



12th December 2016

Data Availability and Use
Productivity Commission
GPO Box 1428
Canberra City ACT 2601

Dear Sir/Madam

RE: Data Availability and Use – Productivity Commission Draft Report – October 2016

The Australian Payments Clearing Association (APCA) – as the industry association and self-regulatory body for Australian payments – is pleased to provide this response to the Productivity Commission’s Draft Report on Data Availability and Use.

APCA welcomes the recommendation in the Commission’s draft report that *“the private sector is likely to be best placed to determine sector-specific standards for its data sharing”* and will provide the necessary support and guidance to achieve this outcome for the payments industry. In particular, APCA highlights the need for the resulting framework to be able to balance access, use and security.

APCA has participated in a number of industry initiatives designed to support the sharing of payments data, for a range of uses. Examples of APCA’s work in this area are detailed in our response to the Productivity Commission’s initial inquiry¹.

Access

While APCA supports the draft report’s presentation of a “Comprehensive Right” for data sharing, it seeks clarity around the extent of this access right and an assurance that industry specifics will be accounted for. For example, the Know Your Customer (KYC) requirements of the AML/CTF Act and the AML/CTF Rules mean that specific consideration must be given to the accreditation of release authorities and trusted users.

Moreover, APCA recommends due consideration be given to any intellectual property that has been created by a data holding organisation, particularly when developed through analytical and insight investment. In effect, APCA recommends a distinction between “treated” data (analytically developed and holding additional commercial value) and “untreated” data. Mandated sharing of “treated” data may be detrimental to future digital investment.

¹ [APCA submission to the Productivity Commission – Data Availability and Use – July 2016](#)

APCA supports data sharing in “*commonly used machine readable formats*” and advocates a non-prescriptive approach to technology solutions, which may or may not contain APIs, to ensure the flexibility and sustainability of the framework.

Use and Security

As noted by the Commission, Australian consumers place significant trust in the handling of their personal information by financial institutions². Wider sharing of payments data requires the extension of this trust to third parties and careful consideration must be given to the development of a governance framework capable of supporting this. The resultant framework must cover the accreditation of third parties, as well as managing issues of liability.

Many of APCA’s members have been involved in consideration of a digital identity framework through work with the Australian Payments Council (APC) and recommend that consideration be given to foundational work completed in this area.

In addition to ongoing work to enable the sharing of payments data, APCA takes an active role in the development of global standards to support secure innovation in payments. By way of illustration, APCA is endorsed by Standards Australia and participates in several ISO (International Standards Organisation) Technical Committees and Working Groups; areas covered include Real Time Payments (ISO20022), Security, Mobile Banking/Payments, Fintech and Blockchain.

As such, APCA is well informed about future developments in payments and the implications for data sharing and is well positioned to lead the Payments Industry in the development of a fit-for-purpose governance framework.

APCA looks forward to the opportunity to continue to work with government, and industry stakeholders to enable the sharing of payments data within Australia.

Should you have any questions, Victoria Richardson – APCA’s General Manager Payments Direction - is available to assist you.

Yours faithfully

Leila Fourie
CEO

² [Data Availability and Use – Draft Report – Overview – Page 10](#)