49%	5
TOTAL		77

Answered: 77 Skipped: 0



# Q11: Again, thinking about straight-through-processing, has using our service helped reduce time to decision?



Answered: 77 Skipped: 0



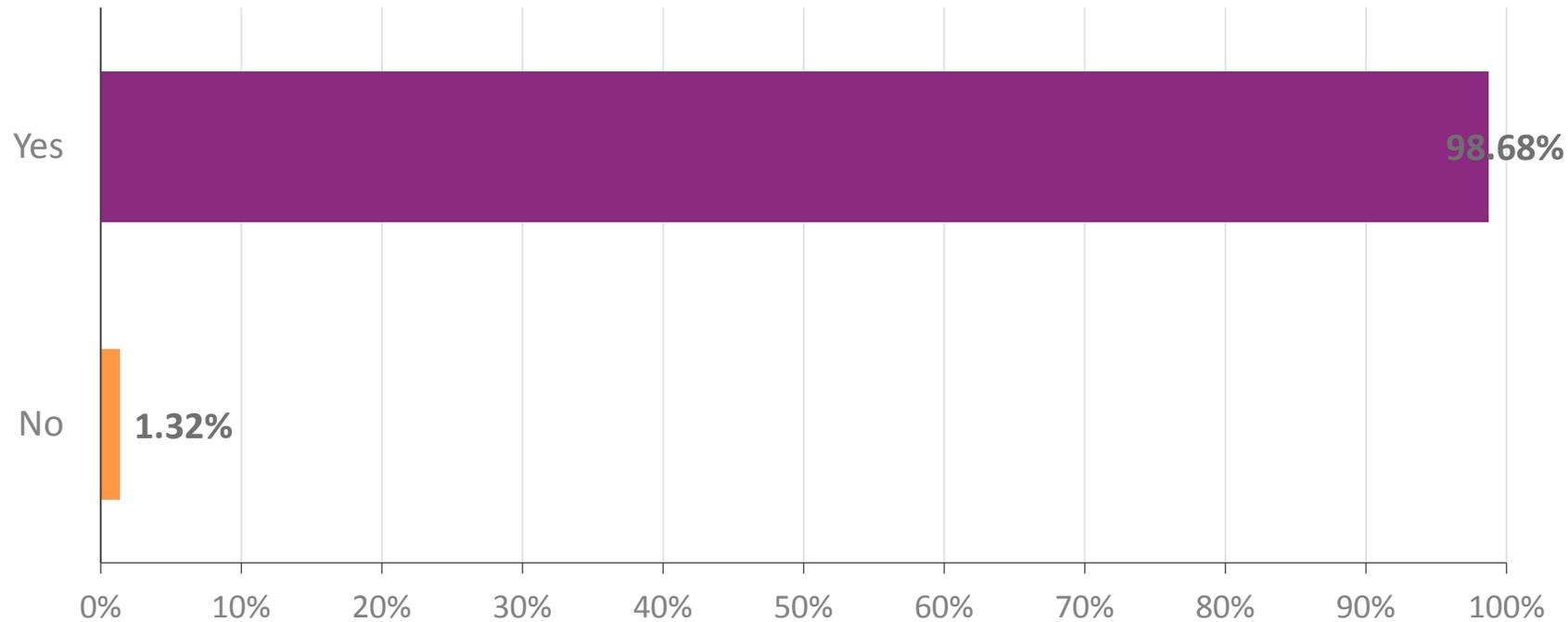
# Q11: Again, thinking about straight-through-processing, has using our service helped reduce time to decision?

ANSWER CHOICES	RESPONSES	
YES	93.51%	72
NO	6.49%	5
TOTAL		77

Answered: 77 Skipped: 0



# Q12: Does Open Data Solutions help improve your overall business efficiency?



Answered: 76 Skipped: 1



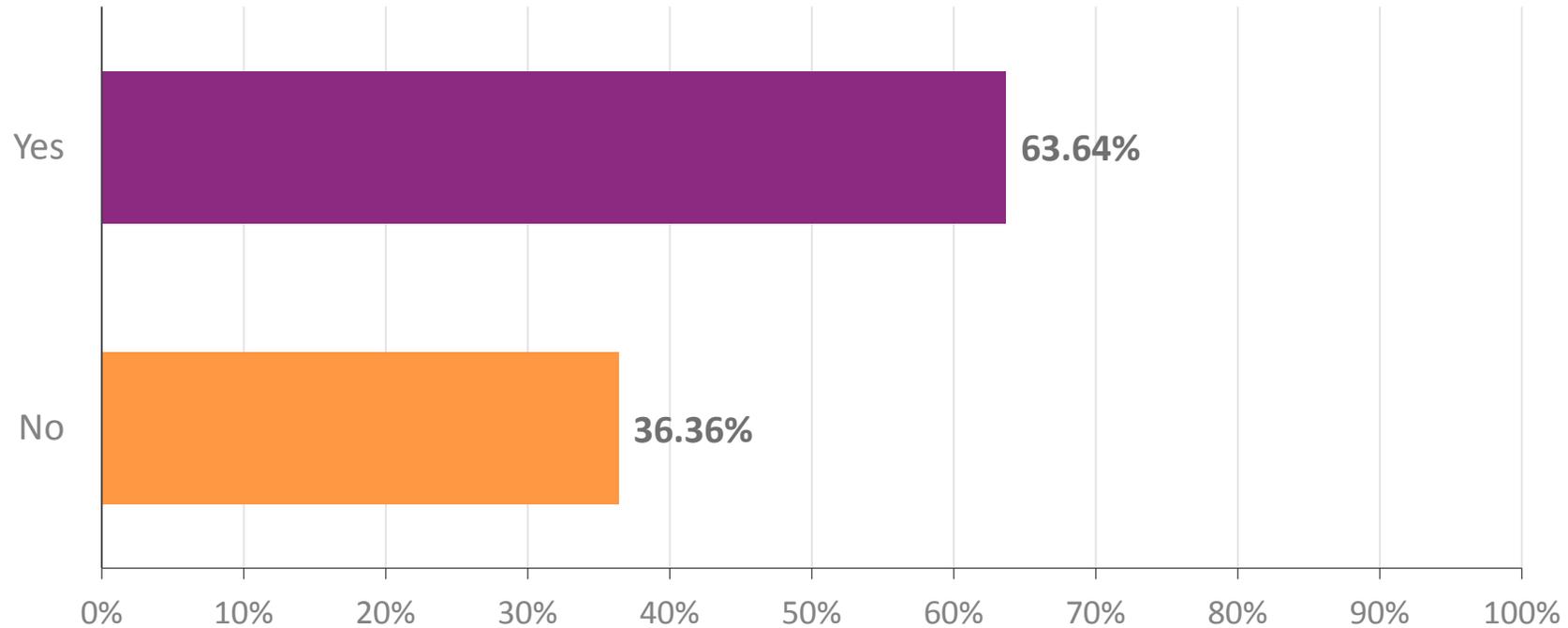
# Q12: Does Open Data Solutions help improve your overall business efficiency?

ANSWER CHOICES	RESPONSES	
YES	98.68%	75
NO	1.32%	1
TOTAL		76

Answered: 76 Skipped: 1



# Q13: Has using Open Data Solutions helped you to grow your business?



Answered: 77 Skipped: 0



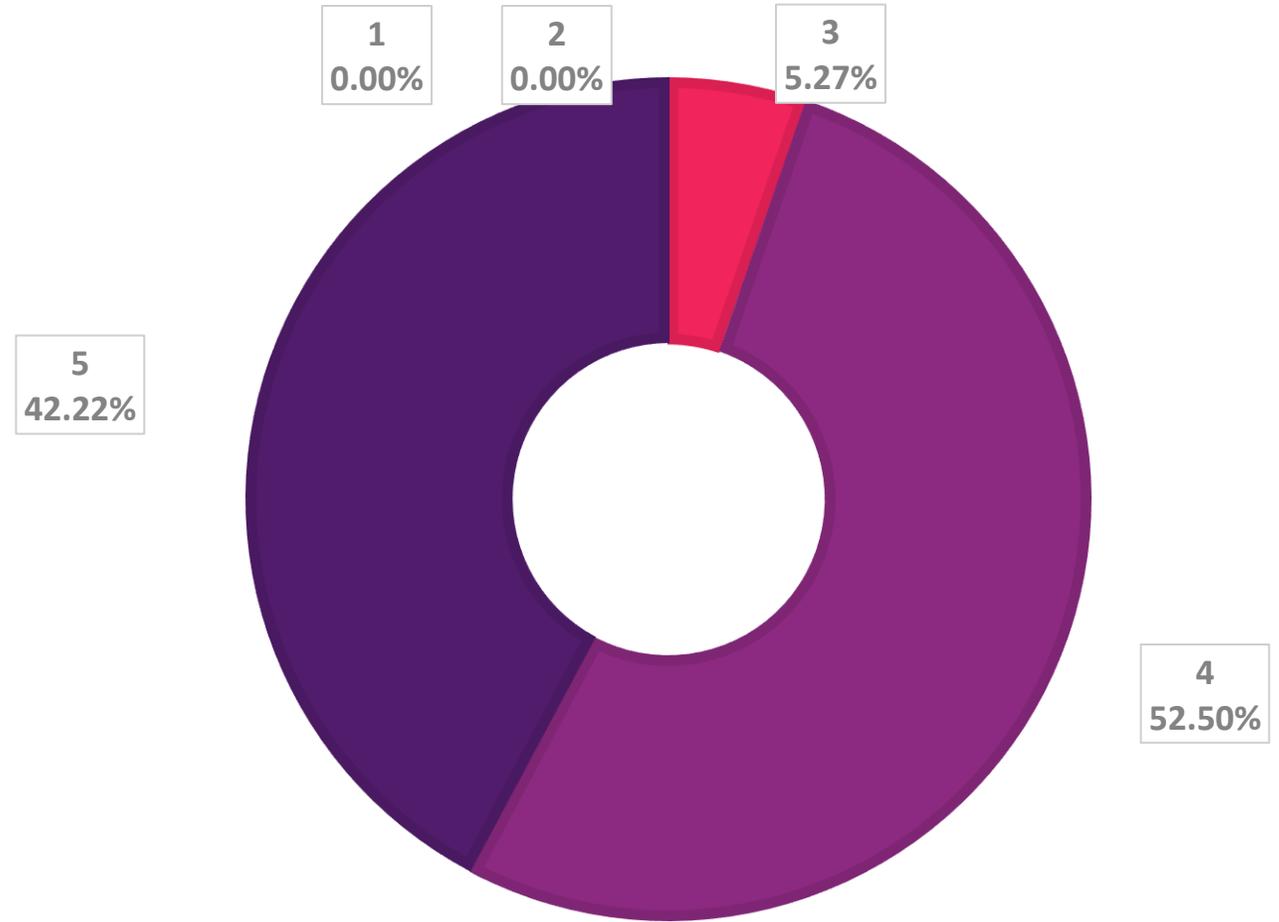
# Q14: Has using Open Data Solutions helped you to grow your business?

ANSWER CHOICES	RESPONSES	
YES	63.64%	49
NO	36.36%	28
TOTAL		77

Answered: 77 Skipped: 0



Q15: Overall, how would you rate  
illion Open Data  
Solutions?



4.37 out of 5 stars

Answered: 76 Skipped: 1



# Q14: Overall, how would you rate illion Open Data Solutions?

1	2	3	4	5	TOTAL	WEIGHTED AVERAGE
0.00%	0.00%	5.26%	52.63%	42.11%		
0	0	4	40	32	76	4.37

Answered: 76 Skipped: 1

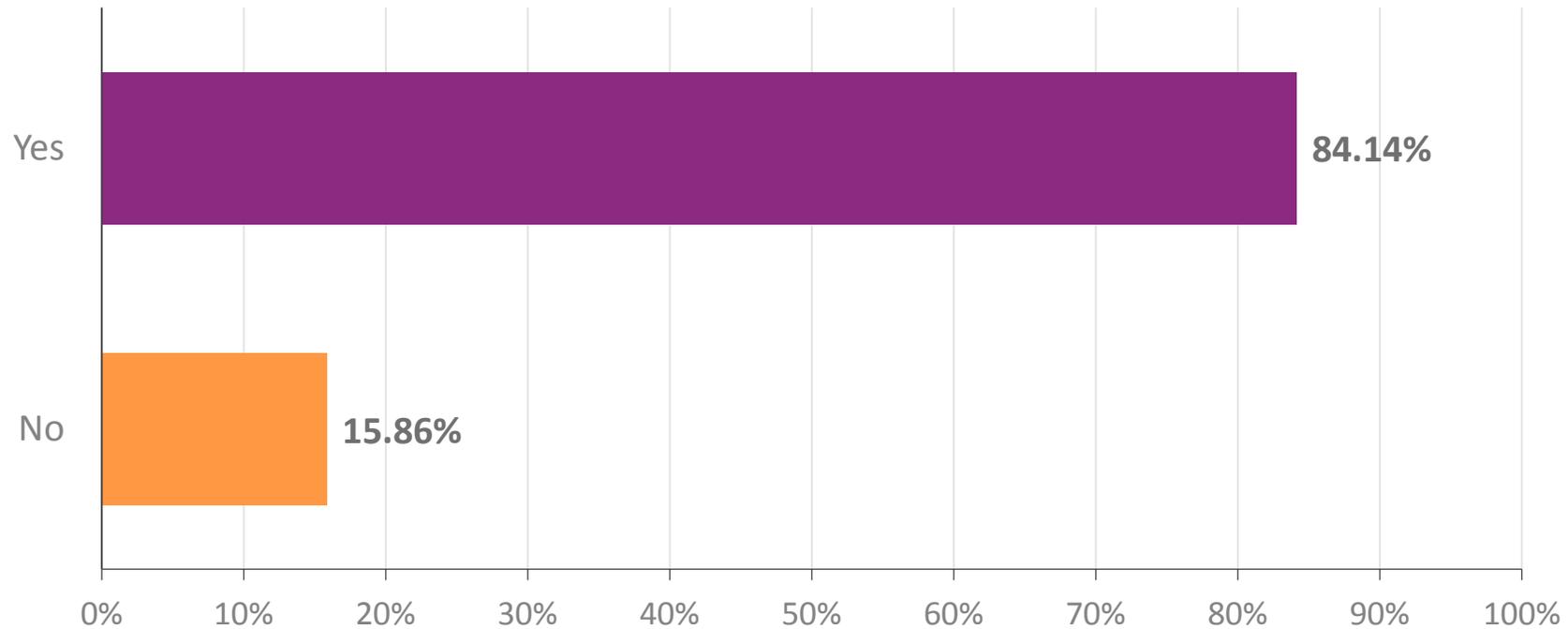




# illion Open Data Solutions Responsible Lending Survey

Brokers

## Q2: Is the estimation of income and expenses that we provide more accurate than your previous process?



Answered: 555 Skipped: 6



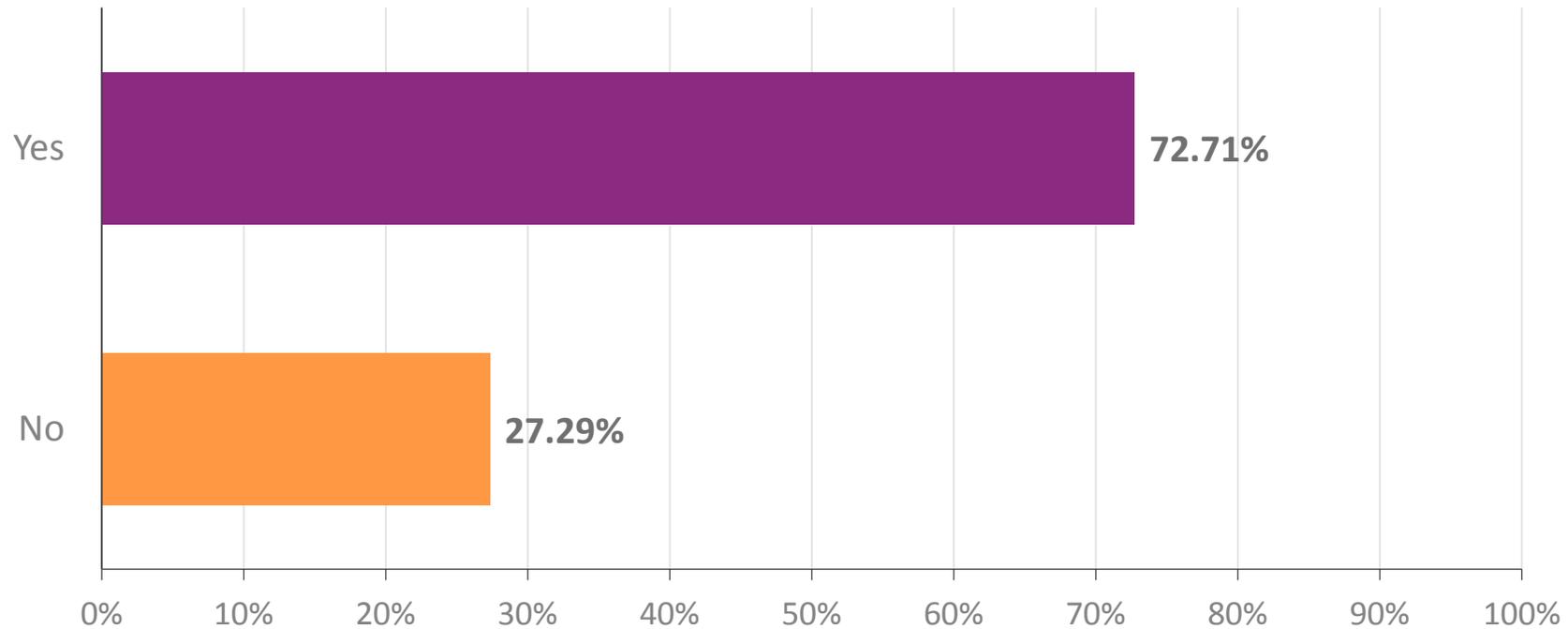
## Q2: Is the estimation of income and expenses that we provide more accurate than your previous process?

ANSWER CHOICES	RESPONSES	
YES	84.14%	467
NO	15.86%	88
TOTAL		555

Answered: 555 Skipped: 6



# Q3: Are the disclosed expenses different (in amount) from those provided through your previous process?



Answered: 557 Skipped: 4



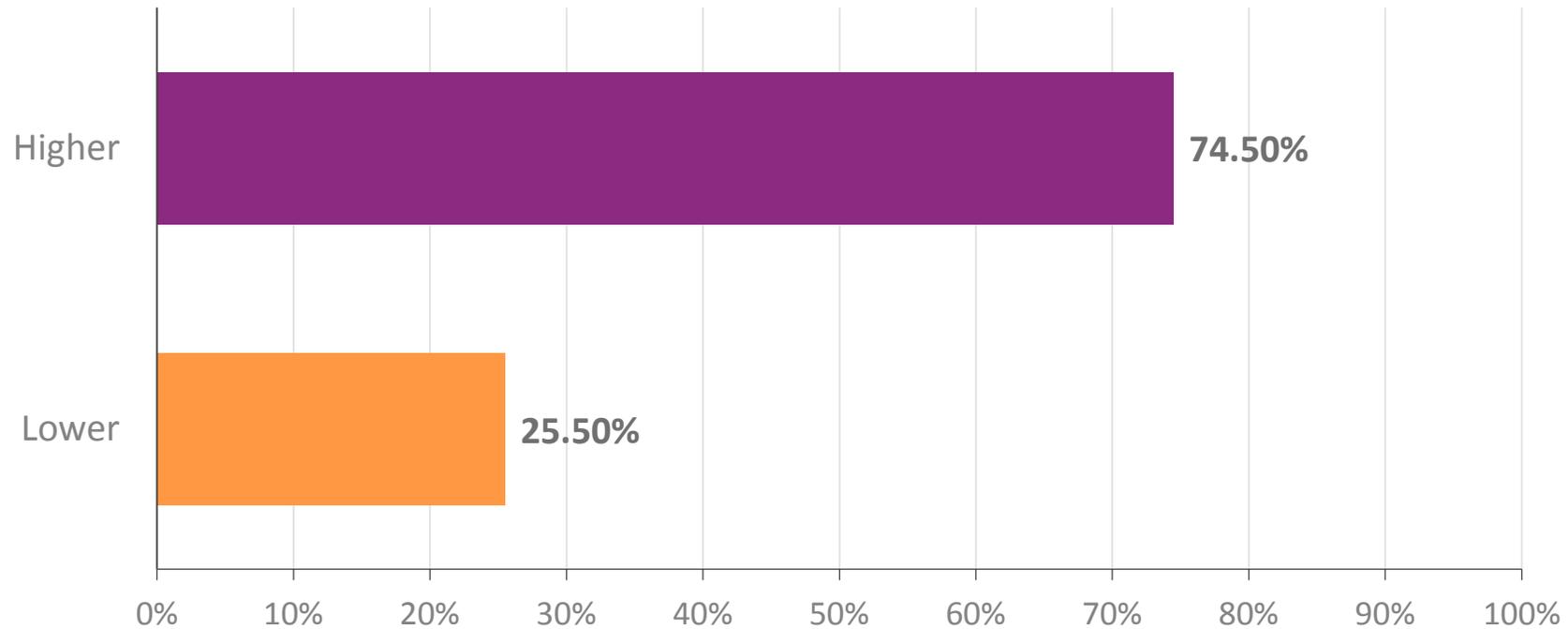
# Q3: Are the disclosed expenses different (in amount) from those provided through your previous process?

ANSWER CHOICES	RESPONSES	
YES	72.71%	405
NO	27.29%	152
TOTAL		557

Answered: 557 Skipped: 4



# Q4: If your answer to Question 2 is YES, are the disclosed expenses



Answered: 447 Skipped: 114



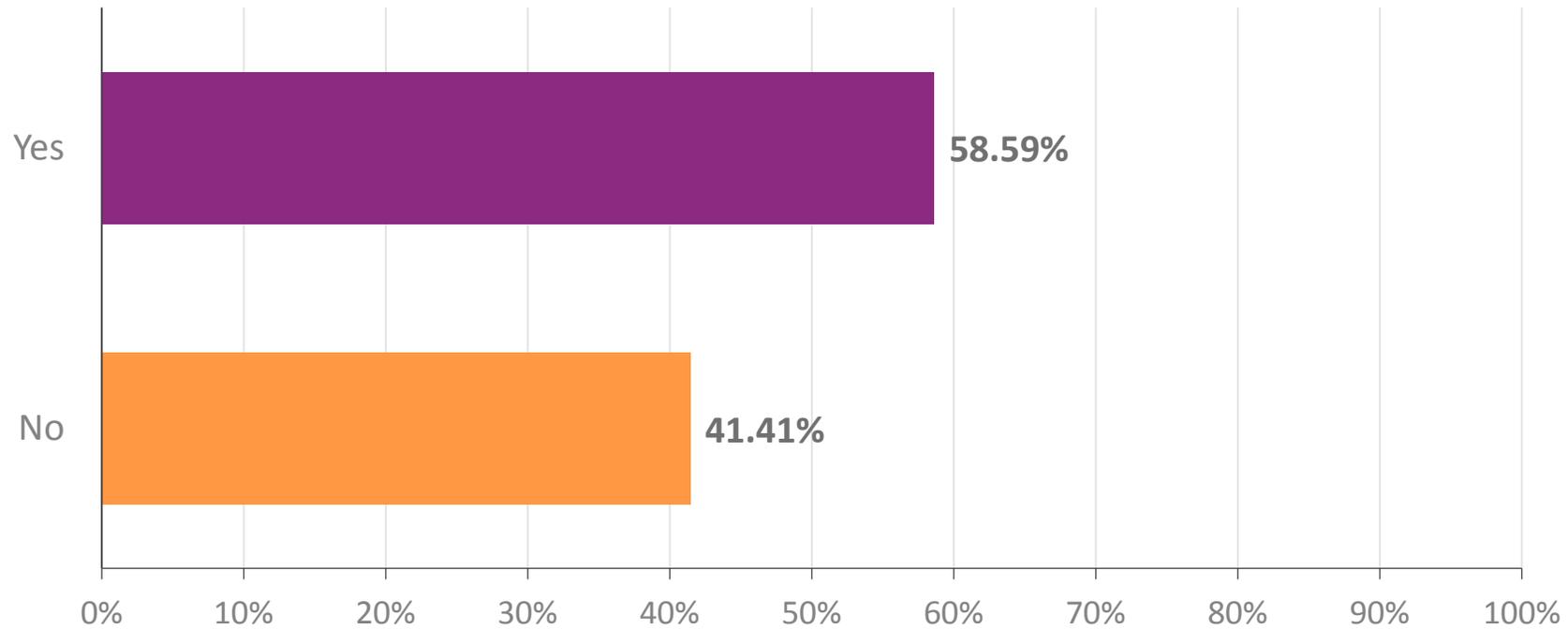
## Q4: If your answer to Question 2 is YES, are the disclosed expenses

ANSWER CHOICES	RESPONSES	
HIGHER	74.50%	333
LOWER	25.50%	114
TOTAL		447

Answered: 447 Skipped: 114



# Q5: Is there less statement fraud?



Answered: 553 Skipped: 8



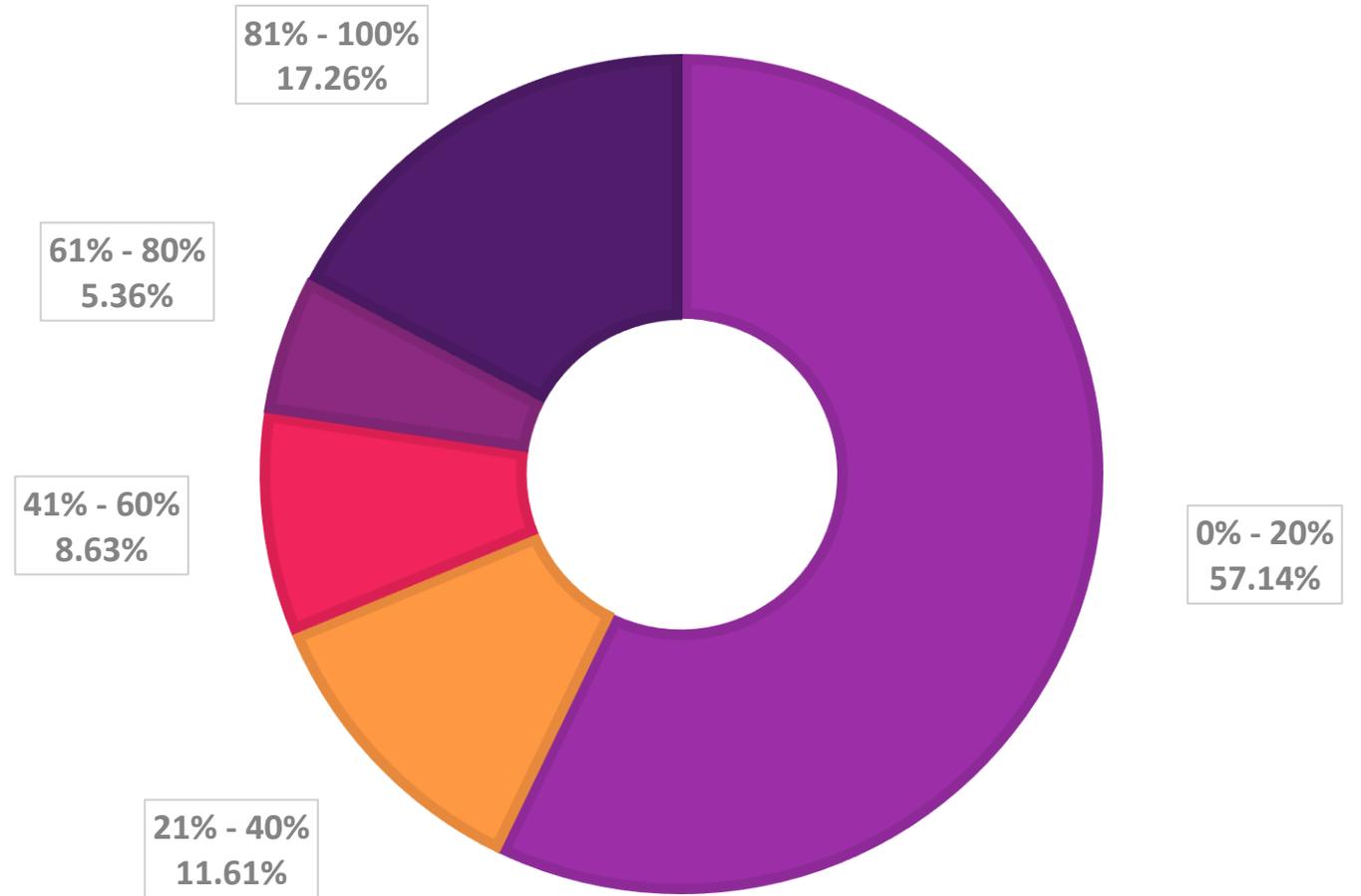
# Q5: Is there less statement fraud?

ANSWER CHOICES	RESPONSES	
YES	58.59%	324
NO	41.41%	229
TOTAL		553

Answered: 553 Skipped: 8



Q6: If your answer to Question 5 is YES, please range the fraud reduction



Answered: 336 Skipped: 225



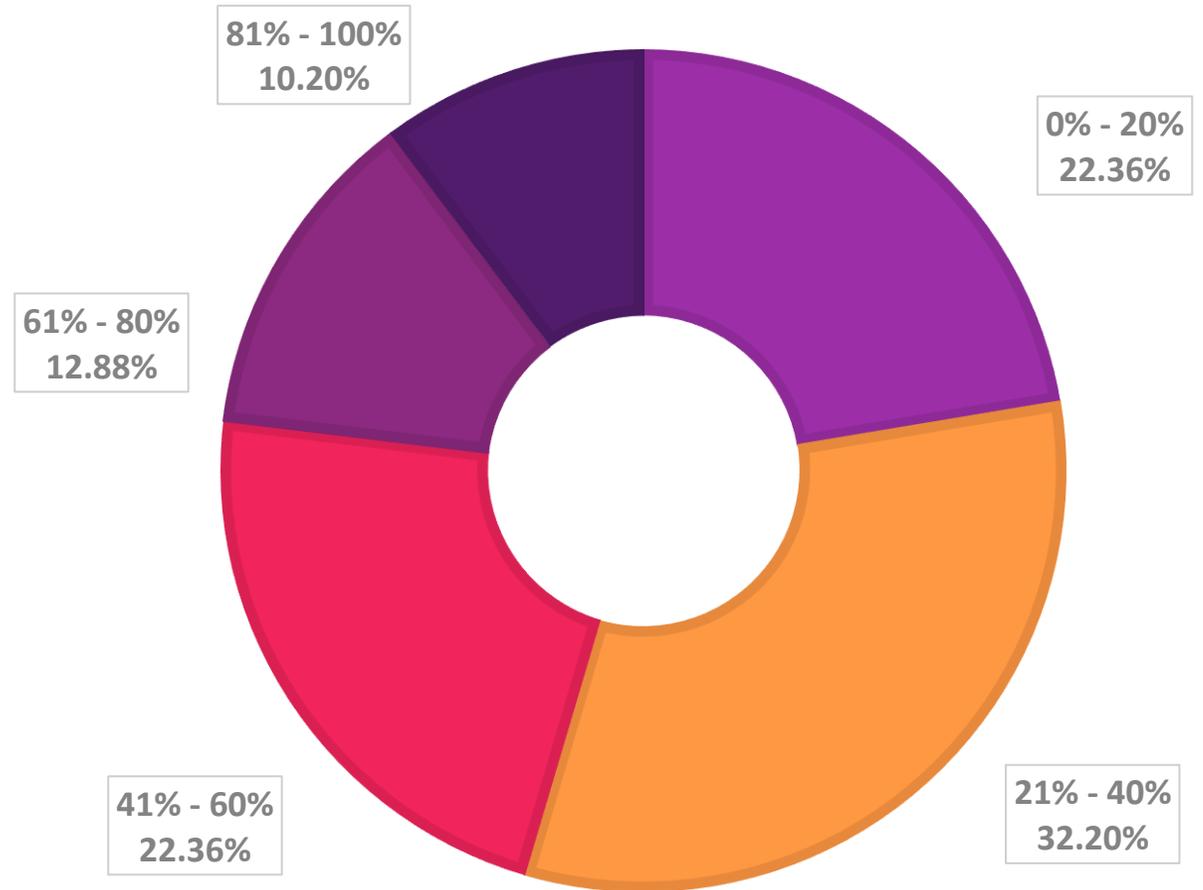
## Q6: If your answer to Question 5 is YES, please range the fraud reduction

ANSWER CHOICES	RESPONSES	
0% - 20%	57.14%	192
21% - 40%	11.61%	39
41% - 60%	8.63%	29
61% - 80%	5.36%	18
81% - 100%	17.26%	58
TOTAL		336

Answered: 336 Skipped: 225



Q7: How much time as a percentage does using Open Data Solutions products save you each month compared to a manual process?



Answered: 559 Skipped: 2



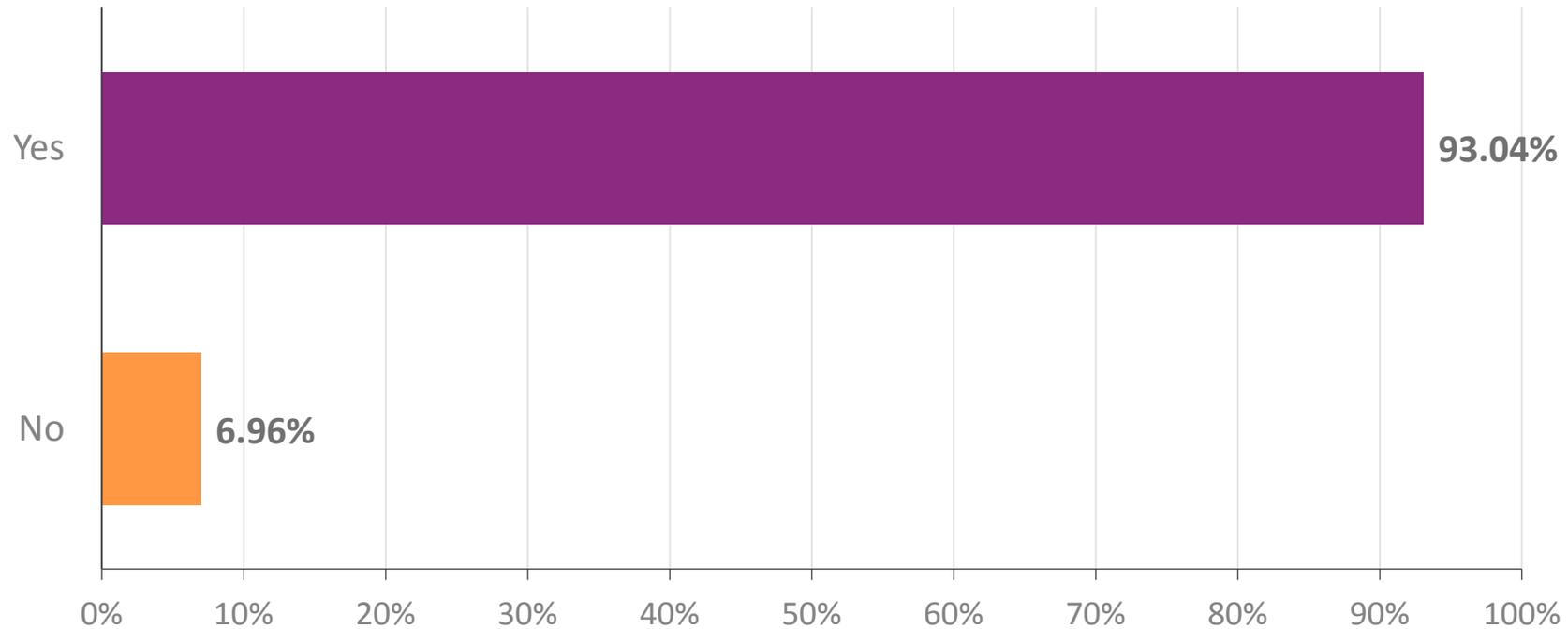
# Q7: How much time as a percentage does using Open Data Solutions products save you each month compared to a manual process?

ANSWER CHOICES	RESPONSES	
0% - 20%	22.36%	125
21% - 40%	32.20%	180
41% - 60%	22.36%	125
61% - 80%	12.88%	72
81% - 100%	10.20%	57
TOTAL		559

Answered: 559 Skipped: 2



# Q8: Do you think using our data gives you a competitive edge in terms of speed of processing and overall accuracy?



Answered: 560 Skipped: 1



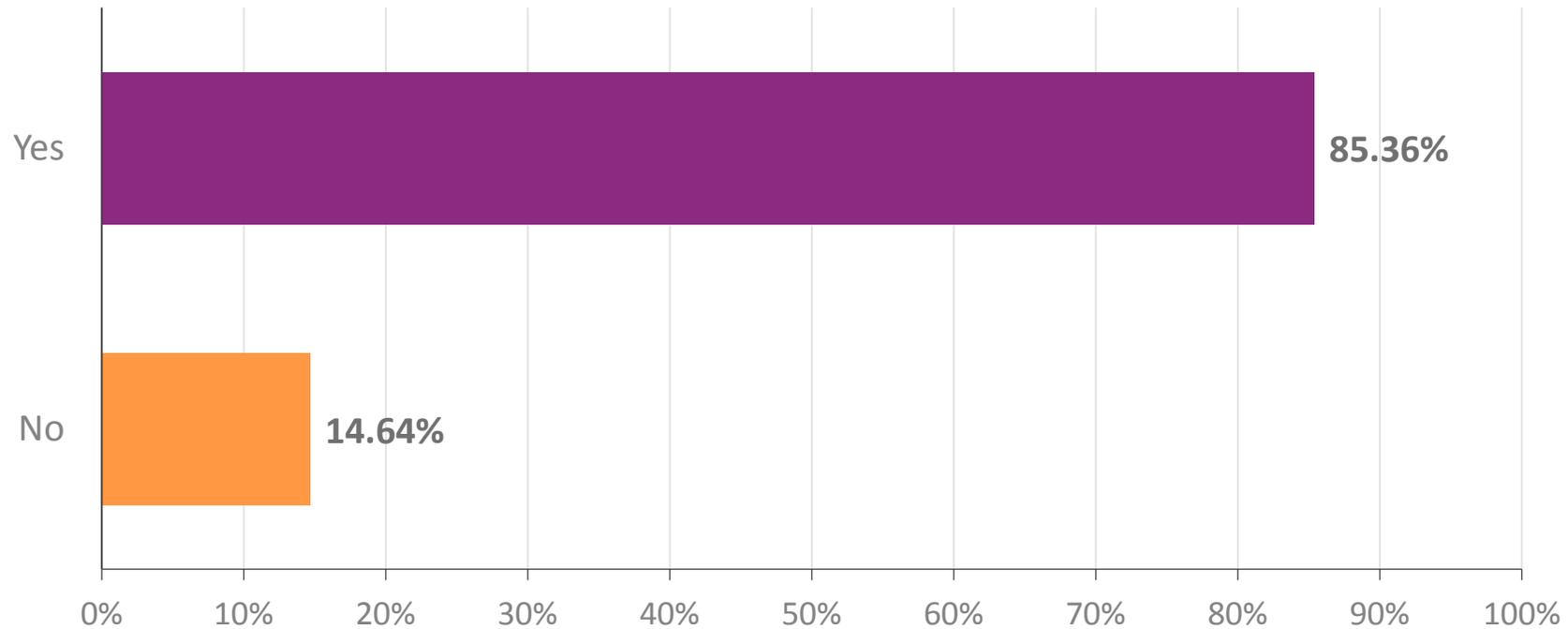
# Q8: Do you think using our data gives you a competitive edge in terms of speed of processing and overall accuracy?

ANSWER CHOICES	RESPONSES	
YES	93.04%	521
NO	6.96%	39
TOTAL		560

Answered: 560 Skipped: 1



# Q9: Has using Open Data Solutions products helped you more accurately identify over indebtedness?



Answered: 560 Skipped: 1



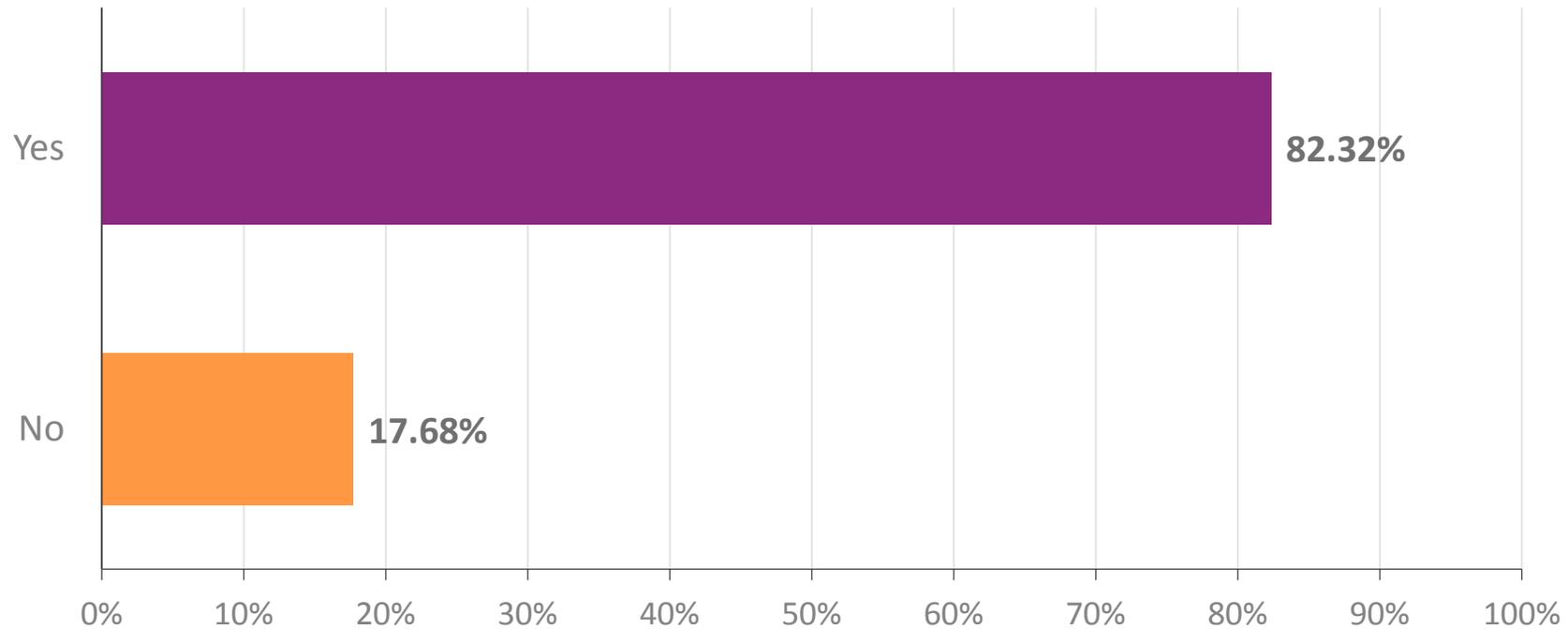
# Q9: Has using Open Data Solutions products helped you more accurately identify over indebtedness?

ANSWER CHOICES	RESPONSES	
YES	85.36%	478
NO	14.64%	82
TOTAL		560

Answered: 560 Skipped: 1



# Q10: Thinking about straight-through-processing, has using our service helped reduce assessment times?



Answered: 560 Skipped: 1



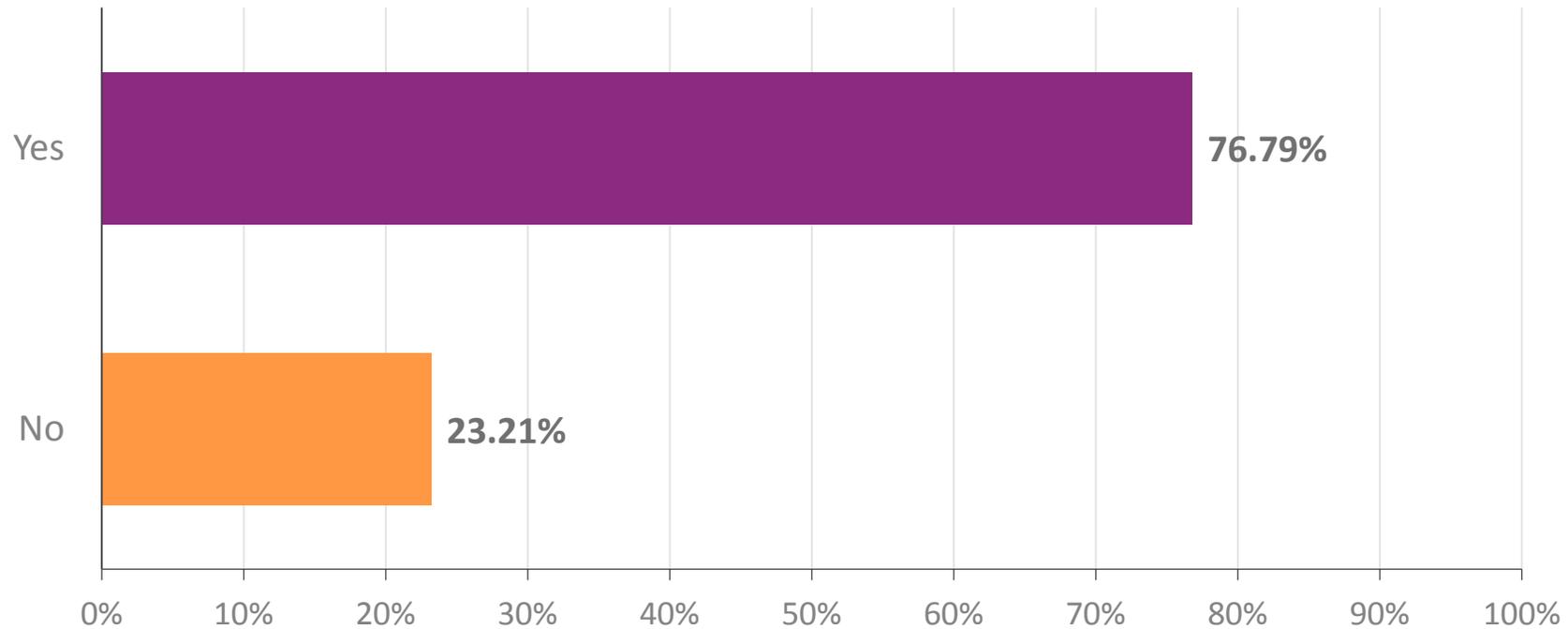
# Q10: Thinking about straight-through-processing, has using our service helped reduce assessment times?

ANSWER CHOICES	RESPONSES	
YES	82.32%	461
NO	17.68%	99
TOTAL		560

Answered: 560 Skipped: 1



# Q11: Again, thinking about straight-through-processing, has using our service helped reduce time to decision?



Answered: 560 Skipped: 1



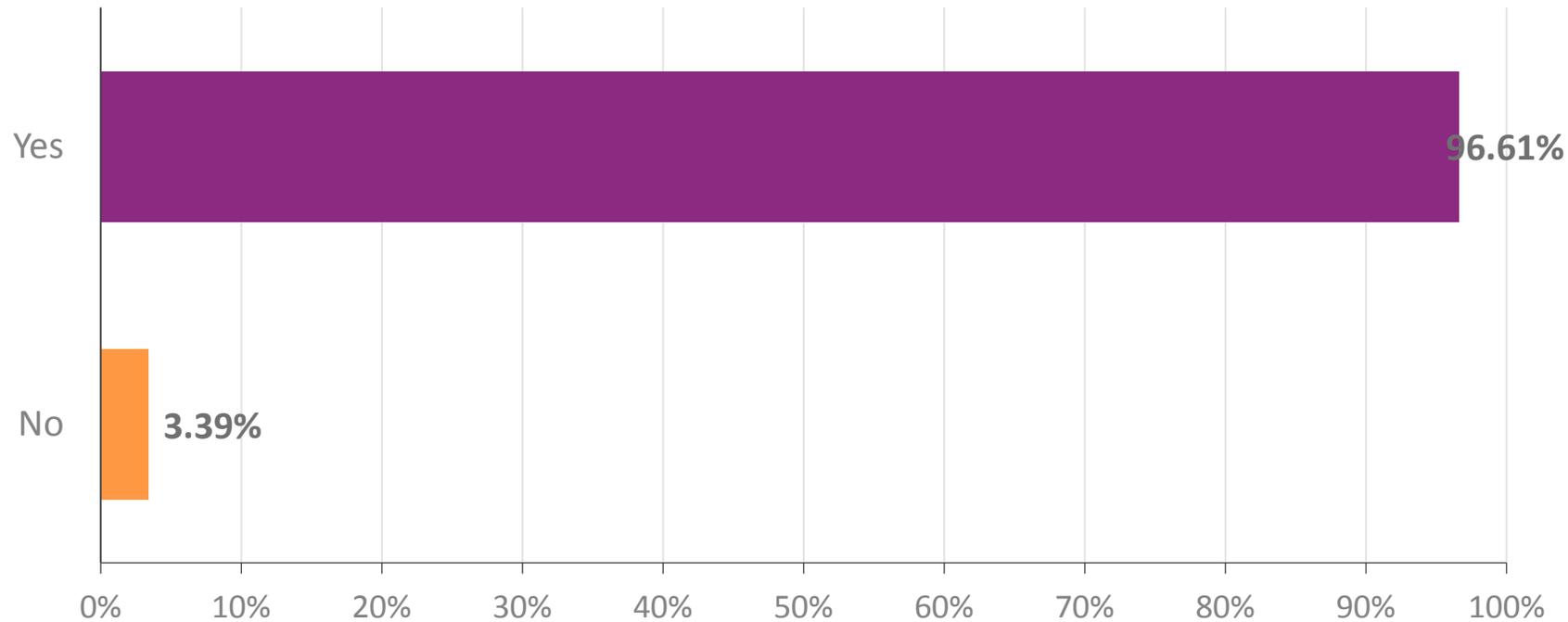
# Q11: Again, thinking about straight-through-processing, has using our service helped reduce time to decision?

ANSWER CHOICES	RESPONSES	
YES	76.79%	430
NO	23.21%	130
TOTAL		560

Answered: 560 Skipped: 1



# Q12: Does Open Data Solutions help improve your overall business efficiency?



Answered: 560 Skipped: 1



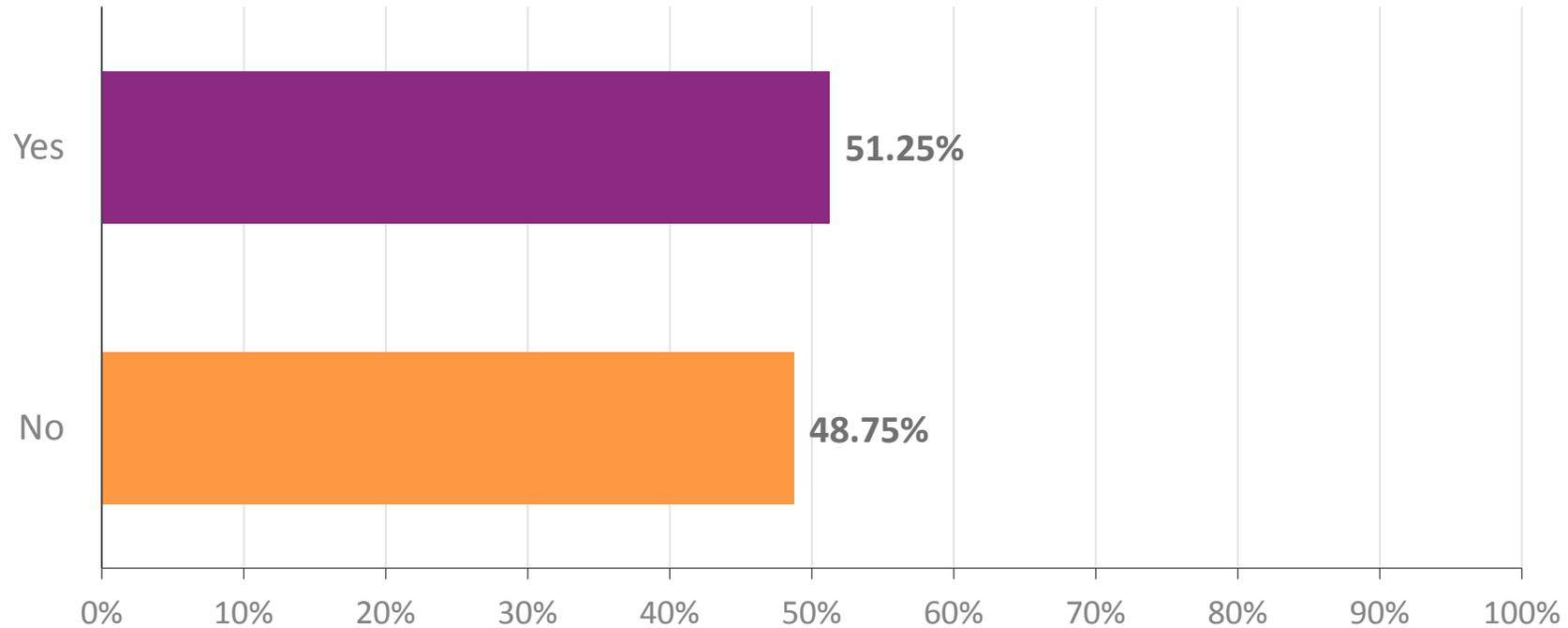
# Q12: Does Open Data Solutions help improve your overall business efficiency?

ANSWER CHOICES	RESPONSES	
YES	96.61%	541
NO	3.39%	19
TOTAL		560

Answered: 560 Skipped: 1



# Q13: Has using Open Data Solutions helped you to grow your business?



Answered: 560 Skipped: 1



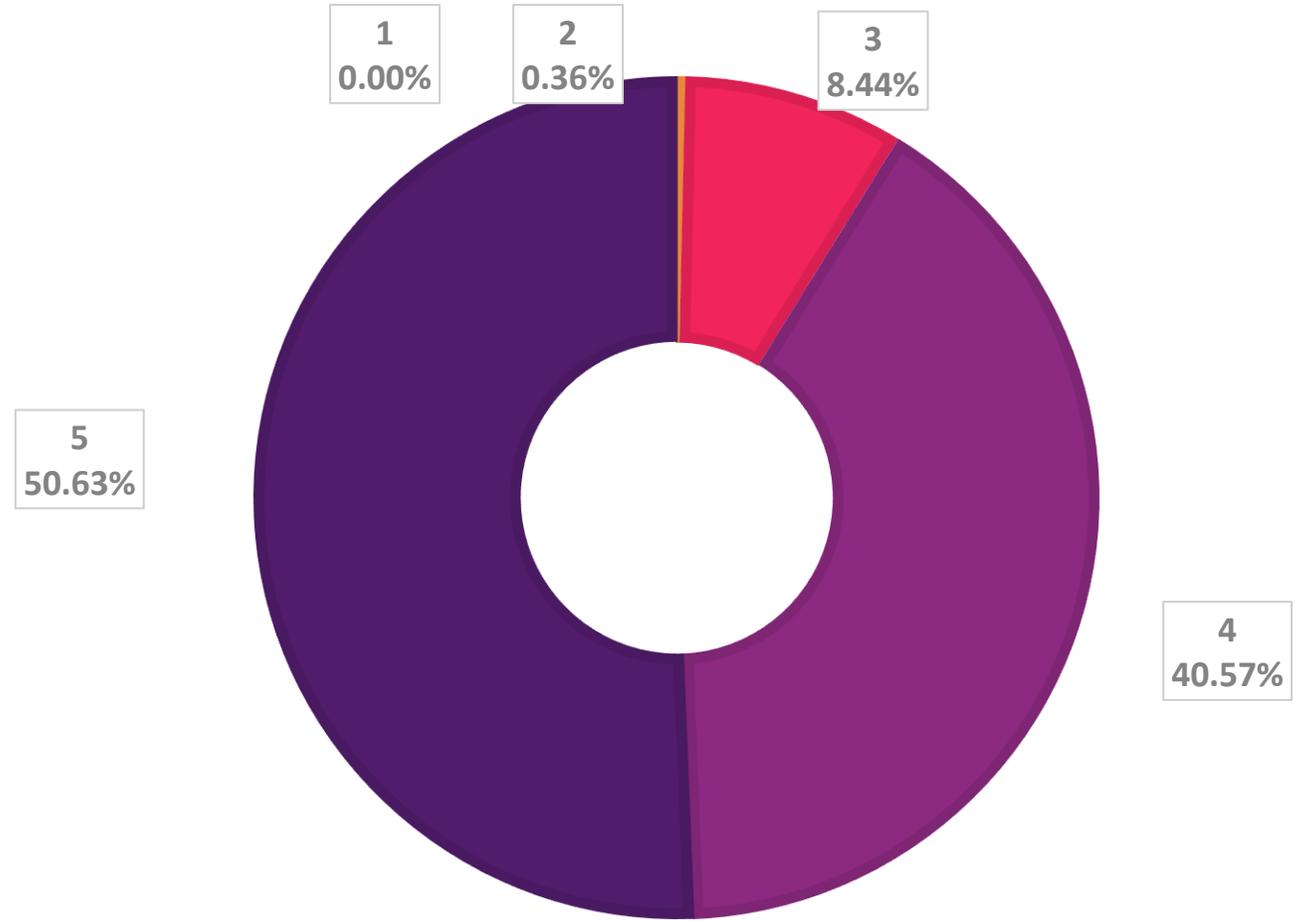
# Q14: Has using Open Data Solutions helped you to grow your business?

ANSWER CHOICES	RESPONSES	
YES	51.25%	287
NO	48.75%	273
TOTAL		560

Answered: 560 Skipped: 1



Q15: Overall, how would you rate  
illion Open Data  
Solutions?



4.41 out of 5 stars

Answered: 557 Skipped: 4



# Q14: Overall, how would you rate illion Open Data Solutions?

1	2	3	4	5	TOTAL	WEIGHTED AVERAGE
0.00%	0.36%	8.44%	40.57%	50.63%		
0	2	47	226	282	557	4.41

Answered: 557 Skipped: 4

