



# FinCoNet

INTERNATIONAL FINANCIAL CONSUMER  
PROTECTION ORGANISATION

## FinCoNet Annual Report 2022 & 2022 Financial Statements

*Table of Contents*

**Foreword ..... 3**

**Report from the Chair of FinCoNet ..... 4**

**Report of the FinCoNet Governing Council ..... 8**

**Report of the Secretariat ..... 15**

**Members, Associate Members and Observers 2022..... 20**

**Report of the Treasurer ..... 22**

**FinCoNet Audited Financial Statements 2022..... 24**

## Foreword

The International Financial Consumer Protection Organisation (FinCoNet) was created in 2013 in response to the growing focus on financial consumer protection worldwide, and the need for better interaction, sharing and collaboration among supervisory bodies responsible for the oversight of the various national financial consumer protection regimes.

FinCoNet is an international organisation of supervisory authorities that have responsibility for financial consumer protection. It is a Member-based organisation and has been set up as a not-for-profit association under French law.

FinCoNet replaces the informal network of supervisory authorities which has existed since 2003, and will continue to build on its work, while advancing the G20's financial consumer protection agenda. It provides a forum for research and the exchange of information and best practices related to market conduct supervision and consumer protection issues with a focus on consumer credit and banking.



*Maria Lúcia Leitão*  
*Chair of FinCoNet*

## Report from the Chair

It is my great pleasure to present the FinCoNet Annual Report of 2022. This report highlights the achievements and work undertaken by FinCoNet over the course of the year, to promote sound market conduct and financial consumer protection through efficient and effective market conduct supervision.

I would also like to note that the end of the 2022 year also marks the end of my time as FinCoNet Chair. It has been a great privilege to have served FinCoNet in this role since 2019, and as the Vice Chair before that. I am very pleased to be part of FinCoNet, as a founding Member, since its establishment as an international organisation at the 2013 AGM, and even before that, since 2007, when it was an informal network of supervisory authorities. I am grateful to have worked alongside the Vice Chair, Mr. Chris Green, Governing Council Members, FinCoNet Members, Associates and Observers and the FinCoNet Secretariat over the years.

With the current challenges arising from inflation, interest rates, geopolitical tensions and the lingering effects of the pandemic, financial markets and consumers are experiencing unsettling times, which requires FinCoNet to continue to be extremely vigilant and responsive. The benefits of cooperation and coordinated supervisory responses during times of crisis, supported by organisations such as FinCoNet, became clear throughout the last few years while addressing the impacts of the COVID-19 pandemic. FinCoNet is well placed to provide support to its Members given the strength of collaboration and information sharing on sound market conduct practices.

It is important to take and build on the lessons from the COVID-19 pandemic in order to better prepare supervisors to handle more swiftly and effectively any future adversities that may harm financial consumers. For example, integrating quick and flexible vulnerability and financial hardship arrangements into financial consumer protection frameworks will support financial resilience and longer-term recovery as well as prepare jurisdictions for future crisis.

FinCoNet has supported supervisors and contributed to global dialogue by holding two exceptional meetings and an International Seminar to promote and facilitate the sharing of experiences, challenges and responses. Regulators and supervisors must be vigilant in order to keep up with the changing economic conditions and adequately respond to the challenges ahead.

At an organisational level, I am delighted to report that in the past three years we have welcomed the following new Members: Central Bank of Mozambique, Bank Indonesia, the Central Bank of the United Arab Emirates, the Financial Services Regulatory Authority of Ontario, the Financial Markets Authority of New Zealand, the Central Bank of Egypt and the Hong Kong Monetary Authority. We have also welcomed the Bangko Sentral Ng Pilipinas of the Philippines as an Associate Member. FinCoNet membership has grown considerably during my time as Chair. Today, FinCoNet has 32 Members and one Associate Member from 29 jurisdictions from all over the world, as well as its renowned Observers.

Throughout 2022, FinCoNet continued the important work carried out in 2021 against the Programme of Work 2021/22, which was established to balance standard issues with COVID-19 driven concerns. Market conduct supervisors particularly focused on the challenges related to the increase in digital transactions boosted by the pandemic, on how supervisors adapted their approaches in response to the challenges posed by the pandemic, and on the supervisory approaches regarding the prevention and management of arrears.

During 2022, we published a briefing note detailing *Supervisory challenges relating to the increase in digital transactions (especially payments)* which provides insights into the governance, legal and regulatory frameworks concerning digital payments; the monitoring, oversight and response to security incidents, scams and frauds; and market conduct supervision tools and consumer awareness interventions.

In the coming months, FinCoNet is expected to produce two publications. The first examines *Supervisory approaches regarding the prevention and management of arrears with a special focus on exit strategies from payment holidays*. A fundamental aspect of financial consumer protection, specifically relating to credit and banking, is considering how financial firms prevent and manage arrears. This is particularly relevant given the current context, in which many consumers have recently exited payment holidays and are facing a sudden rise in inflation and living expenses. Examining the management and prevention of arrears is of utmost importance to supervisors globally.

The second publication discusses *Oversight challenges and evolution in approaches for conduct supervisors in the context of COVID-19, including use of SupTech oversight tools* which focuses on the influence of remote work on internal processes of supervisors, the reasons why SupTech tools proved effective in the context of COVID-19 and which changes will be carried on post-pandemic.

FinCoNet has advanced work on the topic of *Mortgage Distribution – sales incentives, consumer outcomes and supervisory approaches*, examining sales incentives and conflicting remuneration practices in mortgage distribution including consumer risks/benefits and relevant supervisory approaches. Key considerations will also include product bundling and the responsibilities of the product issuer. This work builds on FinCoNet's published *Report on financial product governance and culture*. Selling practices of consumer credit and banking products is a key element in the area of supervision of financial product governance.

I am very grateful to the Chairs and Members of all our Standing Committees for the time and effort they so generously invested in developing these reports and workstreams. FinCoNet's activities for this year are covered in more detail in later sections of this Annual Report.

Looking back over the last three years, FinCoNet has built an impressive body of work of research and best practices in the field of market conduct supervision addressing topics such as creditworthiness assessments, SupTech, financial product governance, digital transactions especially payments, and financial advertising.

We have been capable of producing relevant deliverables. In 2020, we published the reports on "SupTech Tools for Market Conduct Supervisors" and on "Financial Advertising and Consumer Protection: Supervisory Challenges and Approaches". We have also published a report regarding our International

Seminar on “Creditworthiness assessments: current issues and challenges”. In March 2021, we published the report of the joint G20/OECD Task Force on Financial Consumer Protection and FinCoNet International Seminar on “Performance-based Regulation & Financial Consumer Protection”. During 2021, we managed to publish the reports on “Financial Product Governance and Culture” and on “Supervisory approaches to consumers’ creditworthiness assessments”. Finally, in November 2021, we published a Report regarding the International Seminar on “Market Conduct Supervisors Responding to the Impacts of the COVID-19 Pandemic”.

We have also strengthened cooperation with our Observers, namely by participating in peer-reviewing exercises, sharing experiences and approaches in seminars and conferences.

Recognising that contributing to a complete financial consumer protection framework takes time and effort from supervisory authorities, it is not our intention to call on for quick-fix approaches that can be implemented overnight. In fact, we are very much aware that it is a long journey, not a race.

FinCoNet Members have continued to share developments and experiences relating to supervisory activities, new products or initiatives by contributing to the FinCoNet Newsletter, which is published quarterly by the Secretariat. It keeps Members up to date with important news and events. I would like to thank and acknowledge the jurisdictions who have contributed in 2022. The Newsletter has featured articles from ASIC, Australia, OJK, Indonesia, the Central Bank of Ireland, the Financial Services Agency of Japan, the Financial Markets Authority of New Zealand, Banco de Portugal, Banco de España, the Financial Conduct Authority of the United Kingdom, CGAP and the Secretariat.

Throughout the year, I have promoted FinCoNet at relevant international events such as the Bank Indonesia Institute’s International Flagship Webinar, “New Era for Consumer Protection: Use of Digital Innovation” and the 2022 Fair Digital Finance Forum, hosted by Consumers International, in the session “Mobile money: innovations & inclusion”. I presented findings of FinCoNet’s work relating to *Market Conduct Supervision and The Role of SupTech for Financial Consumer Protection: Framework and Implementation Roadmap*. I have also represented FinCoNet in the peer review of the Guidance Note, “*An Introduction to Developing a Risk-Based Approach to Financial Consumer Protection Supervision*”, developed by the World Bank.

We were delighted to welcome Members, Associates, Observers and guest observers to the 2022 Annual General Meeting (AGM) in Lisbon, Portugal hosted by the Banco de Portugal. This marked the first in-person FinCoNet meeting since 2019, and it was a particular pleasure to welcome Members back to the Banco de Portugal, which first hosted the AGM in 2013. Attendees noted updates from the G20, G20/OECD Task Force on Financial Consumer Protection, OECD/INFE as well as the Chairs of the FinCoNet Standing Committees. Attendees also participated in a roundtable discussion on the latest trends, issues and challenges relating to market conduct supervision. The Secretariat presented the Programme of Work outlining the key priorities and proposed outputs for 2023/24. Further, attendees participated in a workshop examining consumer credit trends relating to new forms of credit or credit-like products such as Buy Now, Pay Later or wage advance payments (“earned wage access”) and the related challenges for market conduct supervisors.

Following the AGM, FinCoNet held an International Seminar on *Market Conduct Supervision: Reviewing the fundamentals and facing the challenges ahead*. Attendees heard from experts in this area, across two panel sessions followed by an engaging Q&A.

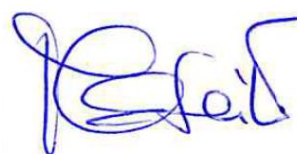
I would like to extend my sincere thanks to the Members of the FinCoNet Governing Council, which is responsible for the governance of the organisation. I would like to recognise their significant efforts in the running of FinCoNet, particularly through 2022 which included the renewal of the OECD-FinCoNet Partnership Agreement, revision of the grant to the OECD and the FinCoNet Membership fees. Further,

five Governing Council Memberships were due for re-election in 2022. Following a call for nominations, the Banco de Portugal, Banco de España, Bank of Italy, Central Bank of Brazil and the Financial Services Agency of Japan were re-nominated for a further three-year term. It is a pleasure to work with a group of colleagues dedicated to promoting effective supervisory standards and practices around the world through FinCoNet.

I would like to give my thanks and gratitude to Fernando Tejada, as Treasurer, whose work and commitment have been essential during my time as Chair of FinCoNet. I would further like to express my sincere gratitude to the OECD Secretariat for all their support during this year and the years before. The OECD Secretariat is responsible for keeping all of us connected and engaged with the organisation. This has never been more important than in the last few years.

I would also like to acknowledge the importance of the support and dedication of Chris Green in his tenure as Vice-Chair and soon to be Chair of FinCoNet. I am very thankful to have worked with Chris over the years and appreciate his assistance in promoting and fulfilling FinCoNet's mandate in what has been a challenging environment over the past few years. I wish Chris well in his position of Chair and I commend his strong leadership and commitment to FinCoNet. I also wish Juliana Sandri, the new Vice-Chair of FinCoNet, all the best and I have upmost confidence FinCoNet will prosper under this new leadership structure.

As I step down from the role of Chair, I am pleased to report that FinCoNet continues to further its objectives to foster interaction, sharing and collaborating among supervisory bodies responsible for the oversight of the various national financial consumer protection regimes. I would like to sincerely thank all the Members, Associates, Observers and the Secretariat of FinCoNet for their continued dedication and support to the important work of the organisation. I look forward to watching FinCoNet continue to go from strength to strength and wish all Members the very best for the future.



***Maria Lúcia Leitão***  
***Chair, FinCoNet***

## Report of the FinCoNet Governing Council

The Governing Council is responsible for leading and organising the work of FinCoNet. There are currently ten Members on the Governing Council.

The Governing Council continued to set the strategic priorities of the organisation, in line with common supervision and market conduct issues and challenges for financial consumer protection supervisors worldwide including, in 2022, continuing to respond to the lasting effects of the COVID-19 pandemic, war and a cost-of-living crisis. The Governing Council oversees the work of the Standing Committees, comprising FinCoNet Members and supported by the Secretariat, which undertake detailed work on FinCoNet priorities. The aim is to research different issues and challenges, share information and identify practices or practical approaches which are effective in addressing market conduct issues. Among other things, the Governing Council focussed on developing practical resources for Members to assist them in their supervisory work, and progressing the work of the Standing Committees, as set out below, as well as supporting communications with FinCoNet Members and outreach to other bodies and potential new Members.

In 2022, five Governing Council Memberships were due for re-election. Following a call for nominations, the following five Members of the FinCoNet Governing Council were re-nominated for a further three-year term at the FinCoNet Annual General meeting (Members-only session) held on 21 November 2022:

- Banco de Portugal (Central Bank of Portugal) – Maria Lucia Leitão, Head of Banking Conduct Supervision Department
- Banco de España (Central Bank of Spain) – Fernando Tejada, Director of the Institutions' Conduct Department
- Bank of Italy – Magda Bianco, Consumer Protection and Financial Education Department
- Central Bank of Brazil – Juliana Sandri, Head of Conduct Supervision
- Financial Services Agency, Japan – Yuji Yamashita, Deputy Commissioner for International Affairs

### Members of the Governing Council, 2022:

Jurisdiction	Organisation	Name
Australia	Australian Securities and Investments Commission	Christopher Green
Brazil	Central Bank of Brazil	Juliana Sandri
Canada	Financial Consumer Agency Canada	Teresa Frick



Indonesia	Financial Services Authority	Friderica Widyasari
Ireland	Central Bank of Ireland	Colm Kincaid
Italy	Bank of Italy	Magda Bianco
Japan	Financial Services Agency	Yuji Yamashita
Portugal	Banco de Portugal (Central Bank of Portugal)	Maria Lucia Leitão
South Africa	Financial Sector Conduct Authority	Farzana Badat
Spain	Banco de España (Central Bank of Spain)	Fernando Tejada

#### **The ongoing—but diminishing—effects of COVID-19**

While COVID-19 is no longer the “crisis” it once was, it continues to create uncertainty throughout society and the economy in this fourth year since the outbreak of the global pandemic. To varying extents in different regions, financial consumers continued to feel the effects of the crisis in 2022, whether borrowers, savers, users of payment services, insurance policy holders, retail investors or pension fund members. As outlined in its Programme of Work for 2021/22, several of FinCoNet’s key workstreams touched upon the effects of COVID-19 on financial consumers and market conduct supervisors.

Throughout 2022, COVID-19 continued to affect operations across the globe – and within the authorities of FinCoNet Members in particular. Nonetheless, disruptions and travel restrictions eased over the course of the year, which for FinCoNet meant returning to an in-person AGM for the first time since 2019.

#### **Progress against Programme of Work and other activities**

During 2022, FinCoNet progressed the Programme of Work 2021-22, as agreed at the 2020 AGM, with a large focus on the impact of COVID-19 on market conduct supervisors, in particular on the challenges related to the increase in digital transactions that accompanied the pandemic, and on how supervisors adapted their approaches in response to the challenges posed by the pandemic. In summary, the Governing Council worked to progress a wide range of key issues and work streams including:

Activity	Progress Achieved
<p><b>Standing Committee 2: Supervisory approaches regarding the prevention and management of arrears with a special focus on exit strategies from payment holidays</b></p>	<p>Standing Committee 2 (SC2) is led by the Banco de Portugal.</p> <p>At the end of 2021, SC2 published a Report outlining the findings from its workstream on – <i>Supervisory approaches to consumers’ creditworthiness assessments</i>. Further, the International Seminar held as part of the 2021 AGM programme facilitated a session on the topic of <i>credit moratoria and the management of pre-arrears and arrears</i> and provided an opportunity to elevate the ongoing work of SC2 in this space.</p> <p>During the course of 2022 SC2 turned to its next workstream looking at <i>Supervisory approaches regarding the prevention and management of arrears with a special focus on exit strategies from payment holidays</i>.</p> <p>SC2 developed a <i>Questionnaire on exit strategies from payment holidays: Supervisory approaches and challenges regarding the management of pre-arrears and arrears</i> which was distributed to FinCoNet Members in February 2022. Responses were received until April 2022. The questionnaire was distributed to jurisdictions and representative bodies, including FinCoNet members and observers. A total of 21 participating jurisdictions provided responses to the questionnaire.</p> <p>Throughout 2022, SC2 has been working to draft a Report. This Report is intended to provide an overview of the supervisory challenges and approaches followed by market conduct supervisors regarding the prevention and management of arrears on credit agreements concluded with consumers.</p> <p>The Report provides a general overview of the regulatory frameworks supporting the prevention and management of arrears, including the rules and/or principles in place in each jurisdiction, the approaches to debt advice and the role of supervisory authorities in this context. Secondly, the Report focuses on the exit strategies from credit moratoria implemented by responding jurisdictions, describing the temporary measures adopted to mitigate the impact of the end of credit moratoria on borrowers.</p> <p>SC2 is aiming to publish the Report by the end of 2022.</p>
<p><b>Standing Committee 3: Supervisory challenges relating to the increase in digital transactions (especially payments)</b></p>	<p>Standing Committee 3 (SC3) is led by the Bank of Italy.</p> <p>As part of the FinCoNet Programme of Work 2021/22 (approved at the FinCoNet AGM 2020), FinCoNet decided to reactivate SC3, which had previously produced the reports <i>Online and Mobile Payments: Supervisory Challenges to Mitigate Security Risks</i> and <i>Online and Mobile Payments: An Overview of Supervisory Practices to Mitigate Security Risks</i>, given the importance of this topic in light of the COVID-19 pandemic.</p> <p>During the course of 2021, SC3 examined how market conduct supervisors responded to the increase in digital transactions (especially payments) that had occurred in many jurisdictions in response to the COVID-19 pandemic. To this end, and with assistance from the Secretariat, the Standing Committee developed and fielded a survey to better understand the governance and legal and regulatory framework concerning digital payments; the monitoring, oversight and response to security incidents, scams and frauds; and market conduct supervision tools and consumer awareness interventions. SC3 Members drafted a Briefing Note on Supervisory challenges relating to the increase in digital transactions, especially payments based on 20 responses to the survey, which was published in May 2022.</p> <p>Following the publication of the first report, SC3 decided to commence work on a follow-up report on the topic of market conduct supervisory implications of non-traditional financial entities/new players/new entrants (e.g., BigTech, Fintech entities) offering financial services, especially payments. SC3 worked on the questionnaire in Q3 and Q4 of 2022 and launched the questionnaire in October 2022. SC3 aims to publish the final report in 2023.</p>

<p><b>Standing Committee 4: Oversight challenges and evolution in approaches for conduct supervisors in the context of COVID-19, including use of SupTech oversight tools</b></p>	<p>Standing Committee 4 (SC4) is chaired by the Financial Consumer Agency of Canada.</p> <p>During the course of 2022, SC4 continued its focus on SupTech, which is an important and growing area of interest for conduct supervisors given its potential to assist them in their role particularly in an increasingly digital operating environment, accelerated by the impacts of the COVID-19 pandemic.</p> <p>Building on the work carried out in 2020, SC4 developed and distributed a survey on oversight challenges and evolution in approaches for conduct supervisors in the context of COVID-19, including the use of SupTech oversight tools. The survey examines the supervisory issues related to the impact of the COVID-19 pandemic on conduct supervisors. Eighteen authorities submitted responses to the survey. Members of SC4 began drafting a report based on responses to the survey. The final report is expected to be published in the first quarter of 2023.</p>
<p><b>Standing Committee 6: Product Governance and Culture / Selling practices of credit and banking products</b></p>	<p>Standing Committee 6 (SC6) is led by the Australian Securities and Investments Commission.</p> <p>At the end of 2021, SC6 in collaboration with the G20/OECD Task Force on Financial Consumer Protection, published a Report on Financial Product Governance and Culture and Literature review exploring the various approaches to financial product governance and the link to firm culture. The report is based on 29 survey responses collected from 25 participating jurisdictions and provides information on policy development in this area, the use of product governance tools by supervisors and the importance of firm culture to motivate consumer focused outcomes. The report includes examples and case studies to illustrate various approaches outlined in the report.</p> <p>SC6 has now moved to their next workstream examining <i>Mortgage Distribution – sales incentives, consumer outcomes and supervisory approaches</i>. Building on SC6’s work on financial product governance and culture, SC6 has examined the selling practices of home loans and mortgages, including incentives and what effect selling practices have on consumer outcomes. Selling practices for consumer credit and banking products is a key element in the area of the supervision of financial product governance.</p> <p>SC6 developed a survey examining mortgage distribution and the impact of incentives by comparing direct and in-direct distribution methods, including risks and benefits to consumer outcomes and relevant supervisory approaches.</p> <p>The Survey on mortgage distribution and incentives consisted of four parts. Each part addressing an aspect of mortgage distribution, seeking responses on practices in each jurisdiction, consumer risks and benefits, the impact on consumer outcomes, supervisory approaches and any existing studies or data available on this topic. The four areas included:</p> <ul style="list-style-type: none"> <li>• direct and in-direct distribution channels,</li> <li>• sales incentives and the impact on consumer outcomes,</li> <li>• bundled or tied products sold with mortgages, and</li> <li>• mortgage distribution through digital channels.</li> </ul> <p>SC6 received 17 responses in total and has been working to analyse this data and develop a draft Report.</p> <p>SC6 is aiming to publish a Report during 2023.</p>
<p><b>Governing Council Meetings</b></p>	<p>Seven meetings of the Governing Council were held in 2022, on 9 February, 16 March, 14 April, 18 May, 6 July, 26 September and 22 November.</p>
<p><b>Joint G20/OECD Task Force on Financial Consumer Protection &amp; FinCoNet Meeting – March 2022</b></p>	<p>On 28-29 March 2022, FinCoNet held a joint meeting with the G20/OECD Task Force on Financial Consumer Protection. The Meeting, which was held virtually due to travel restrictions, featured the following items:</p> <ul style="list-style-type: none"> <li>• Updates on the Review of the G20/OECD High-Level Principles on Financial Consumer Protection</li> </ul>

	<ul style="list-style-type: none"> <li>• Updates on the OECD’s risk dashboard project and proposed Consumer Finance Risk Outlook report</li> <li>• Roundtable discussion on digitalisation: AI and financial consumer protection</li> <li>• Updates from FinCoNet’s Standing Committees on their respective workstreams</li> <li>• Forward-looking discussion on FinCoNet’s Programme of Work 2023/24</li> </ul>
<p><b>Joint G20/OECD Task Force on Financial Consumer Protection and FinCoNet International Seminar on International Seminar on Sustainable Finance through a Financial Consumer Protection Lens</b></p>	<p>In March 2022, an International Seminar was held jointly by FinCoNet and the G20/OECD Task Force on Financial Consumer Protection on the topic of Sustainable Finance through a Financial Consumer Protection Lens. The Seminar aimed to explore the trends, opportunities and risks to financial consumers relating to Sustainable Finance, as well as policy, regulatory and supervisory developments and approaches in terms of financial consumer protection and market conduct supervision.</p> <p>The Seminar began with the following two presentations.</p> <p><i>Overview of issues for the financial sector and international developments</i></p> <ul style="list-style-type: none"> <li>• Robert Patalano, Head of Financial Markets Division, OECD</li> </ul> <p><i>Opportunities, responsibilities and risks for financial consumers</i></p> <ul style="list-style-type: none"> <li>• Bryan Coughlan, Sustainable Finance Officer, The European Consumer Organisation (BEUC)</li> </ul> <p>Flore-Anne Messy of the OECD Secretariat moderated a panel discussion with the following speakers:</p> <ul style="list-style-type: none"> <li>• Mark Manning, Technical Specialist, Environmental, Social and Governance Policy, Financial Conduct Authority, United Kingdom</li> <li>• Yuji Yamashita, Deputy Commissioner for International Affairs, Financial Services Agency, Japan.</li> <li>• Bénédicte Van Ormelingen, Legal and Policy Officer, Consumer Policy Unit &amp; Silvia De Iacovo, Policy Assistant, Financial Stability, Financial Services and Capital Markets, European Commission.</li> </ul> <p>The <a href="#">summary report</a> of the International Seminar was published on FinCoNet’s website.</p>
<p><b>FinCoNet Annual General Meeting – November 2022</b></p>	<p>In 2022, the Annual General Meeting took place in Lisbon, Portugal on 21-22 November 2022. The event was hosted by the Banco de Portugal in a hybrid format, meaning that FinCoNet Members unable to travel to Lisbon were able to attend virtually, via Zoom. This marked the first time since 2019 that FinCoNet was able to hold its AGM in-person, providing a long-awaited opportunity for Members to reconnect and network.</p> <p>The AGM provided an opportunity for the Standing Committee Chairs and FinCoNet Members to share their experiences and any relevant news. The FinCoNet Member Roundtable topics selected for 2022 included:</p> <ul style="list-style-type: none"> <li>• Latest opportunities and challenges arising from the digitalisation of financial services for market conduct supervisors</li> <li>• Developments regarding the use of oversight tools</li> <li>• Supervisory approaches relating to credit</li> </ul> <p>The AGM also featured a Workshop on the topic of novel forms of consumer credit. The Workshop allows a deep dive into a specific issue of interest to FinCoNet Members. It provides an opportunity for Members to discuss openly, share—in a candid setting—their experiences and challenges and learn about effective approaches, lessons learnt etc.</p>
<p><b>FinCoNet International Seminar on Market Conduct Supervision: reviewing the</b></p>	<p>On 23 November 2022, FinCoNet held an International Seminar back-to-back with the AGM. The international Seminar focussed on Market Conduct Supervision: reviewing the fundamentals and challenges ahead.</p>

<p><b>fundamentals and challenges ahead</b></p>	<p>Session 1 reviewed the fundamental elements of what makes an effective and efficient market conduct supervisor, including the capabilities required and range of tools that can be deployed. Panellists included:</p> <ul style="list-style-type: none"> <li>• Sergio Mesquita, Senior Financial Sector Specialist, Financial Inclusion, Infrastructure and Access and Aute Kasdorp, Senior Supervision Consultant, The World Bank</li> <li>• Colm Kincaid, Director of Consumer Protection, Central Bank of Ireland</li> <li>• Anatol Monid, Senior Director, Programs, The Toronto Centre</li> <li>• Charina De Vera-Yap, Director, Consumer Protection and Market Conduct Office, Bangko Sentral ng Pilipinas</li> </ul> <p>Session 2 discussed market conduct supervision in the modern world – the challenges facing market conduct supervisors now and looking ahead. Panellists included:</p> <ul style="list-style-type: none"> <li>• Vincenza Marzovillo, Co-Chair of the Standing Committee on Consumer Protection and Financial Innovation</li> <li>• Juan Carlos Izaguirre, Senior Financial Sector Specialist, Consultative Group to Assist the Poor (CGAP)</li> <li>• Sheila Senfuma Nakanyike, Head of Programme, Digital Finance, Consumers International</li> <li>• Patricia Guerra, Head of Unit in the Regulation, Legal Affairs and Complaints Division, Banco de Portugal</li> </ul>
<p><b>Develop Programme of Work for 2023/24</b></p>	<p>The Governing Council has played a key role in the development of FinCoNet’s Programme of Work for 2023/24. In April 2022, the GC reviewed and provided feedback on a consultation document developed by the Secretariat. In May 2022, the Secretariat shared the consultation document with FinCoNet Members, and on 6 July 2022 presented the results of the consultation to the GC. Following the GC’s feedback on the results of the consultation, the Secretariat drafted the Programme of Work and shared the document with the GC at their September meeting. The GC provided final feedback on the document, which was presented to all FinCoNet Members at the AGM in November.</p>
<p><b>Outreach and other initiatives to increase the visibility of FinCoNet</b></p>	<p>The experience of the global pandemic has demonstrated the value of international coordination and cooperation, including the role of FinCoNet. A number of organisations with interest in potentially joining FinCoNet were provided with information on FinCoNet and invited to attend the AGM Open Meeting and International Seminar as guest Observers. The Secretariat followed up and liaised closely with all potential new Members. From these and other activities, a number of organisations were welcomed to FinCoNet during 2022 namely the Hong Kong Monetary Authority and the Central Bank of Egypt as Members and the Bangko Sentral Ng Pilipinas of the Philippines as an Associate Member.</p> <p>Members of the FinCoNet Governing Council also attended meetings throughout 2022 on behalf of FinCoNet to increase the visibility of the organisation and the work undertaken. For example, members of the Governing Council participated in a peer review of a Guidance Note, ‘An Introduction to Developing a Risk-Based Approach to Financial Consumer Protection Supervision’, developed by the World Bank, and the FinCoNet Chair represented FinCoNet at the Review Meeting as part of the World Bank’s publication approval process.</p> <p>On 15 March 2022, the Chair participated in the session ‘Mobile money: innovations &amp; inclusion’ during the 2022 Fair Digital Finance Forum, hosted by Consumers International. From that moment onwards, there was a stronger direct collaboration with Consumers International.</p> <p>The FinCoNet Vice Chair also participated in the Central Bank of Nigeria’s Consumer Protection Department retreat, on 16 June 2022. The Vice Chair presented on the topic of “Consumer Protection Risk-Based Supervision: Vision, challenges, and opportunities relating to digital financial services” and participated in the panel discussion.</p>
<p><b>Website improvements</b></p>	<p>The website was updated during the course of 2022 with information for FinCoNet Members and stakeholders more broadly. The Members-only ONE Community, was also updated regularly and progress was made in encouraging FinCoNet Members to use this site.</p>

<p><b>Develop and publish Newsletter</b></p>	<p>Four editions of the Newsletter were published over the course of 2022, featuring contributions from ASIC, Australia, OJK, Indonesia, the Central Bank of Ireland, the Financial Services Agency of Japan, the Financial Markets Authority of New Zealand, Banco de Portugal, Banco de España, and the Financial Conduct Authority of the United Kingdom. The Newsletter has also included contributions from CGAP and the Secretariat.</p> <p>The Newsletter was also distributed via email to organisations that are eligible to apply for membership and have requested to know more about FinCoNet, and in particular the work of the Standing Committees.</p>
<p><b>Renewal of OECD-FinCoNet Partnership Agreement</b></p>	<p>The GC supported the renewal of the OECD-FinCoNet Partnership Agreement, which included reviewing the text of the agreement, suggesting updates and liaising with the Secretariat.</p>
<p><b>Increase in grant to OECD and membership fees</b></p>	<p>After considering several options and reviewing the financial implications, the GC agreed at its 6 July 2022 meeting to increase the grant provided to the OECD for Secretariat services. Specifically, the GC agreed to increase the grant by 15% in 2023, with an annual indexation of 5% from 2024.</p> <p>In parallel, the GC considered various scenarios setting out how FinCoNet could fund the grant increase, drawing from reserves and/or increasing membership fees. The GC reached a consensus position in favour of increasing the FinCoNet Membership fees by 20% with effect from 2024. The Governing Council generally favoured freezing annual membership fees for authorities in low-income jurisdictions.</p>



*Flore-Anne Messy*  
*Head of the FinCoNet Secretariat, OECD*

## Report of the Secretariat

The Organisation for Economic Cooperation and Development (OECD) serves as the FinCoNet Secretariat and provided a wide range of administrative, analytical and logistical support to FinCoNet during the year.

### Main Activities During 2022

#### *Supporting the Membership*

Throughout the year, the Secretariat provided support and assistance to the FinCoNet Membership including in terms of meetings, member communications, providing assistance on the programme of work and outreach activities. In particular, the Secretariat provided support and advice to the FinCoNet Chair, Vice-Chair, the Governing Council as well as the Standing Committee Chairs and team Members.

The Secretariat provided ongoing technical support to the Standing Committees in order to progress their workstreams, including advising on issues relating to the scope and direction of the workstream, assisting with the design and programming of data collection instruments, communicating data collection exercises across the broader Membership and other interested organisations, assisting with collating and analysing responses received and reviewing and publishing papers and reports.

More specifically, during 2022 the Secretariat has supported:

- SC2 to continue to develop and finalise their Report by including comments and inputs from the SC2 Members as well as the broader FinCoNet Membership.
- SC3 to finalise and publish their Briefing Note in May 2022, and develop and program a follow-up questionnaire, which was subsequently disseminated and analysed.

- SC4 to continue work on editing and finalising their Report, disseminating the draft to SC4 Members as well as the broader FinCoNet Membership.
- SC6 to begin their new workstream, including facilitating SC meetings to discuss the new topic and objectives for the project as well as assisting with the drafting of the scoping document, project plan and questionnaire.

### ***Membership & Outreach***

In addition to supporting the existing Members, the Secretariat continued to work with the Chair, Vice-Chair and the Governing Council on outreach activities and liaising with interested jurisdictions about joining FinCoNet. These activities included contacting, communicating and following up with potential new Members. The Secretariat also updated the Information Brochure for organisations interested in learning more about FinCoNet.

During the course of the year, the Secretariat facilitated the new Membership of the Central Bank of Egypt and the Hong Kong Monetary Authority in July 2022. FinCoNet also welcomed the Bangko Sentral Ng Pilipinas of the Philippines as an Associate Member from 1 January 2022. The Secretariat organised meetings for new Members to strengthen colleague connections, provide more detailed information about FinCoNet's work and to answer any questions.

Over the course of 2022, the Secretariat continued to make contact with supervisory organisations in countries around the world that might be interested in joining FinCoNet, both to benefit from being a member of the global community of market conduct supervisors and to benefit the organisation by their contribution. The Secretariat is liaising closely with these and other organisations to explain the process for joining and the role and expectations of FinCoNet Members. The Secretariat also invited eight non-member organisations to attend the November AGM as guest observers.

The Secretariat was invited to speak at the APEC Webinar on Strategies and Initiatives on Digital Financial Inclusion on 25-27 July 2022 to provide perspectives on synergies with international organisations. The Secretariat provided a presentation, which included details of the benefits of becoming a FinCoNet Member and how to join FinCoNet.

As COVID-19 continued to create uncertainty in many jurisdictions and for many FinCoNet Members, the Secretariat displayed the necessary flexibility, organising a fully virtual meeting in March and a hybrid AGM in November.

### ***Coordinating meetings***

The Secretariat made preparations for a Joint Meeting of FinCoNet and the Task Force, held on 28-29 March 2022, hosted by the Secretariat in a virtual format, via Zoom. Due to ongoing COVID-19 associated travel restrictions in place at that time, it was not possible for these meetings to be held in person.

The Secretariat drafted, published and distributed all meeting documents. The Secretariat also organised the International Seminar on Sustainable Finance through a Financial Consumer Protection Lens on 30 March 2022, held jointly with the G20/OECD Task Force on Financial Consumer Protection. Preparations for the Joint Meeting and Seminar included identifying and coordinating with speakers and panellists and managing all logistics and the content of the events.



The FinCoNet 2022 Annual General Meeting and International Seminar was hosted by Banco de Portugal in Lisbon, Portugal on 21-23 November 2022. The decision was made to hold the AGM and International Seminar in a hybrid format in case of any ongoing travel restrictions, therefore allowing Members unable to travel to Lisbon to attend virtually via video conference. Promotion of the AGM, and the accompanying International Seminar helped to ensure the participation from the full Membership base of FinCoNet and was used as an opportunity to include potential new Members invited as guest Observers. The Secretariat worked closely with the Chair, Vice-Chair and Governing Council on all aspects of the AGM. This included identifying topics for the FinCoNet Member Roundtable session to give FinCoNet Members the opportunity to share their experiences, insights and also to raise questions about challenges they are dealing with in carrying out their market conduct supervisory activities.

Back-to-back with the FinCoNet AGM, the Secretariat worked with the Chair, Vice-Chair, and Governing Council to organise an International Seminar focused on *Market Conduct Supervision: reviewing the fundamentals and challenges ahead*. The Secretariat coordinated with the Seminar presenters on all aspects of the logistics and the content of the Seminar to ensure a productive event.

In addition to these meetings, the Secretariat coordinated and provided administrative support for the meetings of the FinCoNet Standing Committees and Governing Council meetings as well as many other bilateral meetings and ad hoc and that took place via video conference.

### ***Governance, administration and communication***

In 2022, the Secretariat facilitated the nomination process for a new Chair of the organisation, following the resignation of the previous Chair, Maria Lúcia Leitão, Head of Banking Conduct Supervision at the Banco de Portugal. A call for expressions of interest was distributed to the membership. The Secretariat organised the confirmation of the nomination of the new Chair, Chris Green, Group Senior Manager – Credit at the Australian Securities and Investments Commission at the AGM 2022.

The Secretariat also organised the nomination and confirmation of the new Vice Chair of FinCoNet, Juliana Sandri, Head of Conduct Supervision at the Central Bank of Brazil, at the Governing Council meeting in November 2022.

The Secretariat also organised the nomination and renewal of the mandates of the following Governing Council Members: Banco de Portugal, Bank of Spain, Central Bank of Brazil, Bank of Italy and the Financial Services Agency of Japan. Communication and record keeping in relation to existing members was also undertaken, with the Secretariat ensuring that all contact databases were up to date and providing documents to members in time for review prior to telephone conference calls and meetings.

During the course of 2022, the Secretariat supported FinCoNet to implement and progress its Programme of Work for 2021/22.

The Secretariat also led the process to develop and approve the Programme of Work for 2023/24. The Programme of Work is important because it acts as a roadmap for the direction of FinCoNet over the coming two years, setting out priority areas under which the Standing Committees will undertake their particular projects. The development process included liaising with the SC Chairs and the GC to scope out initial ideas; writing and sharing a Consultation Document with all Members to gather input and feedback on the

proposals; analysing these responses and defining a set of workstreams that will comprise the key areas of the Programme of Work; and sharing the final draft Programme of Work with the GC and subsequently with the full Membership at the AGM.

The Secretariat managed the process of reviewing and renewing the Partnership Agreement between the OECD and FinCoNet, which included consultations with the GC as well as with the OECD Directorate for Financial and Enterprise Affairs, the OECD Legal Directorate and ultimately the OECD Council and Executive Committee Secretariat.

The Secretariat provided analysis and developed proposals for the GC regarding the grant provided to the OECD for Secretariat services. The amount of the grant, which has not changed since 2018, has declined in real terms in the subsequent years due to OECD operating costs and inflation.

The Secretariat assisted the GC in its review of FinCoNet membership fees, which included calculating various scenarios for consideration and forecasting the impact on FinCoNet's financial position.

The Secretariat prepared and collated the 2022 Annual Report of FinCoNet, with inputs from the Chair and the Treasurer.

The Secretariat continued support for the development and maintenance of the FinCoNet website and member-only ONE Community site, including providing technical assistance to Members in the creation and utilisation of their ONE Community accounts.

The Secretariat collated and published four editions of the FinCoNet Newsletter in 2022 comprising updates from FinCoNet Members of key developments in their jurisdictions. Other communication activities by the Secretariat also involved responding to requests for information from individual countries and other international organisations and standard setting bodies.

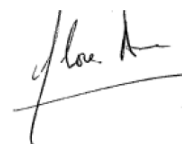
The Secretariat also provided the Annual Budget of the Organisation and support for the FinCoNet Treasurer.

## Looking ahead

The Secretariat will continue to provide a high level of technical, strategic and administrative support to FinCoNet to ensure the organisation continues to meet its objectives. This will include logistical support, supporting the implementation of the Programme of Work during 2023, providing research and analytical capacity, and representing FinCoNet on a global scale. It will also continue to work on the development of the FinCoNet website and ONE Community. The Secretariat will liaise with potential new Members and assist them with their applications for Membership of FinCoNet based on appropriate criteria for Membership in line with the objectives of the organisation. Further, the Secretariat will continue to contact other organisations and authorities that could benefit from FinCoNet Membership and provide useful input into FinCoNet's Programme of Work.

Continued support across the board will be provided to existing Members, from preparing and circulating meeting documents to advancing the work of the Standing Committees and responding to ad hoc requests for information and assistance.

Finally, looking ahead to 2023, the Secretariat will launch FinCoNet's Programme of Work for 2023-2024. The Secretariat looks forward to supporting FinCoNet Members in an inclusive and comprehensive process to jointly determine the organisation's focus areas in the coming years.

A handwritten signature in black ink, appearing to read 'Flore-Anne Messy', with a horizontal line underneath.

***Flore-Anne Messy***  
***Head, FinCoNet Secretariat***

## Members, Associate Members and Observers 2022

<b>Members (Full and Associate)</b>	
<b>Angola</b>	National Bank of Angola
<b>Australia</b>	Australian Securities and Investments Commission
<b>Brazil</b>	Central Bank of Brazil
<b>Canada</b>	Financial Consumer Agency of Canada
<b>Canada, Quebec</b>	Autorité des Marchés Financiers
<b>Canada, Ontario</b>	Financial Services Regulatory Authority of Ontario
<b>China</b>	People's Bank of China
<b>China</b>	China Banking and Insurance Regulatory Commission
<b>Egypt</b>	Central Bank of Egypt
<b>France</b>	Banque de France
<b>Germany</b>	Federal Financial Supervisory Authority (BaFin)
<b>Hong Kong, China</b>	Hong Kong Monetary Authority
<b>Indonesia</b>	Financial Services Authority
<b>Indonesia</b>	Bank Indonesia
<b>Ireland</b>	Central Bank of Ireland
<b>Italy</b>	Central Bank of Italy
<b>Japan</b>	Financial Services Agency
<b>Korea</b>	Financial Services Commission
<b>Luxembourg</b>	Financial Sector Surveillance Commission
<b>Mauritius</b>	Bank of Mauritius
<b>Mozambique</b>	Central Bank of Mozambique
<b>Netherlands</b>	Authority for the Financial Markets

<b>New Zealand</b>	Financial Markets Authority
<b>Nigeria</b>	Central Bank of Nigeria
<b>Peru</b>	Superintendency of Banking, Insurance and Private Pension Fund Administrators of Peru
<b>Philippines</b>	Bangko Sentral Ng Pilipinas
<b>Portugal</b>	Banco de Portugal
<b>Russian Federation</b>	The Bank of Russia (participation suspended until further notice)
<b>Saudi Arabia</b>	Saudi Arabian Monetary Agency
<b>South Africa</b>	Financial Sector Conduct Authority
<b>Spain</b>	Central Bank of Spain
<b>United Arab Emirates</b>	Central Bank of the U.A.E.
<b>United Kingdom</b>	Financial Conduct Authority

#### Observers

**Consultative Group to Assist the Poor (CGAP)**

**Consumers International**

**European Commission**

**International Association of Insurance Supervisors (IAIS)**

**Organisation for Economic Co-operation and Development (OECD)**

**The World Bank**

#### OECD Secretariat

Mr. Miles Larbey  
[miles.larbey@oecd.org](mailto:miles.larbey@oecd.org)  
 Tel: +33 1 85 55 47 94

Mr. Matthew Soursourian  
[matthew.soursourian@oecd.org](mailto:matthew.soursourian@oecd.org)  
 Tel: +33 1 45 24 79 80

Ms. Laura Dunbabin (on  
 secondment)  
[laura.dunbabin@oecd.org](mailto:laura.dunbabin@oecd.org)  
 Tel: +61 4 35 12 60 01

Ms. Sally Day-Hanotiaux  
[sally.day-hanotiaux@oecd.org](mailto:sally.day-hanotiaux@oecd.org)  
 Tel: +33 145 24 96 61



***Fernando Tejada***  
***FinCoNet Treasurer***

## Report of the Treasurer

### **SUBJECT: FINCONET ACCOUNTS AS OF 31 DECEMBER 2021**

Dear FinCoNet Members,

Fernando Tejada, from the Bank of Spain, was elected FinCoNet Treasurer at the AGM held in Tokyo in November 2017 and took up his Treasurer functions from 1st January 2018. Fernando was re-elected as FinCoNet Treasurer at the 2020 AGM for an additional three-year term. The Treasurer is pleased to report that during the year ended 31 December 2021, FinCoNet continued to maintain a solid financial basis upon which to build and develop activities in the coming years.

Membership fees were received in the course of 2021 from all but one FinCoNet Members. Thus, the total amount effectively received during the year was EUR 292 387,83. The one outstanding 2021 fee of EUR 5 000,00 was settled in March 2022. Membership fees were the sole source of income in 2021.

On the cost side, the only major expense incurred by the Organisation during 2021 was the grant paid to the OECD under the official partnership agreement between the OECD and FinCoNet, signed on 21 May 2014. The partnership agreement provides for the OECD to render Secretariat services to FinCoNet. This expense amounts a total of EUR 280 000.

A detailed description of the services provided by the OECD in 2021 was outlined in its report to the Treasurer. The total spend by the Secretariat was in line with the budget provided by FinCoNet.

Other costs incurred during 2021 are less significant and are related to bank fees and audit services.

2021 FinCoNet financial accounts have been audited by the audit firm Grant Thornton. The relevant report was received in July 2022 and includes neither caveat, nor disclaimers.

In recognition of the organisation's non-profit status, FinCoNet is not subject to any taxes given that its only income stems from the collection of membership fees.

The only asset of FinCoNet is cash at bank. FinCoNet's own funds are made up of retained earnings and reserves which are built up to cover any potential additional expenses or losses in the future. At the end

of 2021, the FinCoNet cash at bank was EUR 137 437,89 and retained earnings and reserves were EUR 131 938.

Looking ahead, the current financial structure of income (based on the current number of members) and expenses, implies a small operating surplus of around EUR 3 000, leaving FinCoNet with very limited and diminishing scope to build reserves and to operate in 2023 and beyond.

In such a situation and bearing in mind an expected increase in the annual grant to be paid to the Secretariat, the FinCoNet Annual General meeting (Members-only session) held on 21 November 2022 revised the Membership fees from 2024 and beyond and decided to increase higher tranches of the scale [TBC]. Consequently, the Organisation ensures a solid financial base upon which to develop further activities within the framework of the FinCoNet Programme of Work in the coming years.

A handwritten signature in blue ink, appearing to read 'Fernando Tejada', is written over a light blue rectangular background. The signature is fluid and cursive, with a long vertical line extending downwards from the end of the name.

***Fernando Tejada***  
***Treasurer***  
***FinCoNet***  
***Dated: 24 October 2022***

## FinCoNet Audited Financial Statements 2022

### Report of the Auditors to the Members of International Financial Consumer Protection Organisation

#### **FinCoNet Association**

Financial year ended December 31, 2022

Neuilly-sur-Seine, 8<sup>th</sup> September 2023

#### **Opinion**

We have audited the accompanying financial statements (the “Financial Statements”) of the International Financial Consumer Protection Organisation (“FinCoNet”), which comprise the Statement of financial position and the statements of changes in unrestricted net assets for the year ended 31 December 2022, and a summary of significant accounting policies and other explanatory information and notes.

In our opinion, the accompanying Financial Statements of FinCoNet for the year ended 31 December 2022 are prepared, in all material aspects, in accordance with the accounting policies disclosed in the notes to the financial statements.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibility for the Audit of the Financial statements section of our report. We are independent of FinCoNet within the meaning of the ethical requirements of IFAC and have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation of these financial statements in accordance with the accounting policies disclosed in the notes to the financial statements and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing FinCoNet' ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate FinCoNet or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing FinCoNet' financial reporting process.

## **Auditor's Responsibility for the Audit of the Financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of FinCoNet' internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on FinCoNet's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, further events or conditions may cause FinCoNet to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Grant Thornton**  
**French Member of Grant Thornton International**



Vianney Martin  
Partner

FINANCIAL CONSUMER PROTECTION NETWORK (FinCoNet)			
Statement of financial position			
As per 31 December 2022			
Assets	Notes	2022 (Euro)	2021 (Euro)
Cash at bank	1	160 235	137 438
Short term deposit			
Interest accrued			5 000
Sundry debtors and prepayments			
<b>Total</b>		<b>160 235</b>	<b>142 438</b>
<b>Liabilities and net assets</b>			
Supplier debt	2	5 775	5 500
Accrued expenses			
Sundry creditors and prepayments	3	14 990	5 000
<b>Total liabilities</b>		<b>20 765</b>	<b>10 500</b>
<b>Net Assets</b>		<b>139 470</b>	<b>131 938</b>
<b>Unrestricted Net Assets &amp; Reserves</b>			
Retained earnings before transfer		101 847	90 756
Changes in unrestricted net assets for the current year	4	7 532	11 090
		<b>109 379</b>	<b>101 847</b>
Transfer from Special Reserve			-
Transfer to Contingency Reserve			-
Retained Earnings after transfer		<b>109 379</b>	<b>101 847</b>
Special Reserve			
Contingency Reserve		30 091	30 091
<b>Total Funds</b>		<b>139 470</b>	<b>131 938</b>

FINANCIAL CONSUMER PROTECTION NETWORK (FinCoNet)			
Statement of activities			
For the year ending 31st December 2022			
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>			
	Notes	2022 (Euro)	2021 (Euro)
<b>Revenue and gains</b>			
Membership fees	5	297 354,48	297 387,83
<b>Total unrestricted revenue and gains</b>		<b>297 354,48</b>	<b>297 387,83</b>
<b>Expenses</b>			
audit fees related to current year		5 775,00	5 500,00
audit fees adjustment related to previous years			
Bank fees and charges		835,59	797,36
OECD administration		280 000,00	280 000,00
Conference expenses		3 212,00	
Travel and entertainment expenses			
Exceptional expenses : audit fees related to previous years			
<b>Total expenses</b>		<b>289 822,59</b>	<b>286 297,36</b>
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>		<b>7 531,89</b>	<b>11 090,47</b>

**FINANCIAL CONSUMER PROTECTION NETWORK (FinCoNet)**

**NOTES TO THE FINANCIAL STATEMENTS**

Year ending 31 December 2022

**NATURE OF THE ORGANISATION**

Not-for-profit organisation established under France's Association Law of 1 July 1901.

**SIGNIFICANT ACCOUNTING POLICIES**

There are no significant accounting policies beyond the information and criteria included in the Statutes.

**INCOME TAXES**

The International Financial Consumer Protection Organisation (FinCoNet) is exempt from payment of income tax.

**1 Cash at bank at 31/12/2022.**

**2 Grant Thornton fees for 2022 (5.750)**

**3 2023 fees recieved from the European Commission and Canada AMF in advance**

**4 See statement of activities sheet**

**5 In January 2022 there was issued an invoice to the National Bank of Russia (invoice 021/2022). Due to the conflict situation with Ukraine, it was decided to consider the invoiced failed.**