



# Unlocking opportunities

in the era of open data and payment initiation

**In an increasingly interconnected digital economy how can enterprises take advantage of the opportunities created from the convergence of data and payments?**

Welcome to the new data economy, where data portability, innovative new digital experiences and heightened consumer expectations are disrupting traditional markets and business models.

In this [white paper](#) we examine how government policy, industry initiatives, technology and collaboration are driving change and transformation, creating opportunities for enterprise from the convergence of data and payments.

The [Consumer Data Right \(CDR\)](#) is challenging established thinking regarding data ownership - with consumers, and not enterprises, now in control of the data they generate as they go about their daily lives. Although consumers are currently only able to share data from banks, the Federal Government is focused on "accelerating" the rollout of the CDR as part of the [Digital Economy Strategy](#), with data held by energy retailers in scope for sharing next year, followed by telecommunications as the CDR rolls out economy-wide on a sector-by-sector basis.

In support of the development of a customer-centric digital economy, the Treasury tasked the [Inquiry into Future Directions for the Consumer Data Right](#), chaired by Mr Scott Farrell, to examine how CDR legislation could be built on to support innovation and inclusion. The Inquiry submitted over [100 recommendations](#) to Treasury on how to expand and enhance the functionality of the CDR.

Key recommendations focus on growth and expansion of participation in the CDR ecosystem, consumer safeguards, and opportunities for connecting the CDR to the broader data economy to promote interoperability. Most significantly, the Inquiry recommended major changes in the field of payments and delegated authority. Write access (or action initiation) would enable accredited third parties to apply for, and manage, products on the consumer's behalf with their consent.

While the focus of Treasury's Inquiry was on creating a new "write access" power that would allow third parties to initiate payments, NPP Australia (NPPA) has already confirmed it will deliver "write access", to initiate payments from

customer bank accounts using the NPP, separately to the CDR. The PayTo service is expected to roll-out from mid-2022. Although the CDR and PayTo are separate initiatives, it is anticipated that payment initiation using PayTo will come under the action initiation framework of CDR.

So what does this mean for enterprises subject to CDR legislation or looking to offer innovative new products and services? To take advantage of the opportunities created from the convergence of data and payments, enterprises need to think beyond just compliance and develop truly customer-centric data strategies.

New capabilities will be required to facilitate market connectivity, systems integration, manage consent and power new consumer experiences. Effective deployment of these capabilities will provide ecosystem participants with the ability to access data that is digital, that is regulated, that is secure, and flows.

Harnessing the opportunities for growth also requires enterprises to adopt a strategic and economy-wide data mindset that embraces collaboration with intermediaries, partners and other ecosystem participants. Collaboration is the pathway to a thriving community of innovation which can bring consumer use cases to life - from account switching and straight-through loan origination, to AI-powered services and insights that incorporate invisible, contextual, and instant action initiated payments.

At Cuscal we're collaborating closely with clients and partners to prepare for the initial application of the CDR in the banking sector and PayTo implementation. But our outlook is long term. We are creating broad-based, flexible, and client-centric solutions that will support cross-sector connectivity and capabilities for CDR compliance and payment enablement that can help enterprises unlock new growth opportunities in the era of open data and payments initiation.

Download the [Unlocking opportunities in the era of open data and payment initiation](#) white paper.

To find out how we can support your business with open data and payment initiation, unlocking opportunities for growth, speak to your Cuscal Account Manager or call **1300 650 501**.