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E-Conveyancing reaches a major milestone – build of a national property exchange platform begins

NECDL signs Master Agreement with Accenture to design and build e-conveyance platform

NECDL – the company charged with developing a national electronic system for property exchange – has signed a master agreement with Accenture to design and build a national e-conveyancing platform for Australia.

Under the terms of this agreement, Accenture will design, build, test and deploy Australia’s national e-conveyancing system and hold general project management responsibilities.

The national e-conveyancing system, – to be known as “PEXA” (Property Exchange Australia) – is intended to remove the requirement to use paper based systems for completing property conveyancing transactions, including the transfers of title and mortgage related aspects, and the various payments which are involved.

NECDL is majority owned by Victoria, New South Wales, Queensland and Western Australia State governments.

The delivery of a national e-conveyancing platform forms part of the Council of Australian Governments’ (COAG) micro-economic reform agenda and is one of the deregulation priorities under the *National Partnership Agreement to Deliver a Seamless National Economy*.

The agreement with Accenture follows the recent completion of two other important negotiations by NECDL:

- The acquisition of existing intellectual property (IP) for e-conveyancing held by various State governments. This includes the e-conveyancing system operating in Victoria and all other IP held by government and related entities in NSW, Queensland and WA.

The IP will form the foundation components of a national system in order to fast track development.

- Subject to ACCC clearance, securing seed funding from Australia and New Zealand Banking Group Limited, Commonwealth Bank of Australia, Westpac Banking Corporation and National Australia Investment Capital Limited (a wholly owned

subsidiary of National Australia Bank Limited). If ACCC clearance is obtained, the four major banks will become minority shareholders of NECDL. The states of NSW, QLD, Vic and WA will remain the majority shareholders of NECDL.

Despite significant effort over the past ten years, there has previously been no agreement on a single national system. Instead parallel work has been going on in a number of states, including Electronic Conveyancing Victoria, the National Electronic Conveyancing Office and others. These streams of development have now converged under NECDL.

NECDL was established in early 2010 in response to the inclusion of e-conveyancing on the COAG agenda and has sought to bring a commercial and a national focus to the task.

Alan Cameron AO, Chairman of NECDL, said the agreement with Accenture constituted a major step forward for e-conveyancing in Australia.

“NECDL has purposely sought to align the key stakeholders behind e-conveyancing and to bring a strong commercial focus to delivering a national system. We now have in place all the necessary elements to begin developing the system.

“All parties will now see some concrete development steps in delivering an e-conveyancing system for Australia. The announcements today signal a significant departure from where e-conveyancing has been in the past.

“We are looking forward to continuing our dialogue with the key stakeholders in this project: property lawyers, conveyancers, banks, other financial institutions, information brokers, and all State and Territory revenue offices and land titles offices.

“These parties will be central to the successful implementation of a national system,” Mr Cameron said.

“We are pleased to help NECDL in achieving its goals to develop a new e-conveyance platform through this agreement,” said Greg Carroll, senior executive and head of Accenture’s Financial Services practice in Australia. “And we look forward to helping enable this very important initiative for Australians.”

PEXA plans in due course to be available in all states and territories for use by any party to a conveyancing transaction in Australia.

PEXA is expected to move into an initial operational stage in late 2012 with the first property transactions occurring after that date.

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