

CFPB Collaborates to Create a Global Fintech Network with Regulators around the World

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Last week the [CFPB announced](#) an initiative to create a Global Financial Innovation Network (GFIN) with 11 other financial regulators and related organizations across the globe. The GFIN sprang from a previous proposition by the UK Financial Conduct Authority (FCA) to create a “global sandbox” for innovative financial services firms to be able to test new financial services and products such as artificial intelligence and blockchain based solutions in different financial markets. Feedback provided in response to that proposition indicated a need for more comprehensive collaboration among regulators to expand the innovation activities currently undertaken by financial services regulators around the world.

The GFIN, as described within the [Consultation Document](#) announcing its creation, is intended to serve three main functions:

1. Facilitate information and knowledge sharing among financial services regulators on emerging innovation trends and best practices and to share appropriate regulatory contact information with financial services firms;
2. Provide a forum for joint policy work and regulatory trials; and
3. Develop a “global sandbox” for business to consumer (B2C) or business to business (B2B) firms to trial and scale new technologies in multiple jurisdictions.

In the press release announcing the initiative, CFPB Acting Director Mick Mulvaney stated that joining the GFIN “demonstrates the Bureau’s commitment to promoting innovation by coordinating with state, federal and international regulators. We look forward to working closely with other regulatory authorities—whether in the United States or abroad—to facilitate innovation and promote regulatory best practices in consumer financial services.”

The GFIN working group is encouraging responses and feedback from interested parties to 10 questions posed within the Consultation Document by October 14, 2018. Commenters can submit responses to the Bureau’s representative, Paul Watkins in the recently-established Bureau’s [Office of Innovation](#). Responses and input are particularly sought from innovative financial services firms, technology companies and providers, accelerators, academia, consumer groups, financial services regulators, and other entities or individuals interested in helping to develop the GFIN. After October 14 the working group will review feedback and agree on next steps, including a timeline for when to

launch the GFIN.

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