



15 August 2024

Elizabeth Batten
Competition Exemptions
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

BY EMAIL

Dear Ms Batten

Australian Banking Association (ABA) – Application for Authorisation AA1000664

Overview

1. NCR Atleos Australia refers to ABA Application for Authorisation AA1000664 dated 27 March 2024 (**BCP Application**) and the draft determination and interim authorisation granted by the Australian Competition and Consumer Commission (**ACCC**) on 1 August 2024, under which the ACCC proposes to grant the BCP Application with conditions until 30 June 2025 (**Draft Determination**).
2. NCR Atleos Australia is the largest independent deployer of ATMs across Australia and provides critical ATM hardware, software, and maintenance services to many of the ABA's members, including several of the Proposed Authorised Parties. NCR Atleos Australia is a key stakeholder in the issue of CIT sustainability in Australia given its size, scale and provision of products and services related to cash to major financial institutions, retailers and other businesses which provide public access to cash.
3. NCR Atleos Australia understands that the main objective of the BCP Application is for the ABA and Proposed Authorised Parties to formulate business continuity measures and long-term solutions for "supporting the continued and safe distribution and availability of cash to banks, retailers, other businesses and/or members of the public in metropolitan and regional non-metropolitan locations"¹.
4. NCR Atleos Australia is supportive of this objective but believes the only way that it can be properly achieved is via additional key industry stakeholders being allowed to participate in the relevant meetings and discussions.
5. In particular, we request the ACCC to specifically allow NCR Atleos Australia the right to participate in all discussions between the ABA and Proposed Authorised Parties regarding the BCP Application and the related Proposed Authorised Conduct, including in those discussions regarding the other ACCC authorisation applications made by the ABA (**Other Authorisation Applications**).

¹ Australian Consumer and Competition Commission Draft Determination and Interim Authorisation, 1 August 2024 ("ACCC Draft Determination"), p 4.

Effective Conditions Required

6. We urge the ACCC to take a more direct approach in addressing the lack of comprehensive industry involvement and participation in the BCP Application, including the Other Authorisation Applications and, more specifically, the Application for Authorisation AA1000674 (**Funding Application**).
7. The current conditions placed on the ABA by the ACCC in the Draft Determination clearly indicate the ACCC's desire and expectation for wider industry participation. In that sense, we refer to the ACCC's conditions relating to monthly reports and requirements for the ABA to report on the consultation that has occurred with non-participating Authorised Parties (**Conditions**).
8. However, the Conditions are not resulting in any broader representation or consultation and are not providing any meaningful level of transparency to non-participating Authorised Parties.
9. NCR Atleos Australia has requested to participate in the meetings over many months, including its most recent request to the ABA and RBA on 8 August 2024 (see Annexure 1). To date, we have not been permitted to participate in any meetings. These meetings have become the forum for the CIT sustainability issues that are plaguing the whole of the industry in Australia, yet they are being managed by an organisation, the ABA, that is only mandated to act in the interests of a very small subset of stakeholders (i.e. its member banks).
10. The ACCC must take a more direct approach and prescribe that key industry stakeholders, like NCR Atleos Australia, must be permitted to participate in the BCP Working Group and the other working groups subject to Other Authorisation Applications (e.g. such as the RBA Cash Sustainability Working Group and any working groups related to the Funding Application).

Consequences

11. Without placing more direct conditions, the discussions and solutions are likely to benefit and involve a very limited subset of the industry without consideration for the whole of the industry, as has been the case to date. A lack of broader industry participation will give rise to serious competitive detriments: the Proposed Authorised Parties will contribute to developing contingency arrangements and solutions that suit their businesses and obtain advance notice of those arrangements and solutions. This will give them a head start, if not a competitive advantage against excluded industry stakeholders.
12. Additionally, the public benefits and solutions developed are likely to be less substantial than what would be developed by involving broader industry stakeholders. For example, NCR Atleos Australia, as an independent ATM network deployer and owner, ATM manufacturer, ATM software developer, and maintenance service provider, can offer input to the ABA and Proposed Authorised Parties on a range of critical issues that other participants are unable to. This would ultimately lead to minimising the risk of disruption to public availability to cash, which is consistent with the key objective of the BCP Application.

Conclusion

13. Any disruption or exit of Armaguard will likely have a significant impact on a vast number of businesses beyond the current participants in the discussions. [REDACTED]

[REDACTED] Public access to cash



would be significantly impacted, particularly in remote and regional areas where alternative CIT service provision is diminished or, in some cases, unavailable.

14. The current BCP Application does not allow for an appropriate amount of industry participants to be included in the critical meetings and working groups. The final determination by the ACCC should address this directly as the current conditions in the Draft Determination, which merely encourage and allow too much discretion to the ABA, are unlikely to remedy this issue. There is no downside in the ACCC making a direction along these lines (despite the ABA's view to the contrary based on increased administrative difficulty). Ultimately, mandating that additional parties such as NCR Atleos Australia must be included will ensure that valuable input can be obtained from an appropriate representation of the industry and will minimise the risk of potential disruption to public availability to cash.

15. We therefore urge the ACCC to include a condition in its final determination on the BCP Application that NCR Atleos Australia be specifically permitted to participate in all meetings and discussions and encourage it to allow other key industry stakeholders to have the same right.

Yours sincerely

NCR Atleos Australia



Annexure 1

Extract of Email to ABA and RBA dated 8 August 2024

Hi [REDACTED]

NCR Atleos would like to register its interest in participating in the BCP Working Group related to the ABA's recent ACCC authorisation application AA1000664.

NCR Atleos is the largest independent deployer of ATMs across Australia and provides critical ATM hardware, software, and maintenance services to many of the ABA's members, including several of the big four banks. Armaguard is a major supplier of CIT services to NCR Atleos in connection with those services.

*Any disruption or exit of Armaguard [REDACTED]
[REDACTED]. Public access to cash would be impacted, particularly in remote and regional areas where alternative CIT service provision is diminished or in some cases, not available at all.*

We believe that NCR Atleos' position as an independent deployer, manufacturer, software developer and service provider places it in a unique position to offer valuable input to the BCP Working Group and minimise potential disruption to the large number of customers who rely on our technology and service to provide cash access services to the community. We are an "Authorised Party" under the ACCC's draft determination dated 1 August 2024 and note the ACCC's comments in its draft determination that "it has a clear expectation that the ABA and other Proposed Authorised Parties will commit to involving other users of cash-in-transit services in a meaningful way in respect of business continuity measures".

We would be grateful to receive a response to this request before 13 August 2024. As you would be aware, the ACCC has called for interested parties to submit a response to its draft determination by 15 August 2024 and we would like to take your response into consideration for our submission to the ACCC.

We look forward to hearing from you.