

Consumer Data Right Project Team  
Commerce, Consumers and Communications  
Ministry of Business, Innovation & Employment  
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SUBMISSION PAPER:

## Submission Options for establishing a consumer data right in New Zealand

*This Submission Paper was prepared by Prospa NZ Limited (NZBN 9429046731678). [www.prospa.com.au](http://www.prospa.com.au)*

Prospa NZ Limited (“Prospa”) welcomes the opportunity to provide feedback on options for establishing a consumer data right in New Zealand.

### 1. A little about us – “Prospa”

Prospa is an online small business lender, offering Small Business Loans between \$5,000 to \$300,000. All customers of Prospa are small businesses with all funding decisions achieved by assessing well over 450 data points, including turnover, profit & loss, business tenure, size and industry sector.

Building on solid growth and positive economic impact in Australia, multi-award winning Prospa launched in New Zealand in August 2018. Prospa has delivered over \$45m in funding to more than 1,500 New Zealand small businesses to date.

Prospa uses a sophisticated risk-based scoring methodology developed over several years of lending to small businesses. We verify the specifics of every small business applicant using data from sources such as (but not limited to) government websites, credit bureaus and bankstatements.com.

The use of online small business lenders such as Prospa by small businesses is increasing, due to the ability to provide an online application processes, timely credit decisions and funding, and an excellent customer experience. Increased awareness of online small business lending improves access to suitable credit for small businesses in New Zealand, including access to essential working capital for small businesses seeking



to address cashflow challenges due to COVID-19.

## 2. A summary of our submissions

We are supportive of a consumer data right ('CDR') that enables individual and small business customers to share their consumer data with qualified data recipients, and that enables access to product data, in accordance with customer consents and appropriate privacy and security safeguards.

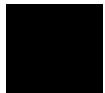
Our submission comprises this covering letter and the completed submission template, which is attached.

Our submission includes the following key recommendations:

- The CDR should be available to both consumers and small businesses (including sole traders and other business entities).
- An implementation entity, empowered to issue directions to data holders, should be established to oversee New Zealand's transition to a CDR.
- The primary legislation should specify the key elements of a regime to provide for the participation of intermediary services. This should include a bespoke consent management framework to govern the flow and management of consent as between intermediaries and data recipients.
- Write-access should be included in the regime and should be implemented concurrently with read access, in order to maximise the benefits of a CDR for small businesses.

We attach a copy of our submission dated 20 February 2020 to the Australian Competition and Consumer Commission ('ACCC'), in relation to the participation of intermediaries in Australia's CDR. We have referred to this document in our submission.

Kind regards,



p.p

Anna Fitzgerald

Group Head of Corporate Affairs, Prospa

If you would like more information regarding our submission, please contact:

**Anna Fitzgerald** / Group Head of Corporate Affairs  Or

**Deevya Desai** / Regulatory Affairs Manager 