



## **Global Financial Innovation Network (GFIN)**

The Global Financial Innovation Network (GFIN) was formally launched in January 2019 [link to GFIN news story] by an international group of financial regulators and related organisations, including the Financial Conduct Authority (FCA). This built on the FCA's early 2018 proposal to create a global sandbox.

The GFIN is a network of 29 organisations committed to supporting financial innovation in the interests of consumers.

The GFIN seeks to provide a more efficient way for innovative firms to interact with regulators, helping them navigate between countries as they look to scale new ideas. This includes a pilot for firms wishing to test innovative products, services or business models across more than one jurisdiction.

It also aims to create a new framework for co-operation between financial services regulators on innovation related topics, sharing different experiences and approaches.

### **Confirming the GFIN's functions**

The GFIN was proposed in a consultation paper in August 2018 [link to <https://www.fca.org.uk/publication/consultation/gfin-consultation-document.pdf>]. The GFIN received 99 responses from 26 jurisdictions in response to the consultation paper. The response from industry and other international regulators was overwhelmingly positive in favour of establishing the GFIN to facilitate a new practical method of regulatory collaboration on innovation and creating an environment for cross-border testing.

Following this consultation, the GFIN has finalised terms of reference for governance and membership of the group [link to ToR doc] and confirmed 3 primary functions:

- To act as a network of regulators to collaborate and share experience of innovation in respective markets, including emerging technologies and business models, and to provide accessible regulatory contact information for firms.
- To provide a forum for joint RegTech work and collaborative knowledge sharing/lessons learned.
- To provide firms with an environment in which to trial cross-border solutions.

Since the end of the consultation, the GFIN has discussed further development of our core functions and next steps of the network. Alongside discussions on the sharing of experience, regulators involved agreed to launch a pilot phase of cross-border testing (for firms) and to formalise the membership and governance structure for regulators and international organisations interested in joining the Network.

Following the consultation feedback, the GFIN has:

- Opened a 1 month application period for a pilot phase of cross-border testing. Interested firms are asked to submit applications to relevant participating regulators by 28 February 2019.



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- As part of the finalised terms of reference for governance and membership, expanding from the founding 12 members, the group now includes 29 organisations. Financial regulators and related organisations with a commitment to supporting innovation in the interest of consumers are invited to join.

## **Cross-border testing applications – pilot phase for firms**

Consultation feedback indicated widespread support for creating an environment that allowed firms to simultaneously trial and scale new technologies in multiple jurisdictions, gaining real-time insight into how a product or service might operate in the market.

To support the development of cross border testing we have opened a 1 month application window for firms interested in joining a pilot cohort for cross-border testing.

Firms wishing to participate in this pilot phase must meet the application requirements of all the jurisdictions in which they would like to test. For example, a firm wishing to test in the UK, Australia and Hong Kong must independently meet the eligibility criteria, and/or other relevant standards, of the regulators in those jurisdictions.

Interested firms should note whether a particular regulator is the relevant authority for the proposed activity before applying to test in their jurisdiction.

Each regulator will decide whether a proposed test meets its individual screening criteria, areas of interest, and ability to support the activity. Each regulator will also make sure that appropriate safeguards for their jurisdiction are in place. Regulators are only responsible for tests in their jurisdictions and should consider the associated risks. We believe this is important to maintain high standards of consumer protection and market integrity in regulators' respective jurisdictions.

Pilot tests will run for a 6-month period, unless regulators agree to extend them. We expect the pilots will run from Q2 2019.

This pilot is as much a trial for GFIN members as it will be for firms. We are looking for firms who can be flexible and agile in their participation, and can provide GFIN regulators with feedback on their experience. Firms will benefit from the opportunity to test and compete in the regulated space, and their tests will help inform the future work of the network. Over time, trials could inform regulatory authorities about potential areas of regulatory convergence, although we stress this is a longer-term opportunity.

**Firms interested in applying to GFIN cross-border testing should review the list of regulators currently able to support the pilot test (see list below) and submit an application to each jurisdiction in which they would like to test before the 28 February 2019 deadline.**

### **GFIN members currently participating in cross-border trials**

**Australian Securities & Investments Commission (ASIC)**

Contact: Cuihua Cartwright

E-mail: [cuihua.cartwright@asic.gov.au](mailto:cuihua.cartwright@asic.gov.au)



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Website: <https://asic.gov.au/for-business/your-business/innovation-hub/regulatory-sandbox>

## **Central Bank of Bahrain (CBB)**

Contact: Yasmeen Al Sharaf

Email: [yasmeen@cbb.gov.bh](mailto:yasmeen@cbb.gov.bh)

Website: [https://www.cbb.gov.bh/page-p-regulatory\\_sandbox\\_en.htm](https://www.cbb.gov.bh/page-p-regulatory_sandbox_en.htm)

## **Bermuda Monetary Authority (BMA)**

Contact: Moad Fahmi

Email: [innovate@bma.bm](mailto:innovate@bma.bm)

Website: <http://www.bma.bm/AboutUs/SitePages/GFIN.aspx>

## **British Columbia Securities Commission (BCSC) (British Columbia, Canada)**

Contact: Zach Masum

Email: [techteam@bcsc.bc.ca](mailto:techteam@bcsc.bc.ca)

Website: [https://www.bcsc.bc.ca/For\\_Companies/Technology/](https://www.bcsc.bc.ca/For_Companies/Technology/)

## **Ontario Securities Commission (OSC) (Ontario, Canada)**

Contact: Pat Chaukos

E-mail: [osclaunchpad@osc.gov.on.ca](mailto:osclaunchpad@osc.gov.on.ca)

Website: <http://www.osc.gov.on.ca/en/osclaunchpad.htm>

## **Autorité des marchés financiers (AMF) (Québec, Canada)**

Contact: Lise-Estelle Brault

E-mail: [lise-estelle.brault@lautorite.qc.ca](mailto:lise-estelle.brault@lautorite.qc.ca)

Website: <https://lautorite.qc.ca/professionnels/fintech-technologie-financiere/>

## **Hong Kong Monetary Authority (HKMA)**

Contact: Yvonne Tsui

E-mail: [FinTech@hkma.gov.hk](mailto:FinTech@hkma.gov.hk)

Website: <https://www.hkma.gov.hk/eng/key-functions/international-financial-centre/fintech-supervisory-sandbox.shtml>

## **Hong Kong Securities and Futures Commission (HKSF)**

Contact: Clara Chiu

E-mail: [cklchiu@sfc.hk](mailto:cklchiu@sfc.hk)

Website: <https://www.sfc.hk/web/EN/sfc-fintech-contact-point/sfc-regulatory-sandbox.html>

## **Magyar Nemzeti Bank (Central Bank of Hungary)**

Contact: Anikó Szombati



# GFiN

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*E-mail:* [szombatia@mnbb.hu](mailto:szombatia@mnbb.hu)

*Website:* <https://www.mnb.hu/en/innovation-hub/regulatory-sandbox>

**Astana Financial Services Authority (AFSA) (Astana, Kazakhstan)**

*Contact:* Assylbek Davletov

*E-mail:* [a.davletov@afsa.kz](mailto:a.davletov@afsa.kz)

*Website:* <http://afsa.kz/fintech>

**Bank of Lithuania (LB)**

*Contact:* Jekaterina Govina

*Email:* [JGovina@lb.lt](mailto:JGovina@lb.lt)

*Website:* <https://www.lb.lt/en/regulatory-sandbox>

**Monetary Authority of Singapore (MAS)**

*Contact:* Damien Pang

*E-mail:* [Damien\\_pang@mas.gov.sg](mailto:Damien_pang@mas.gov.sg)

*Website:* <http://www.mas.gov.sg/Singapore-Financial-Centre/Smart-Financial-Centre/FinTech-Regulatory-Sandbox.aspx>

**Abu Dhabi Global Market (ADGM)**

*Contact:* Chris Kiew-Smith

*E-mail:* [chris.kiewsmith@adgm.com](mailto:chris.kiewsmith@adgm.com)

*Website:* <https://fintech.adgm.com/>

**Dubai Financial Services Authority (DFSA)**

*Contact:* Alicia Kedzierski

*E-mail:* [akedzierski@dfsa.ae](mailto:akedzierski@dfsa.ae)

*Website:* <https://www.dfsa.ae/Fintech>

**Financial Conduct Authority (FCA, UK)**

*Contact:* Paul Worthington

*E-mail:* [paul.worthington@fca.org.uk](mailto:paul.worthington@fca.org.uk)

*Website:* <https://www.fca.org.uk/firms/fca-innovate>

**Guernsey Financial Services Commission (GFSC)**

*Contact:* Brett Bewey

*Email:* [innovate@gfsc.gg](mailto:innovate@gfsc.gg)

*Website:* <https://www.gfsc.gg/commission/innovations/innovation-soundbox>

**Jersey Financial Services Commission (JFSC)**

*Contact:* Olenka Apperley

*E-mail:* [innovate@jerseyfsc.org](mailto:innovate@jerseyfsc.org)

*Website:* <http://www.jerseyfsc.org/the-commission/innovation-fintech-support/>



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## **Consumer Financial Protection Bureau (CFPB) (USA)**

Contact: Paul Watkins

Email: [officeofinnovation@cfpb.gov](mailto:officeofinnovation@cfpb.gov)

Website: <https://www.consumerfinance.gov/about-us/innovation/>

## **Joining the GFIN – for regulators**

We see the GFIN as an open initiative and continue to welcome interest from regulators and international organisations in joining the network in its early stages.

Finalising our terms of reference [link] for on-boarding new members allows us to formally expand the group in a transparent way. We invite interested regulators and international organisations to review our tiers of membership and consider the potential benefits and commitment levels that come with joining the network.

While launching cross-border testing has been an early priority for the group, regulatory members are able to just focus on the network and joint RegTech work, rather than supporting trials.

For more information, organisations can contact any GFIN member or email the FCA at [GFIN@fca.org.uk](mailto:GFIN@fca.org.uk).

## **Full list of GFIN Membership**

<b>Coordination Group</b>	
<b>Organisation</b>	<b>Jurisdiction</b>
Australian Securities & Investments Commission (ASIC)	Australia
Central Bank of Bahrain (CBB)	Bahrain
Autorité des marchés financiers (AMF)	Québec, Canada
Guernsey Financial Services Commission (GFSC)	Guernsey
Hong Kong Monetary Authority (HKMA)	Hong Kong
Hong Kong Securities and Futures Commission (HKSF)	Hong Kong
Astana Financial Services Authority (AFSA)	Kazakhstan
Monetary Authority of Singapore (MAS)	Singapore
Dubai Financial Services Authority (DFSA)	UAE
Financial Conduct Authority (FCA)	United Kingdom
Consumer Financial Protection Bureau (CFPB)	United States



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<b>Members</b>	
<b>Organisation</b>	<b>Jurisdiction</b>
Bermuda Monetary Authority (BMA)	Bermuda
Alberta Securities Commission (ASC)	Alberta, Canada
British Columbia Securities Commission (BCSC)	British Columbia, Canada
Ontario Securities Commission (OSC)	Ontario, Canada
Centrale Bank van Curaçao and Sint Maarten	Curaçao and Sint Maarten
Central Bank of Eswatini	Eswatini (Swaziland)
Magyar Nemzeti Bank (Central Bank of Hungary)	Hungary
Isle of Man Financial Services Authority (IOMFSA)	Isle of Man
Israel Securities Authority (ISA)	Israel
Jersey Financial Services Commission (JFSC)	Jersey
Capital Markets Authority (CMA, Kenya)	Kenya
Bank of Lithuania (BL)	Lithuania
South African Reserve Bank (SARB)	South Africa
Abu Dhabi Global Market (ADGM)	UAE

<b>Observers</b>	
<b>Organisation</b>	<b>Country</b>
Qianhai Financial Authority	China
Consultative Group to Assist the Poor (CGAP)	Global
International Monetary Fund (IMF)	Global
World Bank Group	Global