

European Commission – Digital Finance Strategy

Remarks of introduction

Eurofinas welcomes the opportunity to respond to the European Commission's consultation on a new digital finance strategy for Europe / FinTech action plan.

Eurofinas is the voice of consumer credit providers at European level. As a Federation, Eurofinas brings together associations throughout Europe that represent finance houses, universal banks, specialised banks and captive finance companies of car or equipment manufacturers. The products sold by Eurofinas members include all forms of consumer credit products such as personal loans, linked credit, credit cards and store cards. Consumer credit facilitates access to assets and services as diverse as cars, furniture, electronic appliances, education etc.

Our membership encompasses both traditional consumer credit providers offering credit in branches, through agents and at the point of sale as well as lenders with dedicated digital activities. In 2018, consumer credit providers that are members of Eurofinas helped support European consumption by making more than 466 billion EUR goods and services available to individuals and households outstandings reaching over €1.1 trillion euros at the end of the year. In addition to the provision of consumer credit, companies represented by Eurofinas distribute a small number of insurances on an optional basis. These are simple types of insurance coverage that are available to consumers when they conclude a credit agreement.

The ever increasing digitalisation of the sector and uptake and enhancement of both new and existing tools form a key priority for the consumer credit industry with a broad focus on all aspects of the industry's activities. The digital transformation has a significant impact on both the market and our industry, affecting new technologies, additional emerging market entrants as well as evolving consumer expectations. For lenders, it is essential to adjust to this new landscape in order to be able to continue offering customers the right products for them, in a safe way meeting expectation with regards to the products offered and customer journey.

Indeed, as witnessed during the still on-going COVID-19 pandemic, digitalisation and the many new tools brought forward can provide solutions to enable the financial services industry to continue to support the real economy, European businesses and consumers alike.

The European Commission's broad set of initiatives, building on the original FinTech action plan and related measures, and the forward-looking agenda of the EU represent the basic building blocks for enabling the Digital Single Market and to foster an even more competitive and innovative European financial sector.

We remain steadfastly committed to supporting the work of the European Commission in this field by ensuring that innovative technologies are applied in order to increase the efficiency of the financial sector and to provide European consumers with improved and new financial services. At the same time, these new services need to meet the highest standards of consumer protection as well as security and personal privacy.

We strongly believe that the work should be guided by a technology-neutral approach in order to allow for future-proof legislation, and the principle of **same activities, same risks, same rules, same supervision**.

We trust that our comments will be taken into account and remain at the disposal of the European Commission should any further questions arise.

Eurofinas is entered into the European Transparency Register of Interest Representatives with ID n° 83211441580-56. More information on Eurofinas activities available at www.eurofinas.org.