

13 June 2025



Executive General Manager Jurisdiction  
Australian Financial Complaints Authority  
GPO Box 3  
Melbourne VIC 3001

Via email: [consultation@afca.org.au](mailto:consultation@afca.org.au)

## 2025 Rules Consultation

Dear Sir/Madam,

The Australian Financial Markets Association (**AFMA**) is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets, including the capital, credit, derivatives, foreign exchange, energy, carbon, and other specialist markets. Our membership base is comprised of over 130 of Australia's leading financial market participants, including Australian and foreign banks, securities companies, state government treasury corporations, fund managers, energy firms, as well as other specialised markets and industry service providers. We are pleased to provide comments on the AFCA consultation in relation to proposed changes to the AFCA Rules.

Our comments are limited to Proposal 1: Scams.

### Proposal 1: Scams

As noted in the Consultation Paper, the current AFCA Rules and Jurisdiction only allow AFCA to deal with a loss arising from a scam where the scam victim is a customer of the financial firm and not where the financial firm has been used by the scammer to facilitate a scam, such as a receiving bank. Accordingly, it is proposed that AFCA's jurisdiction be extended to consider complaints against banks where the complainant is not a customer.

AFMA has no issue with the intention of the proposed amendment, particularly as it aligns with the Authorisation Instrument made by the Government. However, our concern is the definition of "bank" for this purpose. AFMA has, on repeated occasions, highlighted to the Government that the Scam Prevention Framework (**the Framework**) is aimed solely at consumer protection and that any extension of the Framework into wholesale services would be well-beyond the Framework's extended scope, imposing considerable compliance costs for no tangible benefit. On this basis, AFMA recommends that the definition of "bank" for the purpose of the Framework be limited to only those that are authorised by APRA to provide services to retail customers and suggests that the definition in the AFCA Rules be consistent with this position.

AFMA acknowledges that the most appropriate forum through which the scope of activities and entities covered by the Framework is through consultation on the Designation Instrument, which is

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yet to occur. It is important from our perspective that no amendments are made to other Rules which inform the application of the Framework until the Government's intention as to scope is confirmed through the making of the Designation Instrument.

Accordingly, to the extent that AFCA amends its Rules to allow jurisdiction to investigate scam-related complaints against banks where the complainant is not a customer, the scope of "bank" for this purpose should only be those banks authorised by APRA to provide services to retail customers.

Thank you for the opportunity to provide a submission to the proposed changes to the AFCA Rules. AFMA would welcome the opportunity to engage further.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Rob Colquhoun', written in a cursive style.

Rob Colquhoun  
COO