



01 March 2019

Australian Payments Council
Level 23, 3 International Towers
300 Barangaroo Ave
SYDNEY NSW 2000

By email: submissions@australianpaymentscouncil.com.au

Dear Chairman

2019 Australian Payments Plan Consultation

The Australian Banking Association (**ABA**) welcomes the opportunity to comment on the first triennial review of the Australian Payments Plan. The Plan provides an important roadmap for industry collaboration to support an effective payments system. This roadmap is critical to ensure the system continues to meet the changing needs of Australians, particularly as the transformative power of digitisation continues to evolve.

The ABA is strongly supportive of the strategic vision and the identified areas for industry collaboration set out in the consultation paper.

The ABA welcomes the focus on social inclusion in the Plan. While the shift from cash to electronic payment brings efficiency benefits, with lower transaction costs and more functionality and choice for consumers, consideration needs to be given to the impact on social inclusion. The people who currently use cash most heavily, or are least digitally-active, are often those in potentially vulnerable circumstances, including consumers living in remote communities and the elderly. The industry's commitment to accessibility is embodied in the ABA's *Accessibility Principles for Banking Services*, published in November 2018. The principles are subject to review every two years to ensure they keep pace with rapidly changing technological advancements.

The ABA believes there would be strategic value from industry collaboration on financial crime. As noted in the consultation paper, the rise in internet commerce has been accompanied by an increase in online fraud; current approaches to anti-money laundering (AML), counter-terrorism financing (CTF) and sanctions screening compliance may not be sustainable in the face of the rapid rate of growth in financial crime.

The consultation paper identifies the following potential output from industry collaboration on financial crime:

- Assess international trends to identify potential areas of financial crime that may affect Australia in future
- Assess what payments system developments are providing opportunities to help combat financial crime
- Develop a strategic industry policy to proactively respond to these.

The ABA agrees that industry collaboration on these activities should be prioritised.

Yours sincerely

Signed by

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