

# Key Issue Brief

## Compliance with the new Credit Reporting Code of Conduct

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ARCA has committed to assist with the development of a compliance framework for the proposed comprehensive credit reporting (CCR) environment.

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- ARCA sees as vital to the success of credit reporting an effective means of compliance.
- ARCA has begun the process of developing policies regarding the outcomes that an effective compliance regime would need to deliver.
- ARCA is prepared to work with all stakeholders to ensure that adequate resources and skills are made available to ensure that compliance is made a reality.

ARCA recognises the need to build a framework that supports a scalable approach to Code Compliance, and to promote an environment where compliance standards to the Code are achievable, realistic and address the critical needs of industry and consumers.

### Key Compliance Elements

The objectives for the industry compliance framework can be defined by three critical themes:

1. **The revised Code:** drafted in a way that is clear and can be effectively monitored
2. **Data Standards:** precise definitions of data and related protocols for exchanges are needed to drive data quality and transparency to ensure consumer credit reports provide an accurate and as complete as possible representation for consumers and Credit Providers
3. **Governance Infrastructure:** through the establishment of an on-going Code compliance framework that includes monitoring, breach management and sanctions

### Oversight & Governance

ARCA has several proposals for how effective oversight could be achieved – including options that will allow industry to play an active (but not exclusive) role in ensuring adequate resourcing and skills are available to undertake the necessary monitoring and compliance activities.

## **About ARCA**

*ARCA brings together the talent, energy and perspectives of its members and staff to bring about positive change.*

*Combining experience and insights, expertise and passion with industry collaboration, ARCA promotes the effective use of consumer analytics and data sharing to improve responsible lending practices and promote better lending decisions.*

*Access to responsible credit is a fundamental part of today's modern economy.*