



JOINT STATEMENT

Financial Data Sharing: Finding a sound approach for an effective Open Finance Framework

Brussels, 9 December 2024: As the European Parliament adopted its position and the Council reached its General Approach, the Association for Financial Markets in Europe (AFME), the European Association of Co-operative Banks (EACB), the European Banking Federation (EBF), the European Fund and Asset Management Association (EFAMA), the European Savings and Retail Banking Group (ESBG), and Insurance Europe **call on the co-legislators to deliver on commitments to boost European competitiveness and to avoid concluding the Financial Data Access (FiDA) Regulation before a thorough assessment of its impact across the entire value chain is completed.** To safeguard and boost the competitiveness of the European financial sector, it is essential to ensure an approach that delivers tangible benefits to European citizens while at the same time ensuring that Europe's financial industry can continue to innovate in a robust and cost-effective manner.

The data economy, especially when based on an exchange of data between different sectors, holds the potential to spark data-driven innovation in the European economy, including the financial sector, and deliver new opportunities for customers.

The success of the proposed FiDA framework calls for a more focused and evidence-based approach that delivers clear benefits to European citizens and companies. This necessitates further time for careful scrutiny of its broader and practical impact, both for consumers and industry. Without such an approach, FiDA will not only fall short of its ambition, but also undermine the protection of EU/EEA citizens and the competitiveness of the European financial industry alike.

The financial industry highlights the following recommendations to ensure an effective FiDA framework:

- The framework should **balance value for customers, market demand, and costs for financial institutions prior to implementation.** It is noted that in the impact assessment for the proposed legislation the **costs** have not been adequately assessed, nor has **customer and market demand** for data sharing been evidenced. **The FiDA framework needs to be driven by demonstrated evidence of benefits to customers and market demand, as otherwise it risks undermining the competitiveness of financial institutions operating in the**

EU/EEA, by diverting resources from innovation plans, including from areas where FiDA can be successful.

- As FiDA creates new entities (financial information service providers - FISPs) that will be on the receiving end of large quantities of sensitive customer data, **implications for data security and privacy need to be carefully considered**. This necessitates, at a minimum, **robust regulation and supervision of FISPs** (to the same standards as those applied to regulated financial institutions), while ensuring the rigorous protection of European companies' data. These key aspects of data sharing cannot be adequately achieved by the current design of FiDA, therefore creating risks to upholding European citizens' fundamental right to data protection.

Following the ECON vote and the COREPER mandate for negotiations, and despite some positive improvements introduced in the EP and the Council positions, they remain very broad in scope, particularly in terms of data categories, and do not adequately address the competitiveness and data protection concerns mentioned above. The financial services industry has repeatedly raised these and other key concerns, also proposing relevant solutions, however they remain largely unaddressed.

The financial services industry stands ready to continue contributing to ensure that provides legal clarity and can effectively support the sound development of Open Finance in the EU/EEA.

Signing organisations:

	Association for Financial Markets in Europe (AFME). Contact: Stefano Mazzocchi, Managing Director - stefano.mazzocchi@afme.eu		European Association of Co-operative Banks (EACB). Contact: Chiara Dell'Oro, Director - chiara.delloro@eacb.coop
	European Banking Federation (EBF). Contact: Alexandra Maniati, Senior Director, Innovation & Cybersecurity - a.maniati@ebf.eu		European Fund and Asset Management Association (EFAMA). Contact: Zuzanna Bogusz, Regulatory Policy Advisor - zuzanna.bogusz@efama.org
	European Savings and Retail Banking Group (ESBG). Contact: Ali-Ashraf Rajabli, Associate Advisor - ali-ashraf.rajabli@wsbi-esbg.org		Insurance Europe . Contacts: Danilo Gattullo, Senior Policy Advisor - Gattullo@insuranceeurope.eu ; Arthur Hilliard, Senior policy advisor - Hilliard@insuranceeurope.eu