

23 November 2017



**Andrew Stevens**  
Data Standards Body  
Interim Chair  
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Dear Andrew,

**RE: Draft API Standards for Consumer Data Right Regime**

Thank you for providing Communications Alliance with the opportunity to make a submission in relation to the Draft API Standards (Draft Standards) developed as part of the CSIRO Data61 Consumer Data Standards Program.

While the current focus of the Program appears to be on the facilitation of an Open Banking regime, it is also clear that the Standards and their underlying principles that are in the process of being developed are meant to find their application more widely in other designated sectors, including the telecommunications sector, under the Consumer Data Right (CDR) regime.

It is indeed the focus on Open Banking – and the pace of the process, designed to meet a very challenging deadline – that is of concern to our industry. The assumption that the telecommunications sector ought to meet the overarching CDR objectives by adopting a very similar approach to the banking sector must be thoroughly tested. Such assessment would need to examine the costs and benefits associated with the proposed approach, the net consumer benefit and the alternative approaches that might be adopted.

We believe that the declared objectives of the CDR regime can be summarised as:

- To “give customers more control over their information leading, for example, to more choice in where they take their business, or more convenience in managing their money and services”<sup>1</sup>;
- A reduction of barriers from shifting between providers and “better tailoring of services to customers and greater mobility of customers as they find products more suited to their needs”<sup>2</sup>; and
- Fostering innovation and business opportunities as “new ways of using the data are discovered”<sup>3</sup> as the result of consumers having access and being able to share their data.

The telecommunications industry already has a number of mechanisms that give consumers access to a large range of data that relates to them. For example:

- Under the Telecommunications Consumer Protections Code (TCP Code), which is enforceable by the Australian Communications and Media Authority (ACMA), Carriage Service Providers (CSPs) must provide their customers with detailed billing data and itemised charges in a form that customers can read, understand, store and reproduce for up to six years.
- The TCP Code and the Telecommunications (NBN Consumer Information) Industry Standard 2018 both contain provisions that require CSPs to provide their customers with relatively standardised product information prior to sale.

<sup>1</sup> p.3, para 1.1, First Exposure Draft Explanatory Materials, *Treasury Law Amendment (Consumer Data Right) Bill 2018*

<sup>2</sup> p.3, para 1.3, First Exposure Draft Explanatory Materials, *Treasury Law Amendment (Consumer Data Right) Bill 2018*

<sup>3</sup> p.3, para 1.4, First Exposure Draft Explanatory Materials, *Treasury Law Amendment (Consumer Data Right) Bill 2018*

- Most providers also offer month-to-month plans, thereby minimising transaction costs when moving to another provider.
- Most importantly, the enforceable Mobile Number Portability Code (and Local Number Portability Code) require CSPs to facilitate the porting of consumers' phone numbers, where technically possible. This allows consumers to move between providers with minimal effort, delay and transaction costs. This contrasts the banking industry where a transfer of account numbers from one bank to another is not possible, thereby creating significant barriers to moving between banking institutions.

Consequently, we note that, to a large degree, the CDR objectives are likely to be achieved, or are already being achieved, by existing Industry practice and legislative and regulatory obligations. It is recommended that any process to translate the Open Banking and general CDR regime into an 'Open Telecoms' regime commence with an analysis of already existing data access and sharing mechanisms in order to identify any potential gaps that may need closing to fully achieve the declared objectives of the CDR regime.

Where there are such gaps, it is imperative that the CDR regime is sufficiently focused on the achievement of the declared objectives rather than the specific means of achieving those.

For example, consumers already hold a vast amount of data that relates to them and their usage of telecommunications services on their smart phones – note that Australia has one of the highest smart phone penetrations in the world. This data often goes well beyond the data that their CSP holds as it includes data from over-the-top applications, such as WhatsApp and Viber.

Importantly, it is well conceivable that access to the data types envisaged for access and sharing by the CDR regime could be facilitated through an app on the consumer's phone rather than a transfer solution via a costly API-based framework. We also highlight that large telecommunications providers (and presumably also banks and energy providers) have hundreds of systems that would require costly changes in order to enable the use of APIs.

Consequently, it ought to be made clear at this stage, that the use of APIs is not mandatory but constitutes only one option to potentially facilitate a transfer of data from data holders to consumers and other data recipients where this is required in order to meet the desired objectives of the CDR.

We also note that, where an API is used, it ought to allow for a direct transfer of data to the consumer and not only to the accredited data recipient. Following from the above, an API must also allow for a transfer of data from a data holder to a smart phone or similar device of a consumer. This would truly put the customer at the centre of the CDR regime, by providing them with the data to which they have a right.

Overall, we anticipate that the different characteristics of the telecommunications industry make it very likely that the Standards set now to facilitate Open Banking will need to be adapted, perhaps quite fundamentally, for our industry.

We look forward to engaging further with the Consumer Data Standards Program. Please contact Christiane Gillespie-Jones ([c.gillespiejones@commsalliance.com.au](mailto:c.gillespiejones@commsalliance.com.au)) or myself if you would like to discuss.

Yours sincerely,



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