

13 February 2026

Registry Data Policy Unit
Digital Policy and Corporations Division
The Treasury
Langton Crescent
PARKES ACT 2600

Via email: RegDataPolicy@treasury.gov.au.

Re: Registry stabilisation and uplift – draft legislation consultation

To Whom It May Concern:

The Association of Digital Service Providers Australia New Zealand (DSPANZ) welcomes the opportunity to comment on the proposed reforms to link Director Identification Numbers (Director IDs) to the ASIC Companies Register.

About DSPANZ

Digital Service Providers Australia New Zealand is the gateway for the government into the dynamic, world-class business software sector in Australia and Aotearoa New Zealand. [Our members](#) range from large, well-established companies to new and nimble innovators working at the cutting edge of business software and app development on both sides of the Tasman.

Our members include a broad range of software providers (Digital Service Providers, or DSPs) that design, build, and operate digital platforms that support company formation, corporate governance, accounting, registry compliance, Anti-Money Laundering (AML) and Know Your Customer (KYC) processes, and regulatory reporting across Australia and New Zealand. These platforms are integral to how businesses interact with government registers on a day-to-day basis.

We have consistently advocated for modern, reliable, API-enabled Australian business registers that support automation and reduce duplication for businesses. While these amendments are a step towards transforming business registers, DSPANZ recognises that the success of the proposed reforms will ultimately depend on the operational design choices that will ultimately support seamless interactions.

We recommend that the Australian Securities and Investments Commission (ASIC) continue to engage DSPs on the development and design of these amendments and business register uplifts to ensure they are workable in software solutions and deliver efficiency gains for Australian businesses.

Yours faithfully,

Signed by:
Chris Denney
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**Chris Denney,
President & Director
DSPANZ.**



General support for the policy intent

DSPANZ supports the objectives underpinning the proposed reforms. In particular, we recognise the importance of:

- Strengthening the integrity and reliability of company and director data
- Reducing the risk of fraudulent or unauthorised directorships
- Improving regulator confidence in corporate governance information
- Supporting broader “tell-us-once” and digital identity initiatives across government

The introduction of Director IDs and their systematic linkage to the Companies Register represents a significant step forward in modernising Australia’s business registry framework and aligns with international best practice.

DSPANZ notes that while the proposed legislation is generally well-structured, there are instances where the drafting could be clearer. For example, it is unclear whether companies must provide Director IDs for all directors when appointing a new director, updating a director’s details, or ceasing a directorship, or whether they should provide only the affected directors.

Material impacts for the business software industry

While we support the direction of the reform, DSPANZ recognises that the proposed design has substantial cost and complexity implications for DSPs, which should be acknowledged and carefully considered as the reforms are implemented.

1. Director IDs become a core system dependency

The proposal makes Director IDs a mandatory data element for company registration, annual review processes and director change events.

For DSPs, this represents a shift from Director IDs being an external compliance requirement to becoming a core system dependency embedded across multiple workflows. This shift will require:

- Redesigning onboarding, annual review and director appointment experiences
- Changes to data models, validation rules and user interfaces
- New exception handling for incomplete or unavailable Director ID information

These changes will involve substantial development effort, testing, and ongoing maintenance.

2. Increased complexity from a dual-registry operating model

Under the proposed framework, responsibility for Director IDs is split between:

- The Australian Business Registry Services (ABRS), which issues and maintains Director IDs, and
- ASIC, which collects, verifies, confirms, publishes and enforces Director ID linkage.

From a software perspective, this introduces operational complexity because they must manage multiple regulators. Verification failures or delays may arise from inconsistencies between ABRS and ASIC data that software providers cannot resolve directly. These issues may increase the risk of user confusion, support burden, and misattribution of system issues to software platforms rather than underlying data mismatches.

While these amendments aim to support more real-time data sharing and enable the correction or updating of information based on more reliable data, it is not sufficiently clear how this data sharing and synchronisation between ASIC and ABRS will operate in practice and whether it streamlines how directors or companies update their information in either system.

DSPANZ recommends that the explanatory materials clearly articulate how information is shared and updated between ASIC and ABRS in practice, to ensure directors and companies understand their obligations to keep information up to date and support seamless interactions in software.

The amendments should also support a “tell us once” interaction between ASIC and ABRS systems rather than unintentionally create duplicative processes for updating information. Enabling a tell us once approach would also better support the verification process and reduce the likelihood of verification failures due to data mismatches.

Integration between and synchronisation of ABRS and ASIC registries remain significant operational risks.

3. Asynchronous verification and confirmation processes

The introduction of verification and director confirmation steps means that director appointments will no longer be completed at the point of lodgement, but may remain in pending or unconfirmed states.

Software systems will need to support and clearly communicate these intermediate states to users. This adds complexity to user experience design and increases the risk that businesses may incorrectly assume compliance has been achieved when further action is still required.

4. Authentication and access model changes

The proposed framework will introduce stronger authentication requirements for users creating or modifying registry records and implement tiered access to registry information.

These changes may materially affect existing integration models used by software providers, including agent-based workflows, service accounts and automated lodgement processes. Adjusting to new authentication and access controls will require both technical changes and re-educating users.

If the policy and operating model for Director ID linking do not explicitly design for the role of agents and delegated support within end-to-end workflows, there is a risk that routine compliance interactions - such as verification delays, data mismatches and corrections - will not be practically resolvable by directors and small businesses.

These issues may increase compliance friction and support costs, lead to inconsistent outcomes across delivery channels, and unintentionally shift responsibility for resolving administrative issues onto software providers, contrary to the intended allocation of obligations.

5. Cost, liability and support implications

The introduction of stricter enforcement mechanisms, including strict liability offences and the refusal of company registrations where Director ID requirements are not met, raises compliance expectations for software-enabled processes.

As a result:

- Customers may increasingly expect software platforms to prevent non-compliance, not merely facilitate reporting.
- DSPs will need to invest in additional controls, warnings, audit trails and user guidance.
- Development, testing, customer support and professional indemnity costs are likely to increase.

These impacts are particularly significant for small and medium software providers that play a critical role in supporting small businesses.

Importance of ongoing industry collaboration

DSPANZ highlights the need for a structured, ongoing consultation and co-design program with the business software sector to inform both the technical design and the administrative operating model for Director ID linking. We strongly support including a beta-testing phase and encourage early, ongoing engagement with DSPs.

To minimise disruption and unintended consequences, we recommend:

- Early visibility of technical specifications, APIs and authentication models.
- Sufficient transition periods to allow DSPs and customers to adapt.
- Clear delineation of responsibilities between directors, companies, agents and software providers.
- Recognition of the role of software solutions in supporting compliance outcomes.

Given that the policy will be implemented almost entirely through third-party software platforms, early and detailed engagement with this sector is critical to ensuring the reforms are implementable, proportionate and aligned with the policy intent.

The proposed framework will require software providers to embed Director IDs as a mandatory element across company registration, annual review and director change processes, while also supporting asynchronous verification, dual-registry dependencies and enhanced authentication requirements.

DSPANZ is well placed to support this work by facilitating structured engagement with our members and the agent community, helping ASIC and ABRS test assumptions, identify unintended consequences early, and ensure that final design choices support the policy objectives while remaining efficient and sustainable to implement.

Education and supporting data quality

DSPANZ recognises that preparing for Director ID linking will require a significant education campaign to ensure directors and companies are aware of their new obligations, and are reminded to update their information accordingly.

For our members, the number of Director IDs recorded in software solutions is currently low. To support streamlined experiences, more widespread capture of this information will be needed.

ASIC, the ABRS, and DSPs will need to undergo data cleanups to ensure up-to-date, accurate information across these systems, reducing the likelihood of errors during the linking process.

Conclusion

DSPANZ supports the objectives of strengthening director identity integrity and improving the quality of registry data. However, achieving these outcomes will require careful management of the cost, complexity and implementation burden placed on the business software industry that underpins Australia's corporate compliance environment.

With appropriate collaboration, transparency, and phased delivery, the reforms can be implemented to enhance trust in the system while preserving innovation, competition, and accessibility in the digital software market.