



Our ref: AA1000521  
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***Sent via email***

Dear Interested Party

### **Australian Retail Credit Association application for re-authorisation — interested party consultation**

The Australian Competition and Consumer Commission (the **ACCC**) received an application from the Australian Retail Credit Association (**ARCA**) on 26 June 2020 seeking the re-authorisation of certain provisions of the Principles of Reciprocity and Data Exchange (**PRDE**).

The existing ACCC authorisation (A91482) of the PRDE expires on 25 December 2020, and ARCA seeks authorisation of the PRDE for another 6 years.

The ACCC invites you to comment on ARCA's application for re-authorisation.

ARCA has proposed some improvements to the PRDE and its operation following an independent review in 2019, and drawing on the experience of managing the PRDE over the past five years.

Further information about the authorisation process is provided in the ACCC's [Guidelines for authorisation of conduct \(non-merger\)](#).

#### **The application for re-authorisation**

ARCA seeks re-authorisation, on behalf of itself and current and future signatories, to make and give effect to certain provisions of the PRDE. The PRDE establishes a standardised system for exchanging comprehensive consumer credit information between credit reporting bodies and credit providers.

Specifically, ARCA seeks re-authorisation to make and give effect to certain provisions of the PRDE that fall into the following categories:

- **Reciprocity provisions:** credit providers can only receive consumer credit information from credit reporting bodies up to the same level at which they are willing to supply information: paragraphs 4, 8, 10, 14, 34, 35, 36, 38, 39 and, by way of anti-avoidance, 11, 12 and 44;
- **Consistency provisions:** credit providers must supply the same consumer credit information to all credit reporting bodies with whom they have a services agreement: paragraphs 9, 15 and 16; and

- **Enforceability provisions:** procedures and sanctions to address non-compliance with the PRDE: paragraph 89

(together, the **Proposed Conduct**).

A full copy of ARCA's application for re-authorisation is available on the ACCC's [Authorisations Public Register](#) on its website.

A copy of the proposed PRDE (as amended) is provided at [Appendix A](#) to ARCA's application for re-authorisation.

### **Request for submissions**

The ACCC understands that the operation and governance of the PRDE was independently reviewed in 2019. Subsequent to that review, the ACCC understands that in early 2020 ARCA consulted stakeholders about proposed amendments to the PRDE.

To facilitate the ACCC's consideration of ARCA request for re-authorisation, the ACCC invites you to make a submission on:

- the likely public benefits and effect on competition, or any other public detriment, from re-authorising the relevant provisions of the proposed PRDE
- given the range of legislative and regulatory changes that have occurred since the ACCC's original authorisation in 2015 (for example, mandatory comprehensive credit reporting and hardship legislation, and responsible lending and credit risk management guidance), what would happen without the Proposed Conduct - namely the relevant provisions of the proposed PRDE.

The ACCC would also be interested to hear about your experiences of the PRDE during the period of the existing authorisation, including your views on:

- the PRDE's impact on competition between credit providers and credit reporting bodies
- the PRDE's impact on consumers, including developments in relation to reporting repayment history information
- the PRDE's impact on lending decisions and loan products offered to consumers by credit providers
- the costs of complying with the consistency and other provisions of the PRDE and
- the administration and governance of the PRDE.

If you intend to provide a submission to the ACCC, please do so by **Friday, 31 July 2020**.

All submissions should be emailed to [adjudication@acc.gov.au](mailto:adjudication@acc.gov.au) with the subject '*AA1000521 – Australian Retail Credit Association – submission*'.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion. For further information, please refer to the ACCC's publication [Guidelines for excluding information from the public register](#).

If you do not wish to make a submission at this time, but would like to be informed of the progress of the application, please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the application.

## Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information:

<b>26 June 2020</b>	Lodgement of application for re-authorisation and supporting submission.
<b>3 July 2020</b>	Public consultation process begins.
<b>31 July 2020</b>	Closing date for submissions on application for re-authorisation from interested parties.
<b>August 2020</b>	Applicant responds to issues raised in the public consultation process.
<b>September 2020</b>	Draft determination.
<b>Sept / Oct 2020</b>	Public consultation on draft determination including any conference if called.
<b>Oct / Nov 2020</b>	Final determination.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please contact Jaime Martin on (03) 9290 1477 or Anna Pound on (03) 9290 6920, or via email at [adjudication@acc.gov.au](mailto:adjudication@acc.gov.au).

Yours sincerely



David Hatfield  
Director  
Adjudication

**ARCA – application for revocation of application A91482 and substitution of new  
authorisation AA1000521**

**Consultation – list of interested parties**

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Communications Alliance  
Mortgage & Finance Association of Australia  
Australian Collectors and Debt Buyers Association  
Insurance Council of Australia  
Australian Banking Association  
Australian Finance Industry Association  
Australian Institute of Credit Managers  
Customer Owned Banking Association  
Consumer Household Equipment Rental Providers Association  
National Credit Providers Association  
Australia Energy Council  
Australian Finance Group  
Australian Financial Markets Association  
Finance Brokers Association  
Finance Sector Union  
Financial Services Council  
Mortgage and Finance Association of Australia  
Financial Rights Legal Centre (FRLC)  
Financial Counselling Australia (FCA)  
Legal Aid Queensland (LAQ)  
Australian Privacy Foundation  
Consumer Action Law Centre (CALC)  
Indigenous Consumer Assistance Network  
Financial and Consumer Rights Council  
Consumers Federation of Australia  
Australian Prudential  
Regulation Authority  
Office of the Australian  
Information Commissioner  
Australian Securities and  
Investments Commission  
Reserve Bank Australia  
Treasury

Zeal Solutions  
Ultradata Australia  
Price Waterhouse Coopers  
Australian Financial Complaints Authority  
Equifax  
Experian  
Illion  
86400 Ltd  
American Express Australia Ltd  
AMP Bank Ltd  
Athena Mortgage Pty Ltd  
Australia & New Zealand Banking Group Ltd  
Australian Military Bank Ltd  
Bank Australia Limited  
Bank of China (Australia) Ltd  
Beyond Bank Australia Ltd  
BMW Australia Finance Ltd  
Citigroup Pty Ltd  
Commonwealth Bank of Australia  
Credit Union Australia  
Fair Go Finance Pty Ltd  
Firstmac Ltd  
FlexiCards Australia Pty Ltd  
Greater Bank Ltd  
Harmony Australia Ltd  
HSBC Australia Bank Ltd  
Illawarra Credit Union  
ING Bank (Australia) Ltd  
Latitude Financial Services Australia Holdings Pty Ltd  
Macquarie Bank Ltd  
Members Equity Bank Ltd  
Mercedes-Benz Financial Services Australia Pty Ltd  
Money Place AFSL Ltd  
MoneyMe Financial Group Pty Ltd  
MyState Bank Ltd  
National Australia Bank Ltd  
Newcastle Permanent Building Society Ltd

NOW Finance Group Ltd  
Pepper Group Ltd  
R.A.C.V. Finance Ltd  
RateSetter Australia Ltd  
Right Road Finance Pty Ltd  
Society One Australia Pty Ltd  
Suncorp Metway  
Symple Loans Pty Ltd  
Taurus Motor Finance  
Teachers Mutual Bank Ltd  
Think Tank Group Pty Ltd  
ThinkMe Finance Pty Ltd  
Toyota Finance Australia Ltd  
Volt Bank Ltd  
Westpac Banking Corporation  
Wisr  
Nissan Financial Services Australia Pty Ltd  
Police & Nurses Limited (t/a P&N Bank)  
Police Bank Ltd  
Bank of Queensland Limited  
Bendigo and Adelaide Bank Limited  
Twelve members of the Customer Owned Banking Association's Small Australian Mutuals Network  
Brighte Capital  
Flexigroup  
Payright  
RateSetter Australia