



## Press Release

1 December 2016

### **FinCoNet publishes Guidance to Supervisors on Sales Incentives and Responsible Lending**

- **FinCoNet finds ample evidence that poorly designed sales incentives can cause harm to consumers**
- **FinCoNet provides a practical framework for Supervisors to set standards on sales incentives**
- **Guidance covers all sales channels and internal controls, as well as sales promotions to consumers**

FinCoNet, the International Financial Consumer Protection Organisation, today [1 December] published Guidance to Supervisors on the setting of Standards in the field of Sales Incentives and Responsible Lending.

Lucie Tedesco, Chair of FinCoNet said *“FinCoNet has found ample evidence that poorly designed sales incentives can cause harm to consumers, individual firms and the financial system. Through this Guidance, FinCoNet is providing Supervisors with a comprehensive and practical framework to set standards to ensure that the best interests of consumers are protected.”*

This Guidance draws on the findings from FinCoNet’s *‘Report on Sales Incentives and Responsible Lending - a study of the impact of sales incentives on the sale of credit products’* (January 2016), and consideration of the submissions received as part of the public consultation process on this Guidance, launched in July 2016.

FinCoNet received eight responses to its public consultation, from supervisory authorities and other public bodies working in this field, consumer associations and one industry body. These submissions, along with a copy of the public consultation paper to which the submissions and the Guidance itself can be found on the [FinCoNet website](#) along with the 2016 Report.

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## **About FinCoNet**

Established in 2013, FinCoNet is a non-profit organisation of regulators and public entities with a financial market conduct and financial consumer protection supervision mandate. It was established in response to the growing focus in financial consumer protection worldwide, and the need for better coordination among supervisory bodies responsible for the oversight of the various national financial consumer protection regimes. The work of FinCoNet is currently focused on consumer credit and banking issues, aiming to strengthen consumer confidence while reducing systemic risk.

If you are interested in the work of FinCoNet or becoming a member, please contact [Sally.DAY-HANOTIAUX@oecd.org](mailto:Sally.DAY-HANOTIAUX@oecd.org).