NEWSLETTER ISSUE 2 June 2022

FinCoNet
INTERNATIONAL FINANCIAL CONSUMER PROTECTION ORGANISATION

Welcome

Dear FinCoNet Members,

I hope that you, your colleagues and your families are keeping well.

I am pleased to share with you this second 2022 edition of the FinCoNet newsletter, which includes articles provided from Australia, Indonesia, Ireland, Portugal and CGAP.

The In Focus section of this Newsletter includes information on the FinCoNet Secondee Programme and an article on the new regulatory regime in Ireland for hire purchase, BNPL and consumer hire.

I hope you will find this edition of the FinCoNet newsletter an interesting and enjoyable read!

Maria Lúcia Leitão
Chair, FinCoNet

In this issue

This second 2022 issue of the FinCoNet Newsletter includes:

ASIC updates ePayments Code

- The ePayments Code applies to consumer electronic payment transactions, including ATM, point of sale and credit card transactions, online payments, internet and mobile banking, and BPAY (a bill-paying service).

The New OJK Regulation on Public and Consumer Protection in Financial Sectors

- A rule-based approach enforces the high-level principles on financial consumer protection that require uniformity and acts as guidance to avoid confusion in implementation.

Break the Bias: Evidence Shows Digital Finance Risks Hit Women Hardest

- Emerging evidence shows that women are more likely to experience most risks identified in CGAP's consumer risk typology.

Platform-Based Finance: Are Regulators Up to the Data Protection Task?

- There is a lot of excitement within the financial inclusion community around the use of "alternative data." The hope is that by using digital data not traditionally factored into financial services but widely available today, providers will be able to offer low-income people better, more affordable financial services at scale.

Irish retail banking sector facing significant change

- The retail banking sector in Ireland is currently undergoing significant change, following the decision by both Ulster Bank Ireland and KBC Bank Ireland to withdraw from the Irish market.

The Banco de Portugal's strategy towards transparency and engagement with banking conduct stakeholders

- The Banco de Portugal is accountable for its market conduct supervisory activities, recognising the importance of engaging with its stakeholders. It pursues a 360-degree assessment approach, bridging the gap between the banking conduct supervisor and its stakeholders

In Focus

FinCoNet Secondment Programme

FinCoNet's Governing Council has approved and implemented a Secondment Programme for staff members of FinCoNet Member organisations to work with the FinCoNet Secretariat at the OECD. FinCoNet Members are encouraged to promote this opportunity to their staff members, as it is an excellent opportunity for staff member development as well as progressing FinCoNet's objectives and work streams.

A secondee from ASIC has been working in the Secretariat since September 2020. This experience has been extremely beneficial for FinCoNet, and the Secretariat would be would be pleased to welcome a new secondee from a FinCoNet Member authority.

For further details of the FinCoNet Secondment Programme, including suitability criteria, practical details and the nomination process, please see the Secondment Document available on the FinCoNet O.N.E. Community: https://community.oecd.org/docs/DOC-214319

Should you require any other information or to nominate staff member(s) for a secondment, please contact the FinCoNet Secretariat [sally.dayhanotiaux@oecd.org].

In Focus

New regulatory regime in Ireland for hire purchase, BNPL and consumer hire

In May 2022 new consumer credit legislation was introduced in Ireland to govern, providing a new regulatory regime for the provision of a range of consumer credit services. Providers and servicers of hire purchase, consumer hire and indirect credit, including Buy Now, Pay Later (BNPL) will now need to be authorised by the Central Bank.

The extension of the consumer protection framework to these firms will ensure that Irish consumers receive the same protections required of other financial service providers. Consumers who enter into these credit agreements can now be protected by the Central Bank's consumer protection framework including key provisions of the Consumer Protection Code 2012, the Minimum Competency Code 2017, and the Minimum Competency Regulations 2017.

Firms providing these services will be required to seek authorisation as a Retail Credit Firm (RCF) or as a Credit Servicing Firm (CSF) as appropriate. Firms that have been providing these services up to now can avail of transitional authorisation arrangements. The Central Bank expects firms and their staff to meet the necessary minimum competency standards, required of staff with a particular emphasis on staff dealing with consumers in relation to retail financial products, at the earliest possible opportunity.

The new legislation also introduces an interest rate cap of 23% APR on all credit agreements provided to consumers, with the exception of certain short term, high cost consumer lending (known as moneylending agreements - under proposed legislation a cap of 1% per week up to a maximum of 48% will be introduced for these agreements).

Current Issues Forum

ASIC updates ePayments Code

Contributor: ASIC, Australia

Following a three-year review and consultation process, ASIC has updated Australia's ePayments Code.

The ePayments Code applies to consumer electronic payment transactions, including ATM, point of sale and credit card transactions, online payments, internet and mobile banking, and BPAY (a bill-paying service).

ASIC administers the ePayments Code, including monitoring compliance and conducting regular reviews.

Most banks, credit unions and building societies currently subscribe to the ePayments Code, along with a number of non-banking businesses. The ePayments Code is presently a voluntary code of practice. The Australian Government has accepted a recommendation of its Australian Payments Review to mandate the Code for all payment product providers.

The ePayments Code plays an important role in the regulation of electronic payment facilities in Australia. It complements other regulatory requirements, including financial services and consumer credit licensing, advice, training and disclosure obligations under the Corporations Act 2001 and the National Consumer Credit Protection Act 2009.

Among other things, the ePayments Code:

- requires subscribers to give consumers clear and unambiguous terms and conditions,
- stipulates how changes to terms and conditions (such as fee increases), receipts and statements need to be made,
- sets out the rules for determining who pays for unauthorised transactions, and
- establishes a regime for recovering mistaken internet payments.

There are more limited requirements for low value facilities that can hold a balance of no more than $500 at any one time.

ASIC's updates

The ePayments Code has been expanded to cover payments made on the New Payments Platform, Australia's modern fast payments infrastructure. ASIC has also updated the following areas of the Code:

- compliance monitoring and data collection,
- mistaken internet payments,
- unauthorised transactions,
- complaints handling, and

- facility expiry dates.

The changes strengthen the Code's protections by removing ambiguity and, where appropriate, expanding protections. ASIC's final report on the review (REP 718) and earlier consultation papers (CP 310 and CP 341) and public submissions are available on ASIC's website.

The New OJK Regulation on Public and Consumer Protection in Financial Sectors

Contributor: Otoritas Jasa Keuangan (Indonesia Financial Services Authority)

Otoritas Jasa Keuangan (Indonesia Financial Services Authority, hereby refers as OJK) is established as a regulatory and supervisory body for financial sectors in Indonesia mandated by Law Number 21 Year 2011 (hereby refers as OJK Act). OJK has enforced consumer protection since the issuance of OJK Regulation Number 1/POJK.07/2013 on Consumer Protection in Financial Services Sector. The regulation is strengthened and replaced with OJK Regulation Number 6/POJK.07/2022 on the Protection of Public and Consumers Financial Sectors as of April 18th 2022.

A rule-based approach enforces the high-level principles on financial consumer protection that require uniformity and acts as guidance to avoid confusion in implementation. In addition to enhancements such as clarifying the obligations to implement the principles of openness and transparency in relation to product and service information, the new POJK on Public and Consumer Protection in Financial Sectors gives improvement in the context of the protection of consumer data and information. This aspect is highlighted by taking into account the rapid development of technology.

The forward-looking policy also takes into consideration the behavioural changes of both Financial Services Providers (hereby refers as FSPs) and consumers due to digital advancements. This POJK strengthened consumer protection through regulation of potential challenges in the digital era, such as distribution of product information through electronic/digital delivery, standard agreements in digital/electronic form, access to ownership of digital-based products and services etc.

The formulation of this newly released regulation was executed through mutual cooperation among stakeholders. Several note-worthy improvements to this regulation are as follows:

- Regulation approach based on the product life cycle that optimizes efforts to protect consumers and the public, starting from product and/or service design process up to the dispute handling and resolution.

- Adjustment on the principles of consumer protection.

This is reflected through the addition of the principle of "proper education" for consumers to encourage FSPs to actively carry out the financial education and improve financial literation, in order to increase consumers financial decision-making capability.

- Strengthening the principle of openness and transparency of information through the supervision of contractual forms, exception, and procedures in providing Ringkasan Informasi Produk dan/atau Layanan (the Summary of Information on Products and/or Services).

- Affirmation of goodwill for FSPs and consumers in every transaction/activity in financial sectors. Goodwill includes truthfulness, accessibility, and the quality of information given in regard to the proper need and ability.
- Underlining the necessity to improve efforts of protect consumer information/data, product and/or services transparency, and improve inclusivity to strengthen support for the elderly and disabled financial consumers.
- Provision of sufficient time for consumers to conceive an adequate understanding of financial agreements or contracts prior to signing, especially for complexed products or products that require long-term commitments.
- Obligation of FSPs for documentation (voice-video) of all communication conducted with consumers during product and/or service marketing through communication channels.
- Affirmation of OJK's authority in exercising consumer protection; including market conduct supervision as a form of the implementation of Article 28-30 of Law Number 21 Year 2011 on OJK.
- The obligation of FSPs to establish a consumer protection unit or function.
- Obligation for FSPs to submit self-assessment reports to OJK regarding the compliance with consumer protection regulations.

Break the Bias: Evidence Shows Digital Finance Risks Hit Women Hardest

Contributor: CGAP

Emerging evidence shows that women are more likely to experience most risks identified in CGAP's consumer risk typology. For instance, a Columbia University study found that women DFS users in Africa and South Asia are more vulnerable than men to cyber-fraud, particularly social engineering scams such as SMS and voice phishing. Another study in rural Ghana revealed that female mobile banking customers were relatively more likely to suffer misconduct than male customers. There is also evidence that women are twice as likely to have their identity stolen and are at a higher risk of online harassment than men.

In a world where women have lower digital access than men, women are also more likely to experience algorithmic bias since men are better represented in the datasets that train the algorithms.

Lower digital and financial skill levels among factors that make women more susceptible to DFS consumer risks

A few factors heighten women's susceptibility to DFS risks. One of the most important is that women generally have lower digital and financial skills than men.

The Economist Intelligence Unit estimates that in Sub-Saharan Africa, men are 30% more likely than women to be connected to the internet. In all 14 countries covered by GSMA's Intelligence Consumer Survey, more women than men cited not knowing how to use a phone as one of the main barriers to owning a mobile phone. Also, findings from six country deep dives indicate that men are more digitally and financially literate than women. While the global financial literacy gender gap is 5% according to the S&P Global Financial Literacy Survey, many countries, both developed and developing, have much larger gaps.

In the context of the COVID-19 pandemic, the gender gap in digital and financial literacy has put women at even greater risk. The pandemic has accelerated the world's digital transformation, led to a surge in digital fraud and compelled women to use DFS even when their digital and financial skills are low.

Sometimes, poor communication from governments and DFS providers to agents and customers adds to the problem. In Indonesia, bank agents and facilitators of the Program Keluarga Harapan held incorrect beliefs about accounts used to receive government-to-person (G2P) payments. These included the idea that "any money left in the account will be taken back by the bank." This led many women to mistrust and fear their G2P accounts. Unfortunately, women do not usually report issues of misinformation and misconduct due to complex redress procedures.

In many countries, social norms discourage women from engaging freely with male agents, preventing them from asking questions about product features. In Bangladesh, the IFC found that women believed that female agents were "better behaved," easier to approach, more trustworthy and better at maintaining confidentiality than male agents. Breaking the bias in gender norms is crucial for promoting women's digital financial inclusion, which helps women to generate income, access essential services, and protect their basic living standards.

Regulators, supervisors, funders and providers can help mitigate DFS consumer risks for women

Consumer risks warrant urgent action from to ensure positive outcomes for women and vulnerable DFS users. There has been notable progress on this front in recent years. For example, the IMF's Financial Access Survey shows that by October 2021, 71 of 165 jurisdictions reported gender-disaggregated data — an increase of 10% relative to the previous round.

Policy makers and regulators have also been focusing more on DFS risks. It is encouraging to see that 28% of the 43 central banks that participated in a recent AFI survey are adding consumer protection provisions to DFS-specific regulatory instruments. Also noteworthy is that 9% have designed a specialized consumer protection framework for DFS, and 12% are considering gender-based risk issues.

Many funders have also taken proactive steps to promote responsible access and usage of DFS. For instance, the International Finance Corporation, together with CDC, KfW, Goodwell Investments and 50 co-founding signatories, launched the Investor Guidelines for Responsible Investing in DFS. However, there is room to further emphasize gender.

To improve gender-disaggregated data and mitigate DFS consumer risks for women, we suggest the following:

- **Regulators and supervisors can require financial services providers to report gender-disaggregated consumer risk data**. They can also monitor gender-based risks using the tools described in CGAP's Market Monitoring Toolkit, like mystery shopping, thematic reviews and phone surveys. A United Nations Secretary-General's Special Advocate for Inclusive Finance for Development study in 2020 found that countries with more experience gathering supply-side, gender-disaggregated data developed gender-informed financial policies. Collecting consumer risk data can help regulators and supervisors to design appropriate consumer protection regulations that promote women's financial inclusion.
- **Funders can finance programs that elevate women's voices**. For example, they can support consumer associations, which are chronically under-resourced. Some consumer associations have helped to promote women's financial capability. The Consumer Council of Zimbabwe rolled out financial education programs to 4,000 women through consumer action clubs. Consumer Unity and Trust Society International supported 84,000 women with financial

literacy activities, while the Consumer Council of Fiji provided financial advisory services to women. Funders can also promote programs that enhance women's financial and digital literacy.

- Providers can take a more customer-centric approach with women. This may require them to adapt their culture and business models to better serve women. At a minimum, they should better understand women's needs — for instance, by investing in consumer insights research and analyzing internal customer data. In Bangladesh, a simple redesign of Grameenphone's utility bill and mobile top-up app, GPAY, simplified the user interface. This made it easier for less digitally literate women to use the payment solution.

By taking these steps, we can help ensure women like Kabamba's grandmother use DFS to achieve positive financial outcomes.

Webpage:
https://www.cgap.org/blog/break-bias-evidence-shows-digital-finance-risks-hit-women-hardest

Platform-Based Finance: Are Regulators Up to the Data Protection Task?

Contributor: CGAP

There is a lot of excitement within the financial inclusion community around the use of "alternative data." The hope is that by using digital data not traditionally factored into financial services but widely available today, providers will be able to offer low-income people better, more affordable financial services at scale.

At CGAP, we've been looking into digitally included yet poor customers and the opportunities their digital footprints present to advance financial inclusion. Platforms, in particular, appear well-positioned to harness alternative data they have on workers' income histories. We've examined promising examples of banks serving platform workers based on the income data generated by platforms. Similarly, GSMA has published findings on how mobile money platforms can leverage customers' telecommunications usage and top-up data to extend emergency airtime loans.

But platforms' use of alternative data does not come without risks for the customers. These include data privacy and protection risks, which are often a concern of low-income customers who are using or thinking of using digital financial services. As platforms ramp up their financial service offerings in emerging and developing markets (EMDEs), regulators can look at developments in more advanced economies to get a glimpse into the data protection issues they will need to consider.

European Union experience underscores regulatory challenges

On the day that the European Union's (EU's) General Data Protection Regulation (GDPR) went into force in 2018, four complaints were filed against Facebook, Instagram, WhatsApp and Google. The complaints claimed the platforms' "take it or leave it" approach to data protection (i.e., giving consumers no flexibility to opt in or out of individual contractual provisions with a platform) amounted to "forced consent" and was thus contrary to the GDPR, given that the GDPR requires users be given a choice unless consent is strictly necessary for provision of the service.

More recently, on January 6, 2022, France's data protection regulator, the *Commission Nationale de l'Informatique et des Libertés* (CNIL), fined Alphabet's Google a record €150 million and Meta's Facebook €60 million for making it difficult for users to refuse online trackers known as cookies.

In many EMDEs, national data protection laws or regulations have recently been introduced (Nigeria in 2019, Thailand in 2019 and Brazil in 2018) or are still under debate (India, Indonesia, Pakistan and Vietnam). Many of these jurisdictions have looked to the EU and its GDPR for inspiration, as the GDPR is considered one of the world's best developed data protection regimes.

Yet even the GDPR has not been able to rein in abuses of data use, such as the Meta and Google cases referenced above. This problem is compounded when platforms are not only involved in social media but venturing into the provision of financial services.

Given that the implementation of the GDPR has been a challenge for many companies and regulators in the EU, how much more of a challenge will it be for EMDEs, with their more limited capacity to implement national data protection laws inspired by GDPR? And what happens in EMDE countries with no national data protection laws?

Minimum data protection rules for EMDE regulators

Recent CGAP customer research (publication forthcoming) shows that instant messaging and social networking are the top activities undertaken on the mobile internet by the digitally included poor. If platform-based finance is to harness the power of this data for financial services, it must be made accessible and at the same time subject to customer control and certain minimum data protection rules. This means EMDE financial sector regulators need to ensure platform-based finance is adequately regulated from a data protection perspective.

Minimum data protection provisions should include clear, transparent customer-centric disclosure (such as breaking privacy notices into smaller chunks of information and possibly using visuals to convey this information) as well as informed consent. There are a few ways to make consent more meaningful. These include giving customers advance notice of what type of data is being used and how it is to be used for a specific transaction, allowing customers to accept or refuse the use of their data across several relevant steps in the transaction process, and permitting customers to revoke consent or place a time limit on it.

However, given the difficulty of ensuring informed consent and the fact that consumers have no flexibility to negotiate individualized contracts with platforms (making it a "take it or leave it" scenario), regulators may wish to consider shifting the burden of data privacy on to the platforms themselves. This can be done by applying the legitimate purposes test, which limits use of data to what is compatible, consistent and beneficial to consumers and cannot be overridden by consent. It can also be done by introducing a legal fiduciary duty, requiring data collection and processing firms to always act in the interests of, and not in ways detrimental to, the subjects of the data. Both these approaches are currently part of India's proposed Data Protection Bill.

Even if regulators do not wish to implement either of these approaches, they should at least improve customers' control of their data. This can be done by providing data subject rights. These include rights for a customer to obtain a copy of their data, modify and delete their data, withdraw consent at any time, make a complaint concerning exploitative data practices, and port their data to other platforms in a structured, commonly used and machine-readable format.

In cases where the adoption of a national general data protection law is politically unfeasible or takes too long to implement, regulators can consider adding provisions in their financial service regulations that strengthen data protection and customer data rights for institutions and services under their mandate. Even if a national data protection law is in place, financial regulators can usually insert tailored data protection provisions for financial services into their sectoral regulation if the current national legislation falls short.

As long as platform finance is within the ambit of the financial regulator, these are realistic short- to medium-term solutions that financial sector regulators can take to find the right balance between customer protection and promoting financial sector innovation through platform-based finance.

Webpage: https://www.cgap.org/blog/platform-based-finance-are-regulators-data-protection-task

Irish retail banking sector facing significant change

Contributor: Central Bank of Ireland

The retail banking sector in Ireland is currently undergoing significant change, following the decision by both Ulster Bank Ireland and KBC Bank Ireland to withdraw from the Irish market. The departure of two banks from the Irish market presents challenges for consumers, competition and the wider banking environment. One million customer accounts will be closed, with many required to move to a new provider to retain access to banking services. The departures also involve be multiple asset transactions including the transfer of mortgages and loan books to other providers.

As a result, this has been a supervisory priority for Central Bank for the last year, supported by a dedicated internal taskforce. We have been engaging closely with all relevant banks, both those remaining and departing, to ensure that the challenges this poses for consumers are being matched by appropriate plans, preparations and resources. We have conducted our work in phases to manage the implications of the exits on customers, the retail banking sector in Ireland and the wider financial system.

In June 2021 we set clear expectations of the banks to ensure that they prioritise the interests of customers and prospective customers. Our supervision of these expectations has been supported by reviews of the banks customer service operations and assessments of their plans and forecasts for how the exercise will be done in line with these expectations.

The departing banks began to write to customers in April, to require them to take action to transfer or close their accounts. As this process began the Central Bank identified a number of concerns, leading to a further Dear CEO letter, outlining our expectations as this process evolved.

We also met the CEOs of the five main retail banks in May. It was agreed a strong customer focused approach is needed, with more work required in the following areas:

- Better planning – the need for the sector to collaborate on a collective approach with agreed timelines and joined up planning across all institutions.
- Customer focused arrangements –taking into account the specific circumstances a customer may face and strongly supporting them in making the move.
- Proactive communication –so that customers can understand the banks processes, including how and when key customer facing decisions will be made.
- System wide engagement – the need for an inclusive forum where the banks engage as a group with the other actors and stakeholders in a way that is purposeful and enables problems to be anticipated and solved.

The Central Bank will continue to engage with the banking system and other relevant stakeholders to ensure plans are in place to deliver on the actions necessary to ensure that this activity happens in line with customer needs and expectations.

The Banco de Portugal's strategy towards transparency and engagement with banking conduct stakeholders

Contributor: Banco de Portugal

The Banco de Portugal is accountable for its market conduct supervisory activities, recognising the importance of engaging with its stakeholders. It pursues a 360-degree assessment approach, bridging the gap between the banking conduct supervisor and its stakeholders. To do so, the Banco de Portugal relies on three useful tools: Banking Conduct Supervision Reports, the Bank Customer Website and the Forum for Banking Conduct Supervision.

The Banco de Portugal publishes two annual reports on banking conduct supervision: the Banking Conduct Supervision Report and the Retail Banking Markets Monitoring Report. These are fundamental sources of information that contribute to building greater understanding of the Banco de Portugal's assigned task of supervising institutions offering retail banking products and services.

The Banking Conduct Supervision Report summarises the activities undertaken by the Banco de Portugal to monitor retail banking markets in the preceding year, while fulfilling the comprehensive mandate that the Portuguese legislator assigned to the Banco de Portugal, for the exercise of banking conduct supervision, which includes regulatory, oversight and sanctioning powers. The Banking Conduct Supervision Report for 2021 has already been published[1].

The structure of the Banking Conduct Supervision Report reflects the three pillars of conduct supervision, encompassing regulation, oversight and financial literacy. It presents thematic reviews, information on the supervision of institutions and credit intermediaries, as well as on monitoring training entities. It also discloses initiatives pursued to promote financial information and the education of bank customers and shares the main outcomes of the international discussions on banking conduct supervision.

Thematic reviews comprise the analysis of current important topics for banking conduct supervision and the Banco de Portugal´s supervisory approach in that context. For example, the 2021 Report highlights the growing importance of financial education as a priority in terms of public policy, particularly the strategy on digital financial literacy that the Banco de Portugal is developing with the support of the OECD International Network on Financial Education (OECD/INFE) and the European Commission. The strategy is expected to help empower people in the use and trust digital financial products and services. It aims to make consumers more resilient to online fraud attempts and cybersecurity attacks and more aware of behavioural biases when accessing financial products and services through digital channels. The 2021 Report also addresses the topic of how banking conduct supervision of the Banco de Portugal contributed to mitigate the impact of the COVID-19 pandemic on consumers, monitoring moratoria and adopting measures to mitigate its impact on consumers, namely by amending the legal and regulatory framework on the management of credit pre-arrears and arrears.

[1] Available at Relatório de Supervisão Comportamental (2021).
Please find the English version of the 2020 Report at Banking Conduct Supervision Report (2020)

The report also contains a description of the evolution of the legal and regulatory framework applicable to the retail banking markets, as well as of the supervisory action of the Banco Portugal of institutions and credit intermediaries in those markets in the corresponding year.

Regarding the supervision of financial institutions, the information is displayed by product (e.g.: current accounts, structured deposits, basic bank accounts, consumer credit, home loans and mortgage credit) and organised according to the oversight tool used (e.g.: on-site and off-site inspections, systematic oversight, analysis of reported information, complaints handling).

For instance, in 2021, the main priorities were monitoring the implementation of measures adopted to protect bank customers in the context of the COVID-19 pandemic and monitoring arrears management in consumer and mortgage credit. Supervisory action also focused on monitoring amendments to regulations governing bank fees and business practices and assessing the information provided to customers on current account fees. The Banco de Portugal continued to monitor the marketing of consumer credit through digital channels and the access to basic bank accounts. In addition, the Banco de Portugal analysed the practices adopted by institutions in the marketing of consumer credit, with a focus on arrears management.

The report includes a section that refers specifically, to bank customer complaints. All complaints received by the Banco de Portugal are subject to a classification process that enables the statistical analysis of the collected data. This allows the Banco de Portugal to disclose information regarding the matters that were subject to the most complaints, by banking product or service. This also made possible the adoption of a name and shame policy towards institutions subject to the most complaints. This policy is reflected in this section of the report, which is very particular, because the Banco de Portugal publicly identifies the institutions that were subject to the most complaints.

In 2018, the Banco de Portugal's supervisory perimeter expanded, with the inclusion of credit intermediaries and training entities. This modification was accommodated in the report with the inclusion of two chapters dedicated to the supervision of credit intermediaries, as well as the certification and monitoring of training entities.

The Banco de Portugal's activity at international level is highlighted in the Banking Conduct Supervision Report, which includes a brief description of the Bank's participation in international fora (such as FinCoNet, the European Banking Authority, the G20/OECD Task Force on Financial Consumer Protection and the OECD/INFE). It also includes cooperation with other institutions, such as central banks and supervisory authorities, as well as those of Portuguese-speaking countries.

Another pillar of banking conduct supervision is promoting financial literacy. So naturally, a chapter of the report is dedicated to this topic. It includes information on financial information initiatives, (namely through the Bank Customer Website and through answers to information requests), financial education and the Banco de Portugal´s leadership of the National Plan for Financial Education.

In the context of financial education, it is important to mention that the Banco de Portugal resorts to the Bank Customer Website to promote financial literacy campaigns and to make publications available, such as explainers and leaflets, on multiple topics. This website is a very far-reaching communication channel that contains relevant information on banking products and services and bank customers' rights and obligations. This website also offers a set of useful services for consumers. Through the Bank Customer Website, consumers may make complaints, lodge information requests, access the Central Credit Register or the Database of Bank Accounts, simulate mortgage and consumer credit, consult price lists and compare fees charged by institutions for each service.

In relation to financial education, the report highlights training initiatives and awareness campaigns promoted by the Banco de Portugal, with the support of its regional network. The National Plan for Financial Education is a project created in 2011 by the financial supervisors to improve the financial knowledge of the Portuguese population and promote the adoption of appropriate financial attitudes and behaviours. Amongst other outputs of the financial supervisors' work, the Todos Contam website is notable, as it provides consumers with useful information (in Portuguese only) for managing their personal finances and making informed choices.

Until now, the Retail Banking Markets Monitoring Report presented developments in the areas of bank deposits, as well as mortgage and consumer credit subject to the conduct supervision of the Banco de Portugal. This year, this report was split in two. The report on the developments in the market of structured deposits of 2021 is already available on the Bank Customer Website. Another report, regarding mortgage and consumer credit markets, is soon to be published. The analyses carried out in this report are based on information reported by credit institutions to the Banco de Portugal according to regulatory reporting requirements and pre-contractual documents submitted to the Banco de Portugal for information/approval.

The Banco de Portugal also discloses information regarding the evolution of basic bank accounts on the Bank Customer Website every six months, providing data on the number and features of new basic bank accounts.

In addition, the evolution of complaints in the first half of the year is published autonomously on the Bank Customer Website. Annual data is presented subsequently in the Banking Conduct Supervision Report.

The Banco de Portugal created the Forum for Banking Conduct Supervision in 2011, to involve the supervised institutions, consumers' associations and other stakeholders in its regulatory work in the retail banking markets. Some of the entities that are represented in this forum include the Portuguese Banking Association and the Portuguese Association for Consumer Protection.

Through this 360-degree assessment approach, the Banco de Portugal not only is accountable for its market conduct supervisory activities, but also keeps an open channel of communication with its stakeholders. The Banking Conduct Supervision Reports, the Bank Customer Website and the Forum for Banking Conduct Supervision are important means of monitoring the market, highlighting relevant developments in the applicable legal and regulatory framework and specifying the Bank's banking conduct supervision approach to their implementation.

About FinCoNet

Established in 2013, FinCoNet is an international organisation of supervisory authorities responsible for financial consumer protection. It is a Member-based organisation set up as a not-for-profit association under French law.

FinCoNet promotes sound market conduct and strong consumer protection through efficient and effective financial market conduct supervision.

Each Member of FinCoNet has responsibility for and an interest in protecting the interests of consumers of financial services. FinCoNet seeks to enhance the protection of consumers, and to strengthen consumer confidence by promoting robust and effective supervisory standards and practices, and sharing best practices among supervisors. It also seeks to promote fair and transparent market practises and clear disclosure to consumers of financial services.

Visit our website at www.finconet.org/

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