

5 October 2021

Mr Mike Callaghan AM PSM  
Banking Code Review

Dear Mr Callaghan

## Banking Code Review: Interim Report

Thank you for providing the Banking Code Compliance Committee (BCCC) with a copy of the interim report of the 2021 Independent Review of the Banking Code of Practice.

The BCCC has read the report with interest and acknowledges the breadth of issues covered to date as part of the review's consultation and submissions process.

### The BCCC's comments on the interim report

The BCCC would like to provide the following high-level comments and observations on the interim report.

The issues identified in the report highlight the different needs, expectations and interpretations of the Code by different stakeholder groups.

While the BCCC's submission dated 20 August 2021 provided more detailed comments on the six issues raised in the report, in the BCCC's view, the Code should:

- be principles based as far as possible
- rely on guidelines to provide further information on the application of obligations (to provide more detail when needed and to ensure it is responsive to technology and regulatory changes)
- avoid simply saying that banks meet obligations by complying with the law, and instead set out the principles that should apply in that area of the Code, for example for responsible lending and privacy matters
- reflect that fair, reasonable and ethical conduct are core principles
- be made available in Easy Read format and languages other than English, and
- clarify the delineation of responsibilities for the monitoring and enforcement of the Code between the BCCC, the Australian Financial Complaints Authority and regulators.

Issues regarding Code monitoring and enforcement, including any duplication in breach reporting between the BCCC and the Australian Securities and Investments Commission, are of particular interest to the BCCC. We acknowledge these matters are currently being considered by the BCCC's reviewer, *cameron. ralph. khoury* (CRK) and have been addressed in [CRK's interim report](#).

CRK has noted in its report that because the Code itself provides the framing for the BCCC, where it has been asked to consider the BCCC's powers and role, CRK has asked that its report should be seen as thinking offered to the Code Reviewer for consideration.

## New BCCC publications

We would also like to highlight the BCCC has published the following two reports since the BCCC made its submission to the Code review:

- [BCCC Report: Banks' compliance with the Banking Code of Practice – July to December 2020](#), published on 27 August 2021, and
- [BCCC report on the cancellation of direct debits](#), published 13 September 2021.

## Contact details

If you have any questions, or would like to arrange a meeting to discuss any aspects of this letter, please do not hesitate to contact me c/o the BCCC's acting CEO, René van de Rijdt on 03 8623 2079 or by email at [rvanderijdt@codecompliance.org.au](mailto:rvanderijdt@codecompliance.org.au).

Yours sincerely



Ian Govey AM  
Independent Chairperson  
Banking Code Compliance Committee