

## Consumer Data Right

### New Zealanders may soon have more control over their personal information.

Last week the Commerce and Consumer Affairs Minister David Clark announced the Government's intent to establish a consumer data right (CDR) framework for New Zealand.

This announcement follows a consultation period late last year during which the Government considered submissions on the establishment of a CDR framework in New Zealand and how such a framework might be best implemented.

The CDR will give individuals (and perhaps also business) greater choice and control over their data, through the introduction of a statutory right to require data holders to share personal data held about the requester with third parties in a secure and trusted environment. This transfer of information is otherwise known and referred to as "data portability".

The implementation of a CDR in New Zealand recognises the growing importance of the value associated with personal data and consumers' desire for more choice in respect of the management of their personal data.

Minister Clark has said "any data shared through the consumer data right will only take place with a person's informed consent, and would be strictly used for the reasons agreed upon. For example, if a person was seeking financial advice, they could ask their bank to share data, such as transaction information, with their chosen adviser".

The Government anticipates making a second round of detailed policy decisions on the CDR framework later in 2021, and will look to introduce legislation as soon as 2022. The Government's intent is to roll out the CDR on a sector-by-sector basis (aligning with the [Australian multi-sector CDR framework](#) discussed further below) to

ensure that the requirements of the CDR framework work in practice.

The Australian Competition and Consumer (Consumer Data Right) Rules 2020 (Australian Rules), which provide further detail as to the operation of Australia's CDR framework, are being rolled out in stages, the banking sector being currently subject to the Australian Rules and the energy and telecommunications sectors expected to follow. The New Zealand CDR framework will follow Australia's sector-by-sector approach and, while no announcement has yet been made in respect of which sectors are likely to be first for designation as in-scope of the New Zealand CDR, we anticipate the New Zealand CDR will largely reflect the Australian roll out.

#### Want to know more?

If you have any questions about how the CDR may affect you or you would like to know more, please get in touch with our specialist [data protection and privacy team](#).