



SUBMISSION PAPER

ACCC Authorisation A91546 and A91547

Encouraging Innovation and Competition through Open Access

SEPTEMBER 2016

This Submission Paper was prepared by FinTech Australia working with and on behalf of its Members; over 100 FinTech Startups, VCs, Accelerators and Incubators across Australia.

The following FinTech Australia Members contributed to and endorse this submission:

- Alchemy Ventures
- Airwallex
- APEX Capital
- Bigstone
- Brighte
- CoinJar
- Cover Genius
- Flash-FX
- Huffle
- MoneyMe
- Plenty
- PromisePay
- Remitt
- Stockspot
- Swipezy (trading as Wordflow)
- Tapview
- Thincats
- Tyro
- Yodlee
- Veriluma



Open Access – Putting Consumers in Control

FinTech Australia has noted the application to the ACCC by Bendigo and Adelaide Bank, CBA, NAB and Westpac to collectively negotiate with Apple regarding the use of their Near-Field Communications (NFC) technology. FinTech Australia does not support this application, as we do not believe a negotiation on pricing will resolve the fundamental issue of access to iPhone NFC infrastructure.

FinTech Australia supports the principle of consumer-directed access, or “**Open Access**”, in all areas of financial infrastructure – whether from Technology Companies, Banks, or Government – and whether it be for NFC, Financial Data, ATO or ASIC Data, National Payments Network or otherwise.

A regulatory framework that supports the principle of Open Access will deliver higher economic returns to Australia from:

- more innovation, and thus competition;
- greater access and choice for retailers, businesses and consumers; and
- lower costs for merchants (and thus consumers).

FinTech Australia has already made a submission to the Productivity Commission that speaks to the economic and consumer benefits of Open Access in relation to the Banks’ provision of Financial Data via Open Banking APIs (refer to http://www.pc.gov.au/_data/assets/pdf_file/0006/205494/sub182-data-access.pdf).

Opening NFC access on Apple devices in the Australian market will realise similar benefits. It will also speed consumer adoption of more safe and secure payment methods than current tap-and-go card technology, which is a security risk of increasing importance to the RBA (refer to <http://www.afr.com/technology/rba-watching-blockchain-but-tapandgo-is-where-the-action-is-20160906-gra506>).

Consumers should have the right to access their money, and instruct institutions to transfer that money using the device or mechanism of their choice, to the third party of their choice.

Equally, consumers should also have the right to access their data, and instruct institutions to share their data, with the third party of their choice.

FinTech Australia also endorses the submission made to the ACCC by Tyro, which explores the above position in greater detail: <https://tyro.com/content/uploads/2016/08/ACCC-Third-Party-Wallet-Provider-2016-08-04-1.pdf>



About FinTech Australia

FinTech Australia is the peak industry body for the Australian FinTech Industry, representing over 100 FinTech Startups, Hubs, Accelerators and Venture Capital Funds across the nation.

Our vision is to make Australia one of the world's leading markets for FinTech innovation and investment. This submission has been compiled by FinTech Australia and its members in an effort to drive cultural, policy and regulatory change toward realising this vision.