

# Welcome to the MBR Technical Focus Group – 15 October

Thank you for joining us, we will begin the meeting at 12:30pm AEDT

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# Technical Focus Group

Thursday 15 October 2020



**Australian Government**  
**Australian Taxation Office**



## OVERVIEW

### Technical Focus Group 2:

- Director Identification Number intent
- Apply for Director ID
- Proposed solution summary

## OUTCOMES REQUIRED

### For discussion

Proposed solution summary of myGovID use by DSPs

# Director Identification Number

## What is the Director identification number?

The Director Identification Number is a unique identifier for existing directors, or people who want to become directors of a company or a registered body.

Key aspects include:

- the verification of the *identity* of the director through the use of myGovID (the government digital identity provider)
- allocating a number to a person for life for use when they are a company director

### Introduce Director Identification Number

*(to further improve the integrity of business data in the MBR platform)*



**Enables**



Greater traceability of Directors to help combat illegal phoenixing

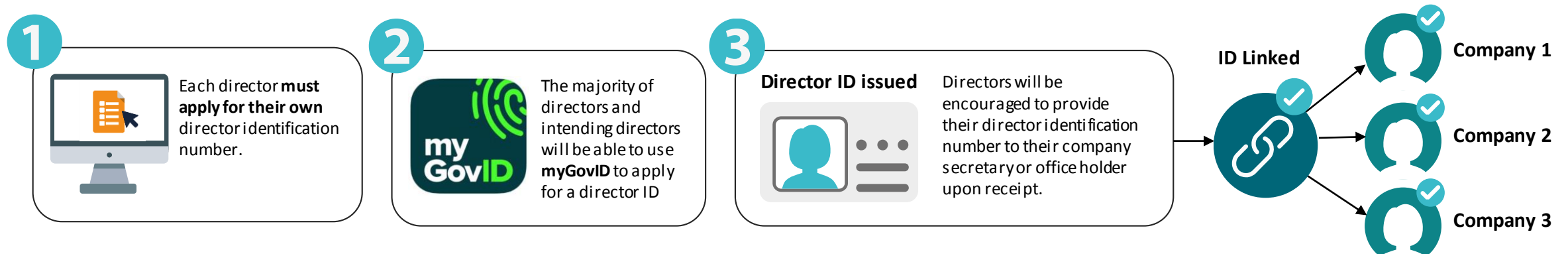
## Key Outcomes

- Enhanced company and director data through the MBR program and director identification number implementation will further improve our ability to detect illegal phoenix activity.
- Regulators will be able to identify which companies a director is linked to and their changes over time, providing full transparency (including links with insolvent companies being built over the time, from implementation).
- Providing a foundation that will enable the director identification number framework to be expanded to other officers of a company or registered body where it is considered and deemed appropriate to do so.

# Director Identification Number

## How it will work

- Each director **must apply for their own** director identification number. No one can apply on their behalf, however there is a role for advisors, agents or company secretaries to provide guidance through the application process.
- Directors will be encouraged to provide their director identification number to their company secretary or office holder upon receipt. This will allow them to link to companies once the Companies register is transitioned to the new registry platform.
- The director identification number will initially be treated as a private number and will not be searchable until the Companies register is transitioned to the new registry platform.
- Policy position regarding public use and visibility of director identification number is currently being considered by the Treasury.
- A compliance framework is being designed with CBRS, ASIC and ATO to support regulatory activities.



# Scenario 1 – New User to CBRS Services Wholesale Channel

Individual does have a myGovID.



## Meet Charlotte

Charlotte is a director of a Company. She does have a myGovID but has not used it to login to the MBR Platform before.

JOURNEY

ONBOARDING

VERIFY IDENTITY

APPLY

RECEIVE DIRECTOR ID

Charlotte's digital software provider informs her about the need to have a Director ID as she is the director of a company.

Charlotte decides to read more about the program and Director ID on the CBRS website. Having done so she opts to apply via her DSP and launches their Business Management Software (BMS). Within the BMS Charlotte would navigate to the "Apply for Director ID" page which would outline the required fields, actions etc.

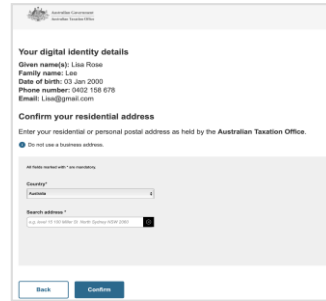
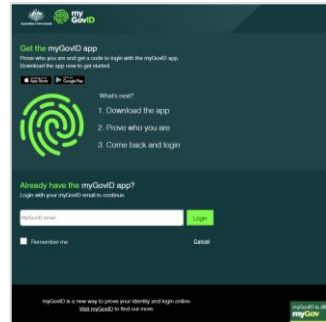
To authenticate with MyGovID, the BMS would re-direct Charlotte to a MyGovID web page, where she would do supply the necessary credentials.

As Charlotte is using the MBR platform for the first time, she will also need to complete PORO. Charlotte will be re-directed to ATO PORO web page. On completion Charlotte will be returned to the BMS which will have a session security token allowing it to interact with our API's, acting as the identified user.

Once Charlotte Completed the Director ID application within the BMS, she would submit (with an opportunity to review beforehand). At this point the BMS would be required to validate data entered (using MBR business rules built into the BMS) and send the validated information (with the session security token) to the MBR API.

The MBR API would do validation checks of the request data (e.g. mandatory fields, field types & lengths), transform the taxonomy and then send the request message onto the (internal) Catalyst API. Catalyst would then process Charlotte's request (apply for Director ID), including issuing a number and returning the number to the BMS. BMS would then provide the Director ID to their user, and save it within the BMS for future reference.

SCREENS

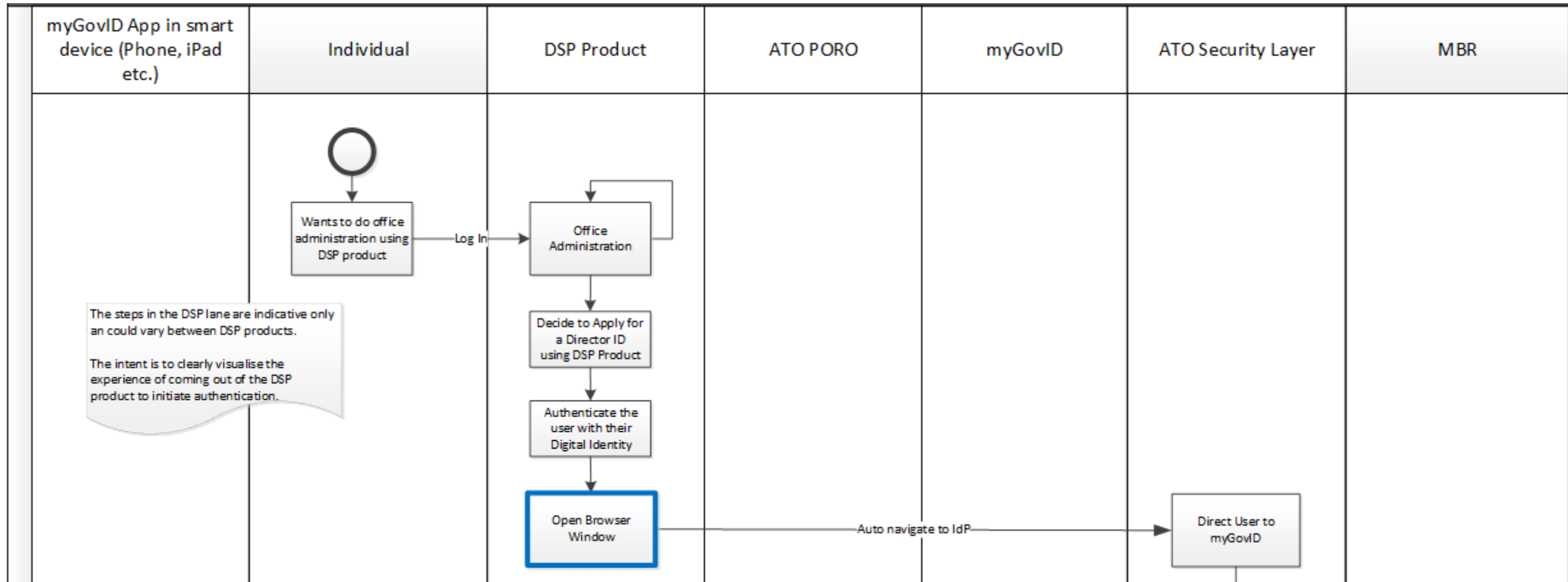


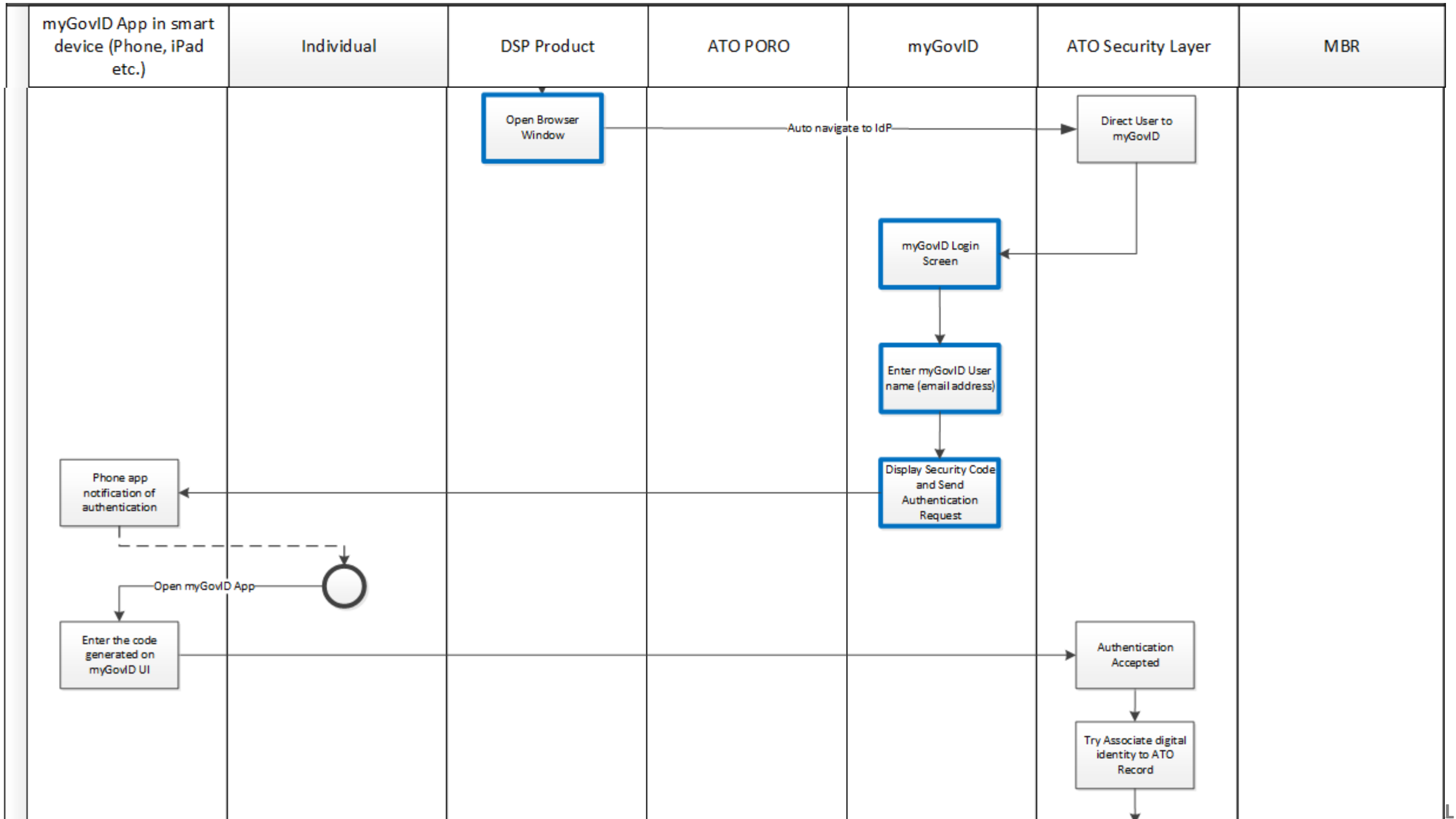
SYSTEMS

KEY CALL OUTS ON PEOPLE, PROCESS, TECH AND LAW

- There are many potential onboarding opportunities and paths for new and existing directors. DSP's and other intermediaries have been highlighted as key elements in assisting in the education and compliance of directors.
- Annual review process is thought to be another key 'nudge' aspect to guide directors to apply.
- Charlotte launches her Business Management Software (BMS). This process may require authentication with the BMS. This authentication would NOT be the MyGovID authentication and therefore is out of scope for this flow.
- If Charlotte did not have a MyGovID she would need to apply for one at this stage – providing appropriate documentation
- Acceptable identity documents to create a myGovID include Australian drivers license, passport, Medicare card, Australian Visa and birth certificate.
- The PORO process is only required to be done once per client per digital identity (in the future a client may have multiple digital identities or myGovID's).
- The PORO process creates a shared service link and links the director and their myGovID to the client record in the ATO.
- The process of returning from PORO to the BMS is yet to be determined. It is either automatic or manual (TBD).
- If Charlotte has not authenticated previously using MyGovID (i.e. no prefill from MyGovID nor MBR), the API would force a re-redirect as per above or it may reject the request without the token (TBC), but ultimately Charlotte must be authenticated and PORO'ed for the API to process the request. The API would check both things before processing.
- Some data will be prefilled from MyGovID
- The DSP may have the ability to prefill some fields from their own BMS database
- Taxonomy relates to what data fields exist and what they are named. I.e. The business language, which will be different between SBR & Catalyst. It is anticipated they will not be too dissimilar.

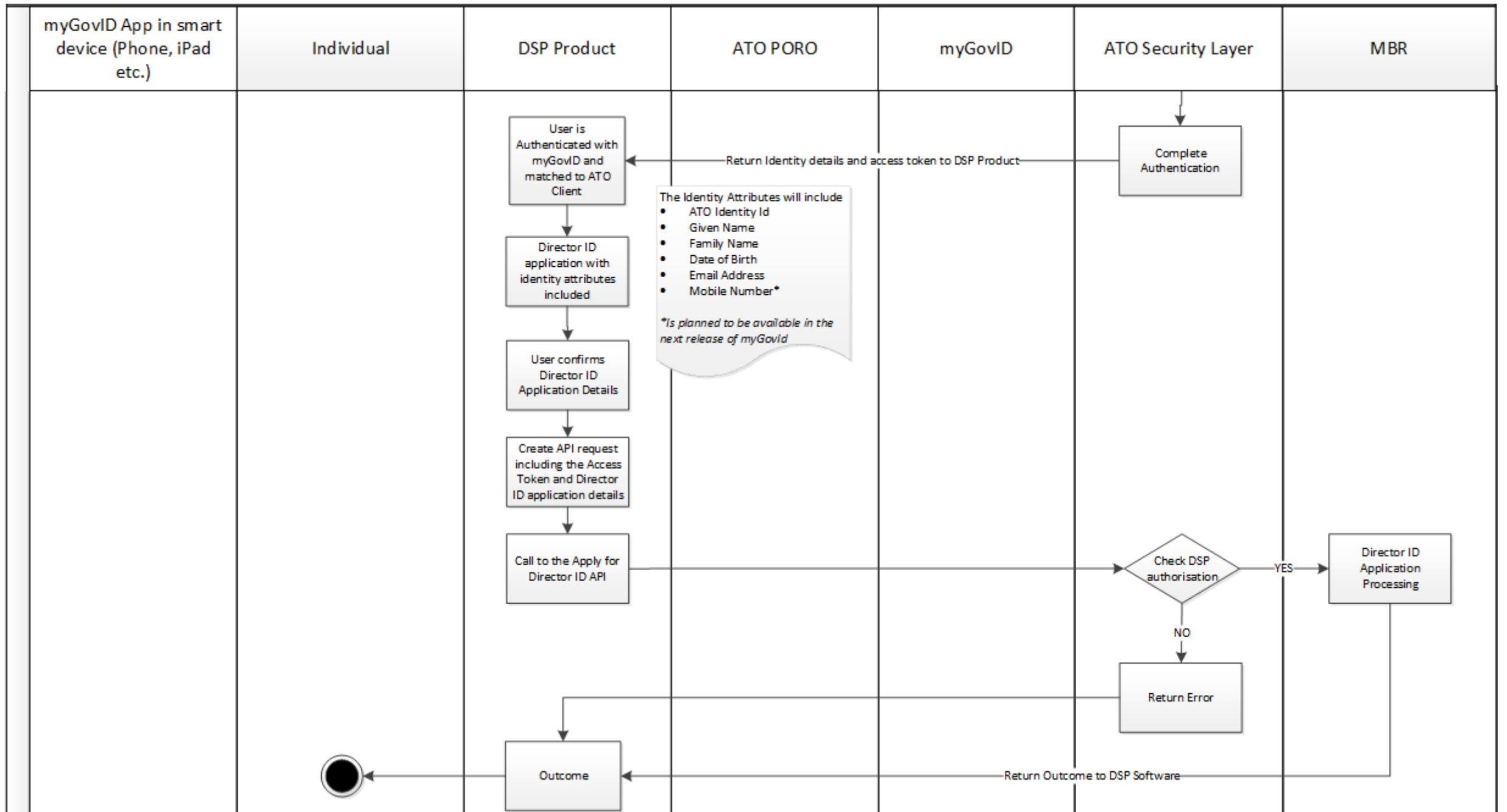
# User flow – Apply for Director ID



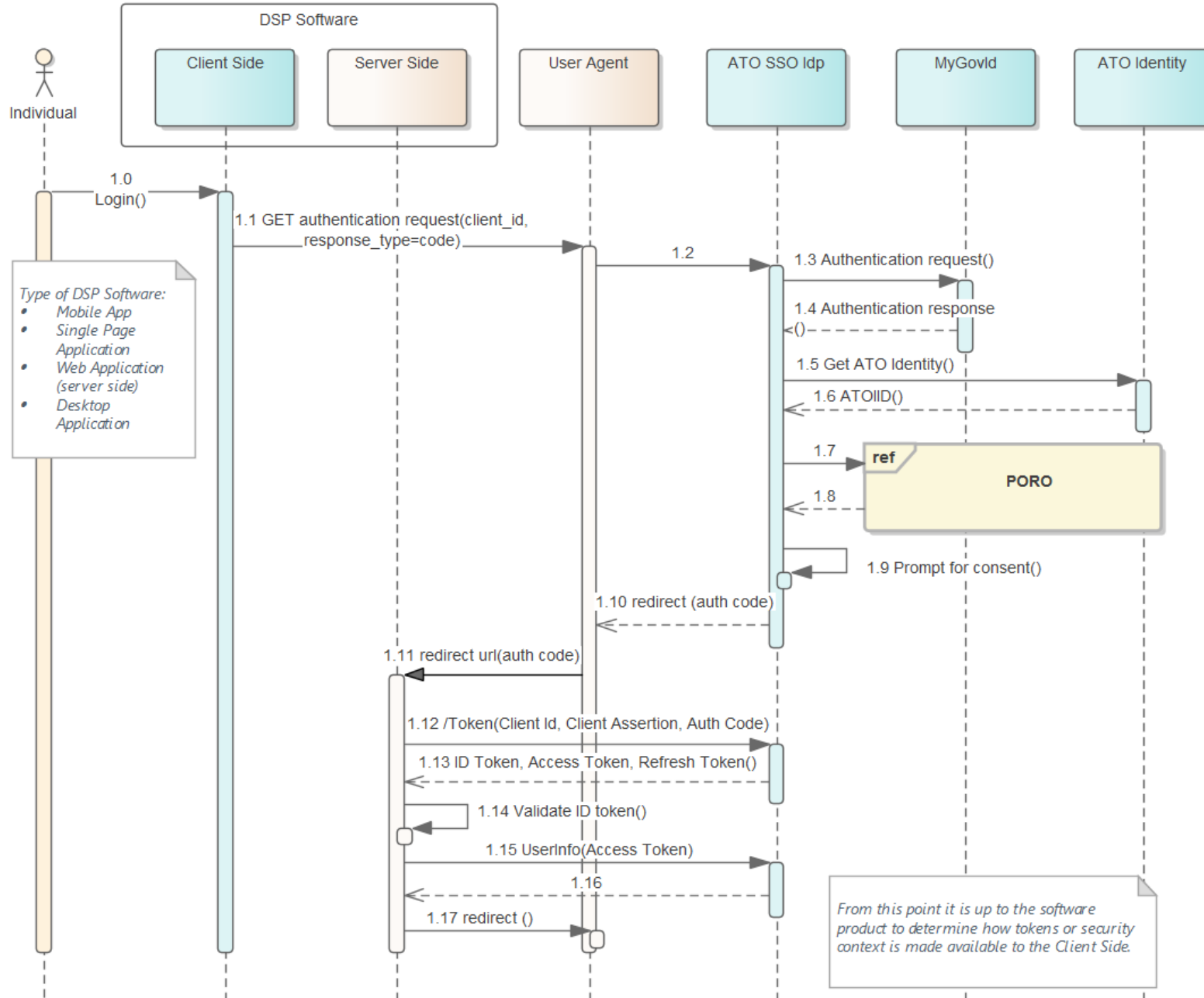








# Authenticating individual using DSP software



## Pre-requisites

- myGovID
- ATO Machine Credential

## Notes

- Focus is on Authentication using the ATO Security layer.
- Integration for DSPs with digital identity and TDIF accredited identity provider
- OAuth 2.0 OIDC Authorisation Code Flow
- DSP server component providing Confidential Client Type and secure a machine credential to facilitate token exchange to Authorisation Server.
- DSP Server to install/protect Machine credential (x509) in key store