

9 November 2018

Comments on CDR Open Banking Consumer Research

Thank you for the opportunity to attend the Consumer Data Right (CDR) Consumer Experience workshop on 1 November 2018. It was a valuable exercise to hear directly from both the Data61 team and other stakeholders.

ARCA welcomes the focus on developing a standard experience for consumers to consent to the sharing and use of their banking data in a clear way and which promotes better consumer understanding. We believe that the user experience testing being planned could provide valuable insight to help develop an effective consent model.

However, ARCA shares the concern of other stakeholders who attended the workshop that the timeframes for implementation of Open Banking may cause problems with developing that consent model and ensuring that the user experience testing is effective - particularly given the fact that the various CDR implementation streams are being conducted in parallel.

We note that the user experience testing will be assessing consent models even though the ACCC may make rules that significantly impact such models. In our submission in respect of the ACCC Consumer Data Right Rules Framework we raised queries about several issues where the ACCC's response to those issues could either:

- be informed by user experience testing, such that the testing should occur prior to the setting of the Rules by ACCC. For instance, the ACCC has proposed a prohibition on the use of cross-referencing to other documents as part of the consent process. We believe that this proposal would ideally be tested prior to the confirmation of such a rule; or
- materially impact the consent model, such that the ACCC should finalise the proposed Rule prior to a further phase of user experience testing. For instance, we have recommended the adoption of 'standardised use cases' that would provide for a simplified consent process based on a common approach to data collection and use. Likewise, we have queried how a data recipient is expected to handle data that is collected unnecessarily if a coarse-grained authorisation approach is adopted - where the ACCC's response will directly impact what a consumer is told by the data recipient as part of the consent process.

For this reason, we are concerned that the user experience testing being proposed - which will be based on numerous assumptions regarding what the ACCC rules will require - may not reflect the final approach adopted by the ACCC. We encourage you to ensure that the implementation

timeframes do not jeopardise the real benefits that come from an effective user experience testing process.

If you have any questions about our feedback, please feel free to contact me or Michael Blyth.

Yours sincerely,

Mike Laing
Executive Chairman