

5 October 2020

Consumer Data Right Project Team
Commerce, Consumers and
Communications
Ministry of Business, Innovation & Employment
P O Box 1473
Wellington 6140

By email to: consumerdataright@mbie.govt.nz

Dear Consumer Data Right Project Team,

On behalf of **flexigroup**, I write in support of the Ministry's efforts to establish consumer data rights (CDR) in New Zealand. Giving consumers greater access and control of their data would improve price transparency, encourage comparison services, assist customers when choosing the most appropriate products for them and facilitate switching from one provider to another.

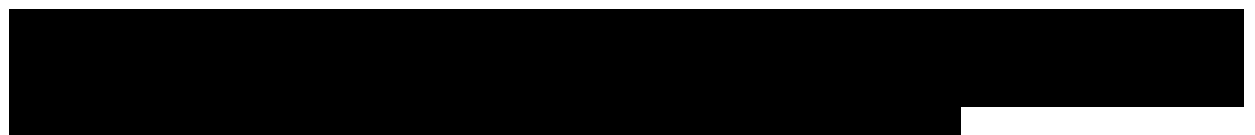
Greater sharing of customer data could also help financial services to be better tailored to customer requirements, improve the efficiency with which the banking sector's resources are allocated and reduce the risk that customers obtain loans that they cannot repay.

There should be no doubt that the swift implementation of CDR is in the best interests of consumers. The UK and Australia are already well ahead of us on data rights, and the Government must act decisively to prevent New Zealanders being further disadvantaged by the lack of tailored products, competition and innovation.

We advocate for a sector-wide approach that can be regulated correctly and uphold the best interests of consumers and wish to specifically submit on the benefits of Open Banking as part of a CDR regime.

flexigroup deliver innovative financial products designed and built to meet changing consumer preferences, make life's essential lifestyle purchases affordable – including medical, dental and veterinary services – and provide people with more choice in how they manage their money.

As part of the application process, we undertake comprehensive credit checks and affordability assessments that ensure our customers are not borrowing more than they can afford. This involves requesting access to customers bank statements online (BSO) so that we can verify their income and expenses. In lieu of CDR, BSO is the most accurate, secure and efficient way to verify expenses. BSO works seamlessly with our innovative mobile products and enables a swift assessment.



Open Banking needs to provide the ability for 'intermediary' organisations to become accredited and allow third party organisations to access CDR data for the purpose of providing products and services to consumers. Intermediaries will be a crucial service provider in the open banking ecosystem providing access to multiple application programming interfaces (API).

Should intermediary regulation be too high the service will be the domain of few competitors. Lacklustre competition is likely to lead to higher prices, meaning CDR data is available to only the few with resources to access full API coverage or with capacity to absorb high intermediary costs they are unable to pass on.

In summary, CDR will create a secure, competitive, innovative financial sector, that provides consumers with



greater choice and more control. We are poised to act should the legislation take effect and will quickly adapt our systems to make our data open and play our part in educating consumers about their options.

Thank you for the opportunity to provide **flexigroup's** submission on this point.

Nga mihi,

A handwritten signature in blue ink, appearing to read "Chris Lamers". The signature is fluid and cursive, with a prominent initial "C" and a long, sweeping tail.

Chris Lamers
Chief Executive Officer