s 22 [redacted]

Subject: AFIA (Australian Finance Industry Association)
Location: M1.26

Start: Mon 28/07/2025 5:45 PM
End: Mon 28/07/2025 6:15 PM

Recurrence: (none)

Meeting Status: Accepted

Organizer: Mulino, Daniel (MP)

From: s 22 [redacted]
Sent: Friday, 25 July 2025 11:20 AM
To: Mulino, Daniel (MP) Daniel.Mulino.MP@aph.gov.au
Subject: RE: 4.00pm (CBR) Meeting with AFIA (Australian Finance Industry Association) [SEC=OFFICIAL]

OFFICIAL

Hey s 22 [redacted],

Could you please change the location to Queens Terrace Café?

Kind regards,
s 22 [redacted]

From: s 22 [redacted]
Sent: Thursday, 19 June 2025 10:50 AM
To: s 47F [redacted]
Subject: FW: AFIA Letter of Congratulations [SEC=OFFICIAL]

OFFICIAL

On fire today – this one is 4pm for Monday 28 July

Kind regards,

s 22 [redacted] Office of Daniel Mulino MP
The Treasury acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures and to elders both past and present.

OFFICIAL

From: s 47F [redacted]
Sent: Thursday, 19 June 2025 10:48 AM
To: s 22 [redacted]
Subject: RE: AFIA Letter of Congratulations [SEC=OFFICIAL]

Hi s 22 [redacted],

Thank you for letting me know.

Can we please take the 4pm slot?

Also, please let me know the office phone number if you're able to provide.

Kind regards,
s 47F [redacted]

Australian Finance Industry Association

s 47F [redacted]

afia.asn.au

Australian Finance Industry Association Limited
Level 3, The Commons, 388 George St, Sydney NSW 2000
ABN 13 000 493 907

From: s 22 [redacted]>
Sent: Thursday, 19 June 2025 10:46 AM
To: s 47F [redacted]
Subject: RE: AFIA Letter of Congratulations [SEC=OFFICIAL]

OFFICIAL

Good morning s 47F [redacted]

Thank you for your reply.

Unfortunately this meeting was snapped up yesterday and is no longer available. We could do 4pm on the same day if this works? Otherwise anytime between 9.30am – 12pm is also still available.

Kind regards,

s 22 [redacted] Office of Daniel Mulino MP

The Treasury acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures and to elders both past and present.

From: s 47F [redacted]
Sent: Thursday, 19 June 2025 10:41 AM
To: s 22 [redacted]
Cc: s 47F [redacted]
Subject: RE: AFIA Letter of Congratulations [SEC=OFFICIAL]

Hi s 22 [redacted],

Thank you for getting back to us with some times to meet Dr Mulino.

Could we please lock in 3:30-4.00pm on Monday 28 July for a meeting?

We look forward to receiving a calendar invitation with further details.

Kind regards,
s 47F [redacted]

---

s 47F [redacted]

Australian Finance Industry Association

afia.asn.au

Australian Finance Industry Association Limited
Level 3, The Commons, 388 George St, Sydney NSW 2000
ABN 13 000 493 907

From: s 22 [redacted]
Sent: Tuesday, 17 June 2025 9:32 AM
To: s 47F [redacted]
Cc: s 47F [redacted]
Subject: RE: AFIA Letter of Congratulations [SEC=OFFICIAL]

OFFICIAL

Good morning s 47F [redacted]

Thank you for your email. Daniel has agreed to meet with you in Canberra if this is convenient for you, and has availability over the following dates:

July
Tuesday 22 July: 3.30-4.30pm.
Monday 28 July: 9.30am – 12pm, 3.30-4.30pm.
Wednesday 30 July: 9.30am – 12pm, 3.30-4.30pm
Thursday 31 July: 9.30am – 12pm, 3.30-4.30pm

August

Monday 25 August: 3.30-4.30pm.
Tuesday 26 August: 3.30-4.30pm.
Wednesday 27 August: 3.30-4.30pm.
Thursday 28 August: 9.30am – 12pm, 3.30-4.30pm.

September
Monday 1 September: 10.30am – 12pm.
Wednesday 3 September: 9.30am – 12pm, 3.30-4.30pm.
Thursday 4 September: 9.30am – 12pm, 3.30-4.30pm.

Please advise if any of the above will be suitable at your earliest convenience.

Kind regards,

s 22 [redacted] **Office of Daniel Mulino MP**

The Treasury acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures and to elders both past and present.

OFFICIAL

From: s 47F [redacted]
Sent: Wednesday, 21 May 2025 7:45 AM
To: Mulino, Daniel (MP) <Daniel.Mulino.MP@aph.gov.au>
Cc: s 47F [redacted]
Subject: AFIA Letter of Congratulations

Dear Assistant Treasurer,

Please find attached a letter from the Australian Finance Industry Association (AFIA) congratulating you on your appointment as Assistant Treasurer and Minister for Financial Services.

Also attached for your information is AFIA's Report – The Impact of Artificial Intelligence on the Australian Finance Industry.

We look forward to working with you and your Treasury portfolio colleagues.

Regards
s 47F [redacted]

Australian Finance Industry Association

s 47F [redacted]

The Commons on George
Level 3, 388 George Street, Sydney

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Australian
Finance
Industry
Association

21 May 2025

Hon Dr Daniel Mulino MP
Assistant Treasurer
Minister for Financial Services
PO Box 6022
Parliament House
CANBERRA ACT 2600
Daniel.Mulino.MP@aph.gov.au

Dear Assistant Treasurer

CONGRATULATIONS ON YOUR APPOINTMENT AS ASSISTANT TREASURER AND MINISTER FOR FINANCIAL SERVICES

The Australian Finance Industry Association (AFIA)[1] congratulates you on your appointment as Assistant Treasurer and Minister for Financial Services following the re-election of the Government at the 2025 Federal Election.

We are grateful for the constructive relationship we have had with you and your predecessor, and we look forward to continuing to work together on common priority areas within your Treasury portfolio during the 48th Parliament.

We've particularly appreciated our engagement in the past, including our wide-ranging discussion over lunch with the AFIA Board on 4 July 2024, where you discussed your priorities and you heard from our members on the issues most important to them, their businesses, and customers.

We also thank you for your service as Chair of the Standing Committee on Economics, including your leadership in the landmark report *Better Competition, Better Prices,* your service as member of the Parliamentary Joint Committee on Corporations and Financial Services, as well as your advocacy as Co-Chair of Parliamentary Friends of Fintech and the Digital Economy.

As you are aware, AFIA members are diverse, providing a range of financial solutions to enable consumers and small businesses to thrive. AFIA members are at the forefront of innovation in consumer and business finance, which enables us to provide unique insights into the emerging digital economy and the opportunities and challenges this presents for governments, regulators, financial firms, and customers.

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[1] Australian Finance Industry Association (afia.asn.au)

Our members include banks, finance companies, fintechs, providers of vehicle and equipment finance, car rental and fleet providers, and service providers in the finance industry. We are the voice for advancing a world-class finance industry. AFIA members include online lenders who, as small businesses themselves, provide a range of unique lending options to small businesses.

AFIA's strategic priorities
AFIA is the voice for an efficient, competitive and resilient finance industry. Our strategic priorities are:

1. Advocating for a balanced regulatory framework that instils trust and confidence in Australia's finance industry. This includes for example, working with government and regulators on achieving a new Buy Now Pay Later (BNPL) regulatory regime lifting from our world-first BNPL Code of Practice and advocating for proportionate, targeted, scalable and tech-neutral regulations, including the Responsible Lending Obligations (RLOs).
2. Promoting a leading and safe digital economy to support innovation in finance, economic participation and financial inclusion. This includes for example, ensuring the Consumer Data Right (CDR) is workable for both industry and consumers, and calling for fit for purpose payments regulation that positions Australia for future success in the global economy.
3. Improving access to affordable and sustainable finance to drive economic growth and financial wellbeing for Australians. This includes for example, advocating for sustainable transport, wherein AFIA recently published our report—*The role of the Finance Industry in the transition to Sustainable Transport*—in partnership with Deloitte Access Economics, which identifies major barriers to low-emission vehicle (LEV) adoption, including infrastructure investment shortfalls, fragmented policies, and insufficient government incentives.[2]

AFIA's commitment to driving best practices and industry standards
We are currently finalising our new AFIA Finance Industry Code of Practice, which aims to set industry-leading standards in consumer lending, novated leasing, and business finance. This Code will be the first non-bank and specialist lenders industry code in Australia, covering important consumer protections, such as customers experiencing vulnerability, abuse or financial difficulty, and emerging industry developments and practices, such as use of technology and AI, data security, scams and fraud. We are aiming to publish our AFIA Code in a few months and invite you to participate in our launch—we will send you a separate invitation shortly. We would also appreciate the opportunity to participate in any formal or informal government-led dialogue on the importance of self-regulatory practices as part of our co-regulatory framework.

AFIA's commitment to industry leadership
Today, AFIA is launching our new report—*The Impact of Artificial Intelligence on the Australian Finance Industry*—in partnership with King & Wood Mallesons and Sapere, which highlights the transformative potential of Generative AI, with adoption across the finance industry expected to double in the next three years. The technology is expected to drive significant productivity gains, optimise operations, and improve customer experiences through applications such as streamlined document processing, personalised communications and automated quality assurance. Generative AI represents a step change in capability, with the potential to add nearly $60 billion to Australian GDP by 2035. We would welcome the opportunity to discuss with you how government and regulators can partner with industry to co-develop practical, adaptive frameworks that support responsible AI use without curbing the economic and operational benefits. We have attached a copy of this report for you.

[2] AFIA, *AFIA calls for stronger policy support to accelerate Australia's transition to net zero transport*, (afia.asn.au).

Following the Federal election result, the Treasurer indicated that Labor's second term would be primarily about enhancing productivity, without forgetting inflation. We would welcome the opportunity to discuss opportunities to reset Australia's economic focus towards productivity—toward more efficient, competitive and innovative financial markets that support growth, capital mobilisation and allocation, prosperity and wellbeing.

We would also welcome the opportunity to discuss with you your priorities and to provide a detailed brief to you or your office on all of AFIA's priorities for the year ahead, self-regulatory industry standards, and market data and insights from all our members and across the finance industry. We will be in touch with your office to arrange a meeting at a time and place convenient to you.

In the meantime, if you or your office have any questions or wish to follow up on any matter, please do not hesitate to contact me on s 47F [redacted] or my Executive Director, Policy & Public Affairs, s s 47F [redacted].

Congratulations once again on your appointment and we look forward to working with you and your Treasury portfolio colleagues.

Yours faithfully

s 47F [redacted]

FOI 4033
Document 3

Australian Government
The Treasury

Meeting Brief

MB25-000893

FOR INFORMATION - Meeting Brief - AFIA and AT Mulino - 28 July 2025

TO: Assistant Treasurer and Minister for Financial Services - The Hon Dr Daniel Mulino MP

PURPOSE OF MEETING

- The Australian Finance Industry Association (AFIA) has reached out to request an introductory meeting with you.
- Attending from AFIA are s 47F [redacted]. (Attendee bios are at Attachment A).

KEY MESSAGES

- You may wish to indicate your appreciation for AFIA's input, including submissions, which have contributed to inform Treasury and the Governments position on policy design and regulatory reforms.
  - AFIA regularly engages with Treasury and provided recent input into the development of the regulatory regime for the Buy Now Pay Later (BNPL) sector and amendments to the Consumer Data Right (CDR).
  - A summary of key submissions on which AFIA has provided feedback over the last nine months are included in Additional Information at Attachment B.
- You may wish to seek feedback from AFIA regarding their forward priorities and how we can best contribute to working together over this term of Parliament.
- You may also wish to seek AFIA's views on AI Regulation.
  - AFIA has called on government and regulators to partner with industry to co-develop practical, adaptive frameworks that support responsible AI use without curbing the economic and operational benefits (see AFIA's 22nd May 2025 media release).
    - A report commissioned by AFIA, and conducted by King & Wood Mallesons and Sapere AI, advocated that AI regulation should address specific gaps in existing laws, rather than impose blanket regulations, noting that the finance industry is highly regulated with existing laws, regulations and standards applying to AI deployment.

- You may wish to note that the Government is still considering its response to a number of reports including:
  - The 'Review of Australia's Credit Reporting framework', the 'CFR review into Small and Medium Bank's and the inquiry into the 'Financial Regulatory Framework and Home Ownership'.
  - You may want to indicate that the Privacy Act components of the Credit Reporting framework are in the process of being transferred from the Attorney-General's Department to Treasury as part of recent Machinery of Government changes.

SENSITIVITIES

Buy Now Pay Later

- AFIA raised a number of issues with Government during finalisation of the Buy Now Pay Later (BNPL) regulations in February 2025. Specifically AFIA advocated that:
  - The proposed commencement date of the regime on 10 June 2025 (6 months after Royal Assent of the related BNPL Act) was unrealistic and requested this be extended.
  - The BNPL dollar fee caps in the regulations be set at a higher initial level and subject to future indexation.
  - The minimum inquiry requirements set out draft BNPL regulations were imprecise and resulted in material uncertainty for licensee's and consumers.
  - These issues were set out in a letter to the former Assistant Treasurer on 18 February 2025 and in AFIA's submission on the draft BNPL Regulations on 12 February 2025.
- If asked you may wish to indicate that:
  - There has been extensive consultation with numerous stakeholders throughout the development of the BNPL Regulatory regime.
  - The Assistant Treasurer responded in writing to each of the issues raised by AFIA (see MC25-002144).
  - The *Treasury Laws Amendment (Responsible Buy Now Pay Later and Other Measures) Act 2024* received Royal Assent on 10 December 2024 and the final BNPL Regulations were approved by the Governor General on 6 March 2025.
    - Initially the default fee cap was $10 per month and other fees and charges were set to $200 in the first year and $125 in any subsequent year. Following consultation we altered the default fee caps mechanism to, where a provider's other fees and charges are $0, allow default fees of up to $320 in the first year and $245 in a subsequent year.
    - The explanatory statement to the final BNPL Regulations was also amended post consultation to provide further clarification on issues raised by AFIA and were registered on the Federal Register of Legislation on 7 March 2025.

- The Government provided detailed responses to Senate questions on notice regarding these BNPL regulatory reforms (SQ25-000042 Refers) .
- Media reported comments by s 47F [redacted] in June 2025, that after three options Treasury consulted on in 2022 for how to regulate the sector were considered, "We've landed to the one in the middle, that's good, targeted, sensible regulations". Afterpay also indicated "It is a proportionate regulatory framework" and that they were "proudly regulated".

Soft Inquiries

- On 18th December 2024, AFIA and Fintech Australia sent a letter to the former Assistant Treasurer expressing their concerns around the Office of the Australian Information Commissioner's (OAIC) intention to publish a draft blog post expressing the OAIC's view that credit providers continued use of 'access seeker' provisions would no longer comply with the Privacy Act 1988.
  - The 'access seeker" provisions in the Privacy Act are intended to allow an individual (or nominated representative) to access their data at a credit reporting bureau but were not intended for use by credit providers.
- If asked, you may indicate that the OAIC have since issued a blog post on 13th March 2025 (Access seekers and credit reporting information | OAIC) regarding the "access seeker" provisions and their regulatory approach which notes:

  "While the Australian Government is considering the findings of the Report into the "Review of Australias Credit Reporting Framework" and deciding if a soft enquiries framework should be developed, the OAIC will exercise discretion in how we approach this issue."

  "Our approach to prioritising regulatory efforts is always responsive to an understanding of consumer harm and vulnerability, and although at this stage this issue appears to be a relatively confined issue, which is not (to the best of our knowledge) causing significant harm to individuals, if our understanding changes, this may trigger a change in our approach."

Clearance Officer	Contact Officer
s 22 [redacted]	s 22 [redacted]

CONSULTATION

Financial System Division, Digital Policy and Corporations Division.

ATTACHMENTS

A: Attendee Bios
B: Additional Information

ATTACHMENT A: ATTENDEES

s 47F

[redacted]

ATTACHMENT B: ADDITIONAL INFORMATION

Background

- AFIA is an industry body representing 150 members across a number of different finance industry segments including bank and non-bank lenders, finance companies, fintechs, providers of vehicle and equipment finance, car rental and fleet providers, and service providers in the finance industry.
  - AFIA was established in 2017, when it was formerly known as the Australian Finance Conference (which was established in 1958).
  - AFIA members contribute to relevant Industry Codes of Practice including the 'Buy Now Pay Later Code', the 'Insurance Premium Funding Code', the 'Online Small Business Lenders Code', and the 'Car Rental Code'.
  - Together with their members, AFIA works closely with industry stakeholders, regulators, and government on policy issues and regulatory development.
    - AFIA has advocated for a proportionate, targeted and scalable regulatory framework and for continuing to drive competition and innovation through the use of technology and data.
- The current Chair of AFIA is Mario Rehayem, who is also the CEO of Pepper Money, an ASX listed non-bank lender with reported assets under management of $19.1 billion (at 31 December 2024).

AFIA Input into Legislative and Policy Initiatives

- AFIA has provided commentary, feedback and submissions into numerous legislative and policy initiatives in the portfolio over the last nine months including:
  - Buy Now Pay Later Legislation which commenced in June 2025.
  - Government regulatory reforms regarding the Scams Protection Framework and Consumer Data Right which were introduced in February and March 2025 respectively.
  - Inquiries and reports which the Government is currently considering, including:
    - The CFR Review Into Small and Medium Sized Banks,
    - The Independent Report into the 'Review of Australia's Credit Reporting framework'; and
    - The Senate Inquiry into the "Financial Regulatory Framework and Home Ownership'.
- A submission to Treasury on 12 November 2024 regarding a "Review of AI and the Australian Consumer Law"

Buy Now Pay Later

- The Government has delivered on its commitment to regulate BNPL with the new regulatory regime fully commencing on 10 June 2025.
  - The Treasury Laws Amendment (Responsible Buy Now Pay Later and Other Measures) Act 2024 received Royal Assent on 10 December 2024 and the related BNPL Regulations were registered on the Federal Register of Legislation on 7 March 2025.
- BNPL providers are now subject to:
  - The same requirements as other regulated credit providers, including holding an Australian Credit Licence, and requirements to have internal and external dispute resolution, hardship arrangements and product disclosure.
  - Responsible lending obligations; meaning they must make sure that credit is affordable and aligned with the consumer's needs.
- BNPL products that meet strict fee cap requirements are eligible to opt into a modified responsible lending framework that scales the scope and intensity of certain requirements in proportion to the risk of the product.
  - To meet the fee caps, a consumer cannot be charged by a provider more than $320 in fees or charges in the first year or $245 in any subsequent year on a provider level basis.
  - The fee caps were a contentious issue during consultation. Feedback was received from stakeholders to both increase and decrease the fee caps.
  - The former Minister set the fee caps based on Treasury advice that they provide the appropriate guardrails for responsible innovation.
  - The Government committed to conducting a review of the policy settings for BNPL two years after commencement, and AFIA will be helpful in gathering feedback to assess the appropriateness of the policy settings of the regime.

Expanding the Consumer Data Right (CDR) to Non-Bank Lending

- The Governments announced a reset of the CDR framework in August 2024 focused on improving outcomes for consumers, reducing costs and driving uptake of valuable use cases.
- In March 2025, rules were made to extend CDR to the non-bank lenders sector so that they join the banking and energy sectors in empowering consumers to share their data, driving innovation and increasing competition. Non-bank lenders will face obligations to share data from mid-2026.
  - On 4 March 2025, amendments to the Competition and Consumer (Consumer Data Right) Rules 2020 took effect.
  - Product data sharing obligations will apply in the non-bank lenders sector from 13 July 2026.

  - This will be followed by consumer data sharing obligations starting from 9 November 2026 for initial providers and from 10 May 2027 for large providers.
- The rule changes also included several steps on the reset path, based on the feedback we have received on the operation of the CDR:
  - The amount of historical transaction data required to be made available by banks for data sharing has been reduced from 7 to 2 years.
  - The obligation to share data from closed accounts was removed.
  - The obligation to share data on several niche products that were not contributing value to the CDR was also removed.
- The Government is continuing to look at ways to deliver on the reset.

Scams

- On 13 February 2025, Parliament passed the Scams Prevention Framework Act 2025 (SPF) which seeks to combat scams by placing obligations on key sectors to protect consumers.
  - It also provides consumers with the right to seek compensation where regulated entities have not met their obligations under the SPF, and a consumer has suffered a loss or harm as a result.
- The Scams Prevention Framework builds on over $180 million in Government investment to fight scams, which is starting to show positive signs of slowing scam activity.
  - Australians lost $2.0 billion to scams in 2024, down from $3.1 billion in 2022, representing a decrease of about 35 per cent.
  - Cooperation and concerted effort through an ecosystem-wide approach is crucial to ensuring a continuing downward trend in scam losses.
- The Government welcomes private sector efforts to combat scams across the economy, including by the banking sector – such as the Scam Safe Accord, launched by the ABA and COBA, which complements the Government's work to tackle scams.
- In relation to implementation of the SPF, including timing for sector designations, and development of sector codes and rules for dispute resolution:
  - Treasury have provided advice to your Office on implementation pathways for the SPF.
  - Next steps to operationalise the SPF will be informed by your decision on that advice and engagement with industry. Treasury remains committed to working with consumer groups and other stakeholders to facilitate options for effective dispute resolution.

The CFR Review Into Small and Medium Sized Banks

- On 8 July 2024, the Treasurer asked the Council of Financial Regulators (CFR) in consultation with the Australian Competition and Consumer Commission (ACCC), to conduct a review of the small and medium-sized banking sectors.
- The CFR and ACCC have undertaken a comprehensive review; agreeing for regulators to undertake certain commitments and providing recommendations to the Government on how to support small and medium-sized banks.
  - On 27 June 2025, the final report was presented to Government.
- On 14 February 2025 AFIA provided a submission to the review advocating for;
  - Streamlining and simplifying securitisation processes and warehousing rules to improve funding accessibility for all lenders.
  - Strengthening of the Australian Office of Financial Management (AOFM) and its delivery of securitisation funding to lenders to support small business lending and stability, as occurred during the covid epidemic.
  - Consideration of options to deepen the Australia's corporate bond market, with an advisory role for the AOFM.
  - Revisions to ASIC's Responsible Lending Guidance (RG209) to better reflect the outcome of the ASIC versus Westpac case, as well as to better provide for scalable responsible lending obligations and technological neutrality.
  - Maintaining the status of non-bank lenders as outside direct prudential regulation by the Australian Prudential Regulatory Authority.
  - Consideration of regulatory structural changes to reflect Australia's evolving market structure, including consideration of growing sectors such as superannuation and private credit, regulatory stratification in banking and the emergence of digital platforms in financial services.
  - Clarification of the resilience and resolution requirements for authorised deposit taking institutions (ADI's).
  - Simplification and reduction in the complexity of the Restricted ADI pathway.
  - Ensuring ASIC's simplification consultation group is an opportunity for regulatory streamlining and frank industry engagement.
  - Create a formalised engagement forum for the Financial Industry Council of Australia (FICA) and the CFR to inform the Regulatory Initiatives Grid.
- The Government is currently considering the report's recommendations, including potential options for its release.

Financial Regulatory Framework and Home Ownership

- On 14 August 2024, the Senate referred an inquiry into Australia's financial regulatory framework and home ownership to the Senate Economics References Committee for inquiry and report.
- On 28 November 2024 the Senate Economics References Committee tabled the final Inquiry report.
- The Government is currently considering the recommendations of the report.

Credit Reporting Review

- The Review of Australia's Credit Reporting Framework was completed by the independent reviewer Ms Heidi Richards and published on 30 September 2024.
- The review considered the overall efficiency and effectiveness of the credit reporting provisions in Part IIIA of the Privacy Act 1988 and the mandatory credit reporting provisions in Part 3-2A of the National Consumer Credit Protection Act 2009.
- The Government is considering its response to the Independent Report.

Curtis, Lyndal

From:	s 47F [redacted]
Sent:	Wednesday, 30 July 2025 11:54 AM
To:	Mulino, Daniel (MP)
Cc:	s 47F [redacted]
Subject:	AFIA Letter - Consumer Data Right
Attachments:	20250730 AFIA Letter - The Hon Dr Daniel Mulino MP - CDR - FINAL.pdf

Dear Minister,

Thank you for meeting Roza and I on Monday. Please find attached a letter regarding implementation of the Consumer Data Right in the non-bank lending sector which, as discussed, is an immediate priority of the Australian Finance Industry Association (AFIA).

We are grateful for your attention to this important issue.

Please do not hesitate to contact me if you require any further information.

Regards
s 47F [redacted]

Australian Finance Industry Association

s 47F [redacted]

afia.asn.au
The Commons on George
Level 3, 388 George Street, Sydney

Australian
Finance
Industry
Association

30 July 2025

The Hon Dr Daniel Mulino MP
Assistant Treasurer and Minister for Financial Services
PO Box 6022
House of Representatives
Parliament House
CANBERRA ACT 2600
By email: Daniel.Mulino.MP@aph.gov.au

Dear Minister

CONSUMER DATA RIGHT – NBL SCOPE AND IMPLEMENTATION CHALLENGES

AFIA appreciates the continued engagement with Treasury on the expansion of the Consumer Data Right (CDR) to the non-bank lending (NBL) sector. We welcome this opportunity to provide some feedback on the Rules and some of the practical challenges that the sector is facing in interpreting the Rules. We would welcome some further guidance or direction, either through Rules changes or additional guidance documentation.

With the *Competition and Consumer (Consumer Data Right) Amendment (2025 Measures No. 1) Rules 2025*[1](Rules) being made on 28 February 2025, and the regime coming into force for the first set of entities from 13 July 2026, the NBL sector is busy with moving towards implementation to meet the deadlines for data sharing. As part of the process of implementation, entities are engaging vendors, scoping requirements, and assessing application of the Rules to their customer, product and data sets. Given the complex interrelationship between the Rules, Explanatory Memorandum, Data Standards and ACCC guidance this is a challenging task. This is made more challenging due to changes only effecting the NBL sector with no precedent in the banking context.

Our members have raised several issues that have led to a fundamental problem of interpretation with entities unsure of whether they, their customers, products, or data sets are in scope. This is in part due to product and data categories unique to the NBL sector being ambiguous, and in some cases, publicly stated exclusions have not been properly reflected in the legislative text. For example, Asset Finance, which was intended to be expressly excluded, is inadvertently captured.

[1] *Competition and Consumer (Consumer Data Right) Amendment (2025 Measures No. 1) Rules 2025*

In a media release in March 2025 Minister Jones said: *'Today's announced changes... remove the requirement for data holders to share consumer or product data for niche products such as asset finance, consumer leases, reverse mortgages, margin loans and foreign currency amounts.'*[2]

AFIA asks that Rules changes or supplementary guidance be made to provide certainty that products and data sets which were publicly stated to be out of scope are explicitly excluded. Without this, there is a risk that products and data sets that were not intended to be captured are inadvertently included. This would impose unnecessary compliance costs and regulatory burden on NBLs and distract from high-value consumer use cases.

At a CEDA event in August 2024, Minister Jones observed: *'We need to prioritise high value use cases as the ecosystem matures'*,[3] and avoid capturing products where consumer benefit is negligible relative to industry compliance costs and regulatory burden.

AFIA will outline some of the issues below. We recommend that commercial products be clearly articulated to be excluded from CDR obligations. The focus must remain on unlocking use cases in consumer finance that provide tangible benefits for individual consumers, consistent with the government's stated policy objective.

To ensure the CDR delivers tangible benefits for consumers while being workable for the NBL sector, AFIA recommends the following changes be made as a priority:

1. Clearly exclude asset finance from mandatory CDR obligations, or alternatively make participation voluntary, consistent with the government's policy intent.
2. Define 'standard auto finance' to mean direct-to-consumer, non-intermediated vehicle finance regulated under the National Consumer Credit Protection (NCCP) Act.
3. Explicitly exclude commercial products and business customers, including sole traders acting in a business capacity, from mandatory CDR obligations.
4. Make white-label products voluntary in the NBL sector due to their unique complexity, low customer volumes, and structural differences from white-label arrangements in banking.

In addition, we note that many of the lenders currently captured by the CDR threshold are not of a scale to absorb the significant technology uplift required, particularly given the ongoing evolution of the Rules and Standards. We recommend raising the mandatory implementation threshold to $10 billion in total assets to better align regulatory expectations with institutional capability and ensure the regime is sustainable for smaller lenders.

These recommendations reflect a targeted approach to CDR implementation. The focus should be on developing use cases that provide value to consumers, using core products already within the finance and

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[2] Media Release, Consumer Data Right expansion to deliver a better deal for consumers, 3 March 2025
[3] CEDA, Assistant Treasurer Stephen Jones' speech to CEDA, 9 August 2024

lending ecosystem, before expanding to more complex or niche offerings that offer little consumer benefit relative to compliance costs and regulatory burden.

WHAT NBLS CAN DELIVER FOR THE CDR

As the CDR extends to NBLs, there is an important opportunity to ensure the framework supports innovation and productivity in the sector. NBLs perform a valuable role in providing credit options for consumers and businesses, and the regime could help unlock initiatives that improve customer outcomes and increase competition in the market.

Products such as home loans, credit cards, personal loans or standard car loans offered directly to individual consumers are well suited to data sharing and could form the foundation for early, high value use cases. In these areas, CDR has the potential to help consumers compare offerings more effectively, streamline loan applications and encourage switching, which in turn drives market efficiency.

However, it is important to ensure that the compliance obligations associated with CDR do not constrain the ability of lenders to develop new products, expand into underserved markets, or invest in features that enhance customer experiences. Many smaller lenders, for example, are considering whether to build online access to their products, however this may mean they are brought into scope of CDR and therefore make this type of investment less attractive.

A further consideration is the volume of ongoing change within the CDR framework. Changes to the Data Standards such as through Decision Proposals, and the introduction of features like Redirect to App, add complexity and create a perception of a 'moving target' for implementation. For NBLs, which are new entrants to this regulatory regime, this creates uncertainty and makes it harder to plan and resource for compliance while also focusing on customer-facing innovation.

To avoid 'running out of oxygen', the CDR framework must incentivise innovation and productivity, rather than diverting resources into meeting obligations for products with limited consumer benefit – with a deliberate but cautious approach to expansion. Greater stability in the framework – including fewer ad hoc changes and a more deliberate approach to planned expansions – would give NBLs the certainty they need to invest in initiatives that deliver tangible outcomes for consumers. A targeted and predictable regime, focused on areas where data sharing provides real value, will allow NBLs to continue contributing to a competitive and dynamic finance and lending ecosystem.

PRODUCTS INTENDED TO BE OUT OF SCOPE

AFIA notes the then Minister Jones' media statement in March 2025 that asset finance products would be excluded from the scope of CDR. Specifically, Minister Jones said: *'Today's announced changes... remove the requirement for data holders to share consumer or product data for niche products such as asset finance, consumer leases, reverse mortgages, margin loans and foreign currency amounts.*[4]*'*

[4] Ministers Jones, Speech: Consumer Data Right expansion to deliver a better deal for consumers, 3 March 2025

Despite this clear policy intent, the current drafting has inadvertently captured these products, which cover a wide range of arrangements, from financing high-value business equipment to niche items such as photocopiers. For example, members have spent significant resources trying to determine whether asset finance is in scope, as the Rules are unclear. The phrasing 'asset finance (including standard vehicle finance)' is interpreted to mean all of asset finance is included, including standard finance.[5]

The NBL sector offer a diverse suite of finance products. Many of these lending products are tailored to commercial clients and should be expressly excluded. Without clarity the Rules as drafted have captured these commercial products, making the assessment of the application of the boundary of CDR within NBLs particularly complex. For the avoidance of doubt, we recommend that the Rules clearly state that commercial products and arrangements provided to business customers, including sole traders acting in a business capacity, are outside the scope of the mandatory CDR obligations. This would align with the policy intent to focus on consumer-facing use cases and avoid imposing regulatory requirements on products and data sets where there is little or no consumer benefit.

See Attachment A for detailed descriptions of these product types and the challenges they present in the CDR context.

The Rules as drafted require lenders to undertake detailed, product-by-product assessments to determine their CDR obligations. AFIA and our members have already incurred significant legal and resourcing costs to determine whether customer, products and data sets are categorically out of scope. In addition, across the industry there is differing interpretation which highlights the complexity of this fundamental initial task.

Deciding whether products are 'covered products' under the CDR Rules is highly fact-dependent and requires a case-by-case analysis. The application and boundaries of the CDR regime, including whether a product is a 'covered product' is complex, novel, and has not been authoritatively considered by Australian courts. Significant legal analysis is required, and data holders face material compliance burdens in determining their obligations.

In addition, there are circumstances where members have been advised that while certain customer and account data sets are clearly out of scope, nonetheless product reference data is still in scope. This is an anomaly and should be rectified. There cannot be a use case for surfacing product data where the customer and account data sets are out of scope. Providing only product-level information (which often duplicates what is already available on public websites) risks creating consumer and Accredited Data Recipients (ADR) confusion. Consumers may see product data available through public APIs but be unable to access their account or transaction data, leading to frustration and undermining confidence in the regime.

[5] Covered products list in clause 1.4 of Schedule 3 of the Amending Rules

These challenges have also diverted resources from core business operations, resulting in impacts on productivity across teams that would otherwise be focused on customer service and innovation. Commercial products such as bailments are unlikely to realise consumer benefits.

CHALLENGES FOR BESPOKE ARRANGEMENTS UNDER CDR

As the CDR framework is extended to the NBL sector, it is essential to ensure the Rules are tailored to the diverse range of products and operational models within the sector. Many NBLs offer highly bespoke products and services, often designed for niche markets or specific customer arrangements, which differ significantly from the more standardised offerings in the banking sector.

Some categories of products and data – particularly those that are complex, intermediated, or no longer actively marketed – present practical challenges for inclusion in mandatory data sharing. For example, members have queried whether arrangements such as bailments, where the financier is the owner of the asset, are in scope for asset finance. This demonstrates the difficulties in applying the current CDR framework to non-traditional financing structures that do not involve a straightforward credit relationship.

This uncertainty is compounded for other intermediated asset finance arrangements, including vendor finance and managed service agreements, where multiple parties may be involved in delivering the product to the end customer. These bespoke arrangements do not fit neatly within the standardised framework contemplated by the Rules and operate on commercial terms that are not easily adapted for consumer data sharing.

Without clearer exclusions or more targeted drafting, there is a risk of imposing CDR obligations that are costly to implement, deliver minimal value to consumers, and are misaligned with the policy intent to enable efficient and meaningful data sharing.

The following sections outline key areas where exclusions should be clarified to ensure the CDR regime is proportionate, practical, and aligned with policy intent.

White Label products

White-labelled lending arrangements present unique challenges for non-bank lenders under the CDR framework. We recommend these products be excluded from mandatory data sharing.

Unlike in banking, where white label products are often integrated into large-scale operations with standardised systems and significant customer volumes, many NBLs operate dozens of white label agreements with highly diverse partners and patterns. In some cases, these arrangements service only a handful of customers per product, often tailored to specific, ad hoc, commercial needs. For example, one AFIA member has over fifty white-label arrangements, but fewer than ten serviced over 1,000 customers.

This fragmented structure creates disproportionate compliance burdens if data sharing obligations are imposed across all white-labelled products. It also risks confusion for consumers, as the originating lender is not the entity managing the ongoing customer relationship. In practice, the retail provider, not the originating entity, is responsible for communicating with the consumer and servicing the loan. Where both the white label provider and the brand owner qualify as data holders, assigning responsibility for CDR obligations can be complex. Without clearer Rules, there is a risk of duplication in compliance efforts and outcomes that do not align with how consumers perceive their relationship with the lender.

Further, the Amending Rules Explanatory Statement makes it clear that the intention is for the customer-facing data holder to be able to elect to comply with the CDR obligations in place of the data holder with the contract with the consumer.[6] However, the references to the first and second data holders in the drafting of the provision appear to have been swapped, leading to the opposite outcome at Clause 7.1A.[7]

This inconsistency is particularly challenging in the context of white-labelled lending arrangements. It creates uncertainty for lenders as to which party is responsible for data holder obligations and risks misaligning compliance responsibilities with consumer expectations. Consumers typically engage with the retail-facing brand and expect them to manage their data sharing interactions.

This further demonstrates areas where the Rules are ambiguous or unclear. Unless corrected, the current drafting could lead to duplication of compliance efforts, fragmented implementation across the sector, and confusion for consumers about who controls their data.

The exclusion of white labelled products would align data sharing responsibilities with consumer expectations, avoid duplicative compliance costs across multiple entities, and better reflect the operational realities of white label arrangements in the NBL sector.

Legacy products

Legacy products that are no longer actively marketed should be excluded from CDR obligations for both product and consumer data sharing. We have received advice that in some scenarios legacy products are not required to be shared via Product Reference Data (PRD) but may still be required to be shared via consumer data sharing – and vice versa. These products present unique challenges for data sharing, and should not be required to be shared, because the underlying consumer or account data is sometimes unavailable or held in archival systems that are not designed for real-time access.

Including such products in scope could create misalignment between the data visible to ADRs and the information that can be provided by data holders. This has the potential to cause confusion for ADRs and consumers alike and risks diverting resources towards enabling data sharing for products that deliver limited consumer benefit.

Unlike in banking, where legacy products are often supported by large-scale systems capable of accommodating historical data, NBLs more often manage legacy accounts on highly bespoke or even archived platforms that are not configured for data sharing. For example, equipment finance providers may have discontinued entire product lines, such as certain lease arrangements for business machinery

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[6] Explanatory Statement, Competition and Consumer (Consumer Data Right) Amendment (2025 Measures No. 1) Rules 2025 [99], p. 22 <https://www.legislation.gov.au/F2025L00272/latest/text/explanatory-statement>

[7] Clause 7.1A of Schedule 3, Competition and Consumer (Consumer Data Right) Amendment (2025 Measures No. 1) Rules 2025 <https://www.legislation.gov.au/F2025L00272/latest/text>

or outdated fleet management products, with customer data retained only in static formats for compliance or audit purposes. In this scenario the cost burden of compliance would be significant, with limited or no CDR uptake by business customers.

The exclusion of legacy products would help ensure the CDR remains focused on live, actionable data sets that are most relevant for supporting consumer choice and competition.

Need to define non-standard auto finance

Another issue is the definition of non-standard auto finance. There is an immediate need to clearly distinguish 'standard' auto finance from 'non-standard' products. Without a clear definitional boundary, there is a significant risk that products not intended to fall within the scope of the regime, due to complex product arrangements and limited consumer benefit, such as business-purpose vehicle arrangements, will be inadvertently captured.

AFIA recommends that 'standard auto finance' be explicitly defined as credit provided directly to a consumer, on a non-intermediated basis, and regulated under the NCCP Act. This would appropriately align with products such as personal car loans offered by lenders to individual consumers, which were the intended target of inclusion of auto finance in the CDR regime. For the avoidance of doubt, this definition is direct to consumer arrangements, and excludes broker, dealer, and other intermediary-originated finance.[8]

By contrast, non-standard auto finance encompasses a wide range of more complex, intermediated products. These often involve employers, fleet managers, or bailments, and operate under bespoke arrangements that are not easily standardised for data sharing purposes. These products are typically provided under commercial or employment contexts, rather than through a simple retail consumer relationship.

Clarifying this distinction would help avoid practical challenges in implementation, such as:

- Placing compliance obligations on providers for data that is not readily standardised and offers limited utility for end consumers
- Creating confusion for consumers and ADRs due to the inherent complexity and variability of these products, and
- Adding unnecessary cost and complexity for lenders managing diverse vehicle finance portfolios.

A clear definitional framework will ensure that the CDR regime delivers genuine value to consumers while remaining workable for providers.

CLOSING REMARKS

AFIA welcomes the opportunity to continue working closely with Treasury to refine the Rules and ensure the CDR framework appropriately reflects the unique characteristics of the NBL sector. A targeted and

[8] Or alternatively, for non-direct arrangements, have these categories as voluntary.

pragmatic approach will help the CDR regime foster innovation and competition, while avoiding unnecessary complexity, compliance costs and regulatory burden.

Providing certainty and stability for industry as the CDR expands will be an important part of achieving this balance. Finalising the rules as soon as possible will give NBLs the confidence to design systems and processes that meet their CDR obligations without the risk of changes midstream.

Establishing a clear implementation timeline, with 12 to 18 months for compliance preparation, will support an orderly transition. In addition, an assisted compliance period following commencement would give industry time to embed new processes and allow regulators to assess how the framework is operating in practice.

This approach acknowledges the complexity of implementation, the low volumes of data sharing in the initial stages, and the need to ensure the CDR regime delivers meaningful consumers outcomes.

I would appreciate the opportunity to discuss these issues further and to provide additional insights into the specialised products, services and technologies offered by the NBL sector, particularly smaller lenders.

Yours sincerely

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ATTACHMENT A: NON-BANK LENDING PRODUCT TYPES AND CDR CHALLENGES

PRODUCT	CHALLENGES
Equipment loans	These forms of product were intended to be excluded however this is not clear from the Rules. These are often tailored to specific industries or assets, with bespoke terms and structures that are difficult to standardise for data sharing. For example, a lender may finance specialised medical equipment for a private clinic or agricultural machinery for a farming business. The diversity of these arrangements makes standardising data formats difficult and determining CDR obligations complex.
Wholesale, capital loans and bailment facilities: there should be a very clear exclusion of these at a product level.	This is another example of a commercial finance arrangement that is not intended to be included; however, this is not clear on the face of the Rules. The financier retains ownership of the asset, creating uncertainty as to whether the arrangement constitutes a 'covered product' under CDR rules. For instance, a non-bank lender may provide a fleet of delivery vehicles to a logistics company under a bailment. These structures differ materially from standard credit products, making their inclusion in CDR ambiguous, as they are more akin to corporate banking facilities supported by sophisticated commercial and legal structures, including, in some cases, complicated trust-based guarantees. Most bailment facilities have limits in the multi-millions, with some large facilities averaging over $50 million each, highlighting their scale and commercial nature.
White-label products	Non-bank lenders often have numerous white-label arrangements, many of which service only a small number of customers. This differs from banking white-labels, which may support tens of thousands. It creates challenges in assigning CDR compliance responsibilities where both the brand owner and the originating lender may qualify as data holders, leading to potential duplication. Platform provider cost models are typically agnostic to portfolio size, so a white-label partner with 10 loans can cost the same as one with 100,000, placing a disproportionate burden on non-bank lenders. Adding to the complexity, lenders offering white-label home loan products must manage hundreds of different interest rate combinations within a single product line. For example, there may be fixed and variable rates, owner-occupied and investment loans, principal and interest versus interest-only repayments, and multiple loan-to-value ratio (LVR) tiers for each configuration. This complexity is then multiplied across multiple home loan products. Given that fixed rates may change every two months, the effort required to update product information for CDR purposes is significant, and there are concerns about the ability to ensure accuracy in real time. This raises further questions about the proportionality of including such arrangements within the mandatory scope of the CDR.
Sole traders	Sole traders blur the line between personal and business customers, raising questions about when data sharing obligations apply.
Legacy Products	These are often supported by archived systems with limited data accessibility, and very small customer sets, making real-time data sharing impractical and costly with limited consumer benefit. This also intersects with white-label arrangements which are being phased out. In many cases, legacy products are closed to new customers and are only retained to service existing contractual obligations. For example, older leasing or credit arrangements may operate on systems that are incompatible with modern APIs and would require significant redevelopment to support CDR obligations. This redevelopment would divert resources from improving current offerings and investing in innovation that delivers tangible value to consumers.

Risk Based Pricing	These pricing structures may rely on sensitive commercial information or proprietary algorithms that are not easily or appropriately shared under CDR. In addition, translating these bespoke and dynamic pricing models into standardised data formats for ADRs is not straightforward. Doing so risks oversimplifying complex terms in a way that may mislead consumers or fail to reflect the true cost and value of the loan.
Guaranteed Future Value	Similar to risk-based pricing, these are complex arrangements involving residual value guarantees on assets create difficulties in determining what consumer data should be shared and how it should be presented to ADRs. For example, GFV products involve assessing a vehicle's likely value at the end of the loan term, factoring in variables such as the age and condition of the vehicle, expected kilometres driven, and market depreciation rates. These factors are not easily standardised for API-based sharing.