



WOCCU Urges Level Playing Field for Regulatory "Global Sandbox" for Fintechs

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WOCCU urged the Global Financial Innovation Network (GFIN) to ensure a level regulatory playing field for credit unions as well as including the principles of proportionality in connection with GFIN's [proposal](#) on creating a regulatory "global sandbox" for fintechs.

GFIN is collaboration between 12 regulators and other related parties who are seeking 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. Their proposal will also create a new framework for cooperation between financial services regulators on innovation-related topics.

World Council supports many aspects of the GFIN's proposed mission statement but urges the Member Agencies of the GFIN also to include the principles of a level regulatory playing field and the principle of proportionality.

World Council also recommended:

- All participants in the financial sector, including fintechs and other non-traditional firms accepting deposits or similar repayable funds, should be subject to the same comprehensive and effective anti-money laundering/combating the financing of terrorism
- Pilot programs to promote regulatory innovation should be conducted at the national or provincial level. The World Council does not support conducting cross-border trials;
- GFIN make the protection of depositors from risk of loss a fundamental aim of the network, especially in jurisdictions where fintechs and other non-traditional firms accept deposits;
- GFIN exercise caution in granting exemptions from existing regulations for so-called "new" activities that are really traditional banking activities delivered from a new channel;
- GFIN member agencies should achieve a high level of coordination and cooperation with other global standard-setting bodies.

A copy of the letter can be viewed [here](#).

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