



## PRESS RELEASE

### **FinCoNet publishes Briefing Note on *Supervisory challenges relating to the increase in digital transactions, especially payments***

The International Financial Consumer Protection Organisation (FinCoNet) published a Briefing Note on *Supervisory challenges relating to the increase in digital transactions, especially payments* (available [here](#)).

COVID-19 has accelerated the use of digital transactions, bringing both benefits and risks for consumers and supervisors. For consumers in particular, digital transactions – notwithstanding their greater convenience – are prime targets of financial scams and frauds.

This publication, produced by FinCoNet’s Standing Committee 3, explores the impact of digitalisation and the increase in digital transactions, especially payments, since COVID-19. The report identifies effective approaches that conduct supervisors employ to harness the benefits of digital transactions and mitigate the risks for consumers. In particular, it considers challenges for supervisors associated with cybersecurity risks and tackling financial scams, which increased significantly in many jurisdictions since the outbreak of the pandemic.

Ms Maria Lúcia Leitão, Chair of FinCoNet, said, “This Briefing Note builds on and expands upon important work that FinCoNet has been engaged in for several years. In 2016, FinCoNet released the report *Online and mobile payments: Supervisory challenges to mitigate security risks* and, later, in 2018, the report *Online and mobile payments: An overview of supervisory practices to mitigate security risks*. Now, more than ever, supervisors should keep vigilant and adjust their supervisory approaches to mitigate the risks resulting from the unprecedented increase in the adoption of digital payment services. This compelled FinCoNet to revisit these topics, reflecting on how market and supervisory practices have evolved since our earlier work.”

Ms Magda Bianco, Chair of FinCoNet Standing Committee 3, said, “During lockdowns and periods of enforced social distancing, we saw how consumers leveraged digital payments to manage their finances. This has led to sustained behaviour change and consumer preferences in many markets, with significant implications for market conduct supervisors. Building on the previous work of FinCoNet, Standing Committee 3 has produced a valuable publication synthesising perspectives of 20 financial sector authorities from 19 jurisdictions around the globe.”

### **Notes for Editors**

1. FinCoNet was formally established in 2013 as a new international organisation of financial consumer protection supervisory authorities. The goal of FinCoNet is to promote sound market conduct and enhance financial consumer protection through efficient and effective financial market conduct supervision, with a focus on banking and credit.
2. Members of FinCoNet are public entities that have a financial market conduct and financial consumer protection supervision mandate.
3. For more information about the work of FinCoNet or becoming a Member, please contact [Sally.DAY-HANOTIAUX@oecd.org](mailto:Sally.DAY-HANOTIAUX@oecd.org) at the Secretariat.