



Consumer Financial
Protection Bureau



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CONTACT:

Office of Public Affairs
press@cfpb.gov

Joint Statement by Didier Reynders, Commissioner for Justice and Consumer Protection of the European Commission and Rohit Chopra, Director of the United States Consumer Financial Protection Bureau

Washington, D.C. – On July 17 2023, in Washington, Didier Reynders, Commissioner for Justice and Consumer Protection of the European Commission and Rohit Chopra, Director of the United States Consumer Financial Protection Bureau announced the start of an informal dialogue between the European Commission and the US CFPB on a range of critical financial consumer protection issues.

The digitalisation of the financial services sector has significant implications for businesses and households, from pricing and customer service to competition and privacy. Financial institutions have expanded their deployment of automated decision making, including the use of artificial intelligence(AI). New products and services, such as Buy Now, Pay Later, are shifting the way people borrow and spend money. Digital payments are faster and more frictionless and are increasingly offered and controlled by Big Tech companies. These developments, if left unchecked, could increase consumers' exposure to fraud and manipulation, limit their product options over time, threaten their control over their own data, and force them to accept more expensive personalized pricing for the same products and services compared to other consumers. Policymakers on both sides of the Atlantic are responding to these issues, but we must do more to compete with the pace of evolving markets and consumer needs.

In this context, based on their shared priorities and public mandates, Commissioner Reynders and Director Chopra agreed to start a new dialogue on consumer financial protection, focusing primarily on digital developments in the financial sector and the impact on consumers, to improve policy and regulatory cooperation.

This cooperation includes sharing insights and experience on issues related to consumer financial products and services, with the aim of exchanging technical expertise and coordinating on the most pressing policy issues. The dialogue will cover the following issues:

- Automated decision making and processing of data in financial services, including the deployment of AI, and the related opportunities and risks for consumers such as the lack of transparency, misuse of data and violation of financial privacy rights, discrimination, and exclusion.
- New forms of credit such as 'Buy Now, Pay Later' products, and the related risks to consumers, including over-consumption and over-indebtedness.

- Strategies to effectively prevent over-indebtedness and to help over-indebted consumers to repay their debt sustainably.
- Digital transformation that ensures fair choice and access to financial services for consumers, including the unbanked, underbanked, and consumers who want to protect their own data.
- Implications for competition, privacy, security and financial stability of Big Tech companies offering financial services, including payment services.

Next steps

The European Commission and the Director of the CFPB will meet at least once a year. This informal dialogue will involve staff discussions, including bilateral meetings between senior staff and subject matter experts, and roundtables, involving, as appropriate and depending on the topic, stakeholders that include consumer groups, industry representatives, the OECD G20 Task Force on Financial Consumer Protection, and/or others. Certain subjects may need to be addressed in a non-public format, while other issues may be appropriate for broader stakeholder involvement. The European Commission and the Director of the CFPB expect the cooperation and exchanges within this Informal Dialogue to occur in parallel with other forms of cooperation and exchanges between the European Union and the United States on various digital and financial services policies and regulation.

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The Consumer Financial Protection Bureau is a 21st century agency that helps consumer finance markets work by making rules more effective, by consistently and fairly enforcing those rules, and by empowering consumers to take more control over their economic lives. For more information, visit consumerfinance.gov.