



**Australian Payments Clearing Association - authorisation -
application for authorisations A91281 - A91283
– request for interim authorisation**

REASONS

DECISION

The Australian Competition and Consumer Commission (the ACCC) has decided to grant interim authorisation with respect to applications for revocation and substitution A91281 - A91283 lodged by Australian Payments Clearing Association (APCA) on 25 November 2011. Interim authorisation will suspend the existing authorisations A91016 to A91018 and operate as a substitute until the date the ACCC's final determination comes into effect or until the ACCC decides to revoke interim authorisation.

THE APPLICATION

APCA is seeking reauthorisation of its High Value Clearing System (HVCS) Regulations and Procedures in relation to the suspension and termination of HVCS membership and the requirement that members join SWIFT. These arrangements were previously authorised on 14 February 2007 and APCA is seeking reauthorisation on the same terms as previously.

APCA is seeking authorisation for a period of five years. The ACCC's assessment of this application is ongoing. Further information regarding the application is available on the ACCC's public register at www.accc.gov.au/AuthorisationsRegister.

THE AUTHORISATION PROCESS

The ACCC can grant statutory protection from the application of the competition provisions of the *Competition and Consumer Act 2010* (the Act) if it is satisfied that the benefit to the public from the conduct outweighs any public detriment. The ACCC conducts a public consultation process to assist it to determine whether a proposed arrangement results in a net public benefit.

INTERIM AUTHORISATION

Section 91 of the Act allows the ACCC to grant interim authorisation without making a decision on the merits of the application.

The ACCC will only grant interim authorisation in appropriate circumstances. In many circumstances it is not appropriate to do so because interim authorisation allows an applicant, for a limited period, to engage in conduct before the ACCC has been able to fully assess whether the conduct satisfies the authorisation test.

The ACCC is still considering APCA's substantive applications for revocation and substitution and will make a final determination in the coming months.

Pending its final determination, the ACCC grants interim authorisation as detailed in the Decision section of this document.

CONSULTATION

Upon receipt of the application for authorisation on 25 November 2011, the ACCC undertook interested party consultation in order to consider the request for interim authorisation. The ACCC received no interested party submissions.

REASONS FOR DECISION

In granting interim authorisation, the ACCC has taken into account:

- APCA's HVCS Regulations and Procedures has been authorised since 1998 and the current arrangements have been authorised since February 2007.
- APCA is only seeking reauthorisation for provisions of the Regulations and Procedures relating to the suspension and termination of HVCS membership and the requirement that members join SWIFT.
- These provisions have not changed substantially since the ACCC last authorised these arrangements.

The ACCC considers that granting interim authorisation will preserve the status quo, allowing APCA and members of HVCS to continue to engage in these arrangements while the ACCC considers the merits of the substantive application for revocation and substitution.

RECONSIDERATION OF DECISION

The ACCC may review its decision on interim authorisation at any time. The ACCC's decision in relation to interim authorisation should not be taken to be indicative of whether or not final authorisation will be granted.