

## ASIC gets serious with complaints and will begin publishing internal dispute resolution (IDR) data

Dear Members

The Victorian Automotive Chamber of Commerce (VACC) welcomes the Australian Securities and Investment Commission's (ASIC) final mandatory requirements for the internal dispute resolution (IDR) data reporting framework. The requirements will be implemented in 2023 starting with a group of 11 large financial firms that will have to report IDR data to ASIC for the first time by **28 February 2023**. The remainder of the approximately 10,500 financial firms will join the framework and be required to report IDR data to ASIC by **31 August 2023**.

Legislative changes provide ASIC with additional powers for the first time aimed at improving transparency around IDR. These reforms:

- require financial firms to report their IDR activities to ASIC in accordance with ASIC requirements;
- give ASIC the power to determine the content and form of IDR reporting by financial firms; and
- enable ASIC to publish the IDR data, including at the firm level.

VACC has been lobbying for ASIC to take complaints seriously for some time. VACC's [submission](#) in March 2021, to the review of the Australian Financial Complaints Authority (AFCA) – Terms of Reference, made several recommendations in relation to IDR data and ASIC's fundamental role in dispute resolution. VACC sees both AFCA and ASIC as a powerful authority to identify and eliminate the root cause of various motor industry sector, systemic issues that have not been previously addressed.

ASIC collecting and publishing system wide IDR data is also a consumer-centric milestone which will assist financial firms to identify and address systemic issues that arise from complaints. By identifying the reoccurring complaints that ASIC will soon receive lodged against insurers, intermediary vehicle lease brokers or credit financial institutions, ASIC can go some way to question the status quo and broad obligations that an insurer, intermediary vehicle lease broker or credit financial institution is expected to uphold in order to keep their Australian Financial Services (AFS) license.

For further information please follow the link [HERE](#) to read VACC's full bulletin.

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