
From: Barlow, Emily
Sent: Wednesday, 9 June 2021 3:38 PM
To: Kok, Christopher (AU); Henrick, Sharon (AU)
Cc: Basile, Mark; Staltari, Danielle; Black, Susie; Wu, Connie; Reed, Alex; Robert Milliner
Subject: Payments amalgamation – information request – Mr Blockley [SEC=OFFICIAL:Sensitive]
[ACCC-ACCCANDAER.FID2638078]

Dear Christopher and Sharon

I refer to the expert industry opinion (**Opinion**) in relation to the ICA's application to the ACCC for authorisation of the proposed amalgamation of BPAY Group Pty Ltd and BPAY Pty Ltd (**BPAY**), eftpos Payments Australia Limited (**eftpos**) and NPP Australia Limited (**NPPA**), submitted by Lance Sinclair Blockley at Annexure 87 of the application.

The ACCC seeks further information from Mr Blockley in order to conduct its analysis. I request Mr Blockley's response to the following by the **close of business on 18 June 2021**.

Paragraphs 444-471 of the Opinion discuss domestic debit cards, including eftpos' core retail payment card business and capabilities. The section concludes with Mr Blockley's opinion that without some change of structure to make it more defensible or some highly proactive intervention by the RBA, it is likely that within the next 10 years the core eftpos debit card business will disappear.

By contrast, eftpos' statement at paragraphs 122-181 puts forward the view that, without the proposed amalgamation, eftpos will maintain or increase its position and relevance in both its core scheme business and additional complementary services. At paragraphs 180-181, eftpos expresses disagreement with a number of specified 'misunderstandings' that it perceives in the application and expert reports relating to the future viability and performance of eftpos.

We are interested in:

1. Mr Blockley's view on the position put forward in paragraphs 122-181, and particularly in paragraphs 180-181, of eftpos' statement; and
2. Any additional information Mr Blockley believes is relevant to substantiate his opinion on the viability of eftpos' core debit card business.

Subject to our consideration of any request for exclusion from the public register, a public version of Mr Blockley's response with confidential information redacted will be placed on the ACCC's public register. This email will also be published on the public register.

Kind regards

Emily

Emily Barlow

Assistant Director (a/g) | Merger Investigations | Mergers, Exemptions and Digital
Australian Competition & Consumer Commission
Level 2 | 23 Marcus Clarke St, Canberra ACT 2601
T: +61 2 6243 1010

www.accc.gov.au

The ACCC acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.