



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

Dear ACCC,

Plaid appreciates the opportunity to comment on the proposed combined accredited person (CAP) arrangement in the Consumer Data Right (CDR) rules. Plaid is a financial data aggregator currently operating in the U.S., U.K., Canada, Spain, France, Ireland, and the Netherlands. We provide data connectivity across 11,000 financial institutions and 2,600 financial technology developers, helping consumers access and share their data in order to obtain services that improve their financial lives.

With the proposed CAP arrangement updates, the CDR rules better reflect optimal structures to enable consumers to reap the benefits of their data. Allowing intermediaries to manage data aggregation brings market efficiencies by enabling developers to focus on building products and services instead of data integrations. As consumers increasingly seek financial products that require data from multiple sources, like pension dashboards and mortgage applications, intermediaries help developers combine data streams and unlock additional use cases.

Several aspects of the updates are especially promising:

- Consent: The CAP arrangement properly allows consumers to consent at the provider level, where they initiate requests for data transmission. This will keep consumers in control at all levels of engagement with their data.
- Ongoing requests: Many use cases like budgeting tools and expense trackers require ongoing data transmission. The CAP arrangement accounts for these instances by granting providers the ability to initiate ongoing requests on principals' behalf.
- Liability: The contractual basis by which the CAP arrangement assesses liability properly reflects the relationship between provider and principal, which can bilaterally agree to terms that work for both parties and consumers.

Two elements of the proposed changes, however, would constrict the value providers can contribute to the ecosystem:

1. Consultation notice section 4: "The principal and its branded goods and services will always be the consumer-facing entity with whom the CDR consumer has a contractual relationship"

2. CDR Rules 1.10A.3a: “a provider may only do a thing in relation to CDR data that is subject to a CAP arrangement if the principal is authorised to do that thing in relation to the data”

(1) As principals look to providers to deliver CDR data on consumers' behalf, consumers will have multiple data-sharing connections through the same provider. In this case the provider might have a more comprehensive dashboard than any data holder or principal, which could offer more utility to consumers than those offered by data holders or principals. The ACCC should therefore allow providers themselves to provide branded dashboards, so that consumers can access and control all of their data connections at once central location.

(2) Because of their unique visibility across the ecosystem, providers can generate value for consumers in ways that principals cannot. For example, providers may find ways to provide insights based upon consumers' trends across all the principals the consumer engages with; these insights could help principals deliver greater value to consumers. A principal itself would not otherwise have this visibility and not be able to derive this same insight. Two use cases highlight the benefits of these capabilities for consumers: personal financial management (PFM) and anti-fraud. PFM tools leverage insights from across the full range of consumer or small business accounts to provide a holistic view of one's finances. Providers can detect fraud and protect consumer accounts in ways that principals and even data holders cannot, in that they can track attempts to utilize stolen credentials across the range of providers services their customers are connected to.

By limiting providers' activities to only those possible by principals, the CAP arrangement as presently proposed eliminates this potential and thus curbs any potential benefit to consumers. This stipulation should therefore be amended to resolve that providers may engage in activities that principals cannot, so long as those activities are subject to the same requirements around consumer consent and disclosure.

In general, the ACCC has made tremendous progress in their considered efforts to incorporate providers in a way that enhances consumer control over their data. Plaid stands ready to contribute additional insight from our experiences in the jurisdictions in which we currently operate.

Best,
Plaid