



FINCONET COMMUNIQUE

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FinCoNet highlights risks to consumers from inappropriate sales incentives and increased use of online and mobile payments.

At its Annual General Meeting, hosted by the Financial Services Board of South Africa, FinCoNet members examined the negative impact inappropriate sales incentives can have on responsible lending practices. Findings from a recent survey of 23 jurisdictions highlighted a number of practices by lenders which contributed to unsuitable or irresponsible lending. FinCoNet will, over the coming months, be publishing a report based on the findings of the review, to be used as the basis for the development in 2016 of guidance on how to promote effective supervisory approaches to help address these issues.

FinCoNet members also considered the risks to consumers, including security risks, associated with the increased use of online and mobile payments by consumers. FinCoNet will be progressing work on this important topic and plans to publish a report in 2016 following the completion of review in order to help supervisory authorities in their role of protecting the interests of consumers.

At the meeting members also shared experiences on a range of consumer protection issues across countries and how supervisory authorities were dealing with those issues including, consumer over-indebtedness, transparency of disclosures by banks including fees and charges, access to basic financial services, developing a consumer focused culture, challenges of new technologies, consumer complaints and cross border co-operation.

FinCoNet has been created in response to the growing focus on financial consumer protection worldwide, with a particular reference to banking and credit, and the need for greater collaboration, interaction and sharing among supervisory authorities in order to protect the interests of consumers of financial services.

FinCoNet Members:

Australia	Indonesia	Norway
Brazil		
Canada	Ireland	Portugal
China	Japan	Saudi Arabia
	Korea	South Africa
	Luxembourg	Spain
France	Netherlands	United Kingdom

FinCoNet Observers:

Consumers International	IAIS
EU Commission	OECD

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