

MEDIA RELEASE

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## Moneytree submits indications on privacy and transparency to Australian government's review on Open Banking

- *Company advocates for privacy and transparency by default standards to be enforced and the creation of a registry of data providers and aggregators.*

**SYDNEY:** Moneytree, a leading financial data API provider, has submitted indications today to the Australian government's public consultation to implement an open banking framework.

The framework aims to give consumers greater access to and control over their banking data, allowing them to permit third parties access to aspects of their data in a secure way, so it can be used to provide new or better services.

Moneytree CEO Paul Chapman, said: "We welcome the federal government's commitment to implement an open banking framework for Australia.

"We believe the appropriate regulatory framework will protect and empower people and emerging enterprises as the producers and effective owners of banking data, while also incentivising innovation in financial services", he added.

Moneytree's submission focused mainly on the areas of privacy and transparency. The following considerations were made in the submission:

- **Access to primary sources of data:** People should be able to freely access primary sources of data and share this data with third parties they approve of. However, a distinction should remain for derived or value-added data that is the result of industrious effort in collecting or augmenting it, and is more than a byproduct of some other service (e.g. a bank account transaction data is an example of a primary data). There is a need to balance openness with maintaining an incentive to create value from data.
- **Access for all:** The open banking framework should consider all types of customers as equal. Small businesses are in a similarly weak bargaining position to that of individuals. Allowing both types of customers to provide third parties access to their banking data incentivises better services and conditions across the entire industry.
- **Explicit opt-in:** As Australia broadens the scope of who gets access to banking data, privacy should be the default state to protect consumers and small businesses. In other words, clients should always be asked explicitly by their providers before sharing their data with others. If customers take no specific action, data should remain private.
- **Unified opt-out:** Those who have opted-in to data sharing with 3rd party service and product providers should be able to opt-out of any connected service via the service with which the data was first shared."
- **Registry of providers:** In order to minimise the risk of unauthorised access to customer data, the regulatory framework should consider creating a registry of authorised providers. For companies to be in this registry, adequate levels of

insurance, tested security implementation, and a global-standard-level of privacy certification should be mandatory. Any new standards determined by the regulator are best introduced in stages, as requiring too much compliance all at once could hurt the viability of the market.

- **Data transfer standards:** Data transfer standards should be determined and agreed upon by data providers and recipients. Regulators should avoid fixing exact technical standards, as proscribed standards can easily become outdated, restrict organic innovation, and pre-empt the role of the market in determining sustainable business models.

The list of indications submitted by Moneytree is in response to the government's [open consultation](#), which finalises on the 22<sup>nd</sup> of September, 2017.

“These standards are critical for building consumer trust. No open banking system will be successful unless consumers understand and trust how their data is going to be used – especially financial data”, said Mr Chapman.

Some of these indications were previously expressed in a [whitepaper](#) by Moneytree released in June this year on standards for financial data portability.

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## **About Moneytree**

Moneytree KK was founded in 2012 in Japan with the mission of bringing consumers, small businesses, and banks closer together. It launched in Australia in 2017.

The Moneytree mobile app gives people a holistic view of all their financial data in one place on mobile and desktop.

Moneytree LINK was launched in 2015 and today has over 25 enterprise customers, including Japanese megabanks Mizuho Bank Ltd and Sumitomo Mitsui Banking Corporation. Five leading regional banks have also adopted Moneytree LINK's consumer data feed. Moneytree LINK also powers ten accounting partners, including the leaders in consumer and corporate accounting, making it the leading data platform in the Japanese accounting industry.

Moneytree's investors include all three Japanese “Megabanks,” SBI, and Salesforce.com. Moneytree has also partnered with IBM as its first official Fintech API partner in Japan, and was the first Japan-founded company selected for MasterCard's Start Path accelerator program.

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