

FEBIS is the Federation of Business Information Services, the specialized and recognized industry body of providers of global B2B Business Intelligence services for managing Trade Risks.

FEBIS members facilitate B2B trade relations and transactions with a focus on credit and risk intelligence services. These services require updated, accurate and relevant business information to produce beneficial, tailor-made solutions as well as scorings to assess the risk of default of businesses. By interacting between different business users and/or institutions of all sectors and sizes and helping them to take relevant decisions on their cashflow management, FEBIS members can be seen as trustworthy partners providing data and relevant financial information on trade counterparts. They are instrumental in helping companies manage their trade credit (*amounting to *4 times the bank lending in several EU member States*), their onboarding and their KYC processes.

FEBIS members process **business information** for the following purposes:

- to help enterprises make informed decisions about their trade counterparts – ***business and trade information and credit checks***
- to help companies and their credit managers to manage their cashflow as well as payments delays - ***trade credit management***
- to help businesses in their KYC/KYS and onboarding processes by providing relevant information for identification, compliance, credit checks, fraud fighting and general economic and business transparency – ***trade counterparts / supply chain assessment***

Because it is essential for any smooth economic transaction to have a clear picture of business counterparts, FEBIS members provide business information and credit reports on a large number of businesses, including sole traders. **The key issue is data availability and reliance**, as very often basic data on sole traders and individual entrepreneurs is not or only partially made available for re-use for business information purposes due to, inter alia, data protection reasons. For the general economic transparency purpose, it is key to consider that basic data about all businesses, including sole entrepreneurs, should be made publicly available, especially as Public Sector Information in open data. FEBIS members therefore advocate that those natural persons ***acting in their trade or business capacity, should be considered equal to legal persons***. Therefore, sole entrepreneurs, as well as companies' legal representatives or ultimate beneficial owners should be seen as "natural persons acting in their trade or business capacity" in all EU legislations.

On the Open finance targeted consultation, there are several question marks that are still unclear for FEBIS members and where we would appreciate getting a better perspective from the European Commission. One of the key elements is the **positioning** envisaged by the EC for business information providers in the whole finance value chain which may be subject to different interpretations. Therefore, we made the following assumptions in order to reply thoroughly to the EC Consultation

- Business information providers are NOT financial institutions or payment providers because they do not provide money but data and information about financial and non-financial items reported by businesses
- Business information providers are also NOT data intermediaries in the sense of the Data Governance Act because they do not act only as mere conduit providers for data but provide value-added services and enhanced data products and services, so they interact with data and develop proprietary products and services such as business scores.
- Business information providers are mainly data users in the sense of the Open finance targeted consultation because they compile information from different sources, both publicly available or private sources with relevant contractual or licence conditions to develop their own value-added business reports and credit scores which can then be re-used by enterprises, and – among them – actors from the financial sector
- Business information providers are also data holders because they own their credit scoring and business report databases and provide effective and recognized trustworthy services to a large number of businesses who are their final users.

We welcome the European Commission's aim to expand the Financial Data Space through the development of Open Finance but also would like to stress that a fair balance needs to be struck in developing a fair level playing field which would first mean recognizing the key role that each actor of the financial and data value chain plays in the open finance environment.