

Data Standards Body

Consumer Experience and Technical Working Groups

Decision 318 – Non-Bank Lending – Candidate Standards

Contact: [Nils Berge](#), [Holly McKee](#), [Bikram Khadka](#)

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Context

This decision relates to [Decision Proposal 318 - Non-Bank Lending Standards](#) (DP318).

Consultation on the proposal sought views on the Draft Non-Bank Lending (NBL) Standards including Consumer Experience Data Language and Technical Standards.

The attached document '**Candidate Standards for the Banking and Non-Bank Lending sector**' provides a view of the resulting Standards position, primarily based on the Binding Banking Standards and undergoing further consultation as holistic Draft NBL Standards. These Standards are now proposed to be incorporated as 'Candidate Standards' to reflect a more stable position, while still allowing for further consultation.

Further consultation on these Candidate Standards is expected to cover the Standards themselves, and Future-Dated Obligation dates for their implementation if they were to be made binding. Obligation dates would be expected to align to implementation timeframes provided by the Rules. The Candidate Standards cannot be made Binding until the NBL Rules are made. Once the Rules are made, another round of analysis and consultation will occur before the Standards are proposed as Binding.

Changes to Candidate and Binding Standards may be made through further Decision Proposals and the [Standards Maintenance](#) process.

Decision To Be Made

To promote the [NBL Draft](#) to the Candidate Standards category in the [Additional Standards](#) section, to provide participants with an increased level of certainty in the base requirements.

Candidate summary

The following is a summary of the changes made to v1.27.0 of the Standards to form the Draft. The Draft states that all parts of the Consumer Data Standards not referenced are considered normative. No other changes have been made between the Draft and the proposed Candidate version.

In effect, this Decision will make Candidate Standards for NBL that adopt the Banking Standards, including the modifications to them outlined below.

- Introduction of a 'Sector definitions' section under 'High Level Standards' to explain terms applicable to both the Banking and NBL sector,
- Introduction of the 'non-bank-lending' industry value to the following Register endpoints to support identification of Data Holders in the NBL sector:
 - Get Data Holder Brands (v3)
 - Get Data Holder Brands Summary (v2)
 - Get Data Holder Statuses (v2).
- Introduction of the 'BUY_NOW_PAY_LATER' (BNPL) product category value in the Banking Standards to align to its addition in the Draft Rules for both the Banking and NBL sector,
- Introduction of the 'instalments' object in the 'Get Product Detail' and 'Get Account Detail' endpoints to support BNPL,
- Introduction of the 'EXTRA_DOWN_PAYMENT' featureType to support BNPL,
- Introduction of the 'PAYMENT_LATE' and 'UPFRONT_PER_PLAN' feeType values to support BNPL.
- The Banking endpoint versions incremented to accommodate these changes, are:
 - Get Accounts (v3)
 - Get Bulk Balances (v2)
 - Get Account Detail (v4)
 - Get Bulk Direct Debits (v2)
 - Get Scheduled Payments Bulk (v3).
 - Get Products (v4)
 - Get Product Detail (v5).
- Corrections of minor typos and updated documentation formatting,
- Adoption of the existing banking data language standards to describe non-bank lending data.

Consultation leading to the Candidate

The following is a list of prior consultation and associated feedback considered in the consultation and development of the Draft and Candidate Standards.

- [DP278 – Design Paper: Rules and Standards for the Non-Bank Lending Sector](#)
- [NP292 – Approach to developing Data Standards for the Non-Bank Lending Sector](#)
- [DP316 – Non-Bank Lending sector alignment](#)
- [DP317 – 'Buy Now, Pay Later' Product and Account Detail](#)
- [DP320 – Non-Bank Lending Data Language Standards](#)

- [DP318 – Non-Bank Lending Standards](#)
- [The Consumer Data Right \(Non-Bank Lenders\) Designation Instrument](#)
- [Expansion to the non-bank lending sector - Exposure draft rules](#)

[DP318](#) was published to seek holistic feedback on the associated Draft NBL Standards. ‘Questions for consultation’ in the proposal included:

- *Are there any areas of the proposed Standards that do not appear to support the specific requirements of the NBL sector, in accordance with the [Draft Rules](#)?*
- *Are there key differences in the structure or operation of like-products offered by the NBL and Banking sectors that are not currently supported in the Standards?*

A suggestion that additional consideration be given to Fleet products and Novated Leasing was made, and further consultation on these may be conducted in due course. The submissions did not appear to identify clear differences in the operation of similar products offered by Banks and Non-Banks.

Other submissions to the proposal included the following comments related to timing and arguments for and against alignment to the Banking Standards:

- *“[It] will not be possible for data holders (particularly those captured within Tranche 1) to implement these standards within the proposed timelines. We recommend that the “Tranche 1 date” be set as twenty-four (24) months from the date that the standards become binding”¹*
- *“We believe that the proposed standards lean too heavily towards standardisation of the taxonomy between the banking and non-bank sectors, which assumes a like-for-like equivalence of customer, product, and transactional data. While some NBL products have close analogues in banking, or equivalent offerings such as credit cards and personal loans, many do not. Many NBL products differ entirely in structure, purpose, and provision from any banking products, which may render existing banking standards inapplicable to those products.”²*
- *“AFIA suggests extending the timeframes for implementing CDR data standards for NBL, similar to the four-year implementation period seen in Open Banking. This roll-out required substantial time for entities to implement systems and compliance processes.”²*
- *“Implementing CDR standards, particularly in the diverse and dynamic NBL sector, will be complex. It will involve both technological changes and compliance with new legal and regulatory requirements. An extended timeframe would allow for a more careful approach to these changes.”²*
- *“Additionally, due to the different product systems in use between banking and NBL, the existing CDR industry providers have built systems for the banking sector, which may not be appropriate or adaptable for the specific needs of NBLs. The diverse nature of NBLs may also mean solutions require more tailoring between different organisations and product types.*

¹ [Issue 318 comment – NationalAustraliaBank](#)

² [Issue 318 comment PDF – Australian Finance Industry Association](#)

Starting with an initial commonality from which to build from could reduce the on-going cost and compliance burdens for NBLs, however attention must be paid to ensuring service providers do not need to ‘reinvent the wheel’ with each NBL customer.”²

- *“CBA broadly agrees with the approach to encompass the Non-Bank Lending (NBL) sector within Banking, that is, new endpoints should not be developed specifically for NBL. We also encouraged, and continue to encourage, alignment of consultation sought by the ACCC and DSB on CDR Rules, Data Standards and CX Standards for NBL.”³*
- *“To this end, CBA strongly recommends that consultation on DP 318, and any further data standards consultations for the NBL sector, are paused until the relevant CDR Rules are finalised.”³*

Implementation considerations

When possible, consideration and preference to non-breaking change has been prioritised with community consultation.

Change to the Candidate and eventually Binding Standards is expected to continue through Decision Proposals and the Standards Maintenance process to ensure the Standards remain aligned to the Rules, resolve participant challenges, and meet use-case expectations as the delivery process continues.

Future-Dated Obligation dates have not been specified as we are not proposing these be made binding until the NBL Rules are made and further consultation has occurred.

³ [Issue 318 comment – commbankoss](#)