

Insurely position on the EU Financial Data Access regulation.

The value of the EU 27's data economy was almost €325 billion in 2019, representing 2.6% of its GDP. The same estimate predicts that it will increase to over €550 billion by 2025, up to 4% of the EU's GDP¹. In a society where individuals and companies generate ever-increasing amounts of data, the way in which data is collected, used, and shared must be regulated fairly in order to ensure the compliance with European values, individual rights, fair market competition, and economic growth. Building on the groundwork of the European Strategy for Data, and on the Digital Finance Strategy for the EU, the Financial Data Access Regulation (FIDA) comes at a crucial time to fill a gap in the policy proposals package, (e.g Data act, Digital Markets Act, and Data Governance act), that will harness the power of data for the benefit of the EU's society.

Today, the Open Finance sector still has untapped potential, both for consumers and EU data-using enterprises. By setting an EU-wide harmonized framework for data access and sharing, FIDA will lead to a financial data economy with a consumer-centric perspective. Consumers will benefit from innovative products targeted to their needs, more real-time control over their own data, and overall better products and prices from financial institutions. Leading to consumers participating in a healthier and more competitive financial sector (banking, insurance, pension, etc).

The Industry will benefit just as much as consumers, if not more. The groundbreaking nature of open finance² allows everyone to have a piece of the cake. FIDA will enable organizations to unlock opportunities with their increased ability to have data shared with them by the consumer in real time: enhancing customer experience will stimulate customer acquisition and overall engagement, - adding new sales channels -, developing a deeper customer and market understanding, and easing internal operations. **A true win-win experience for consumers and industry.**

¹ [Building a data economy — Brochure | Shaping Europe's digital future \(europa.eu\)](#)

²Open finance refers to third-party service providers' access to customer data held by financial institutions for the purposes of providing financial and information services.

FIDA will play an active role in increasing financial inclusiveness in the EU. This will be realized through consumers gaining increased control over their own data, getting better access to information, having an increased understanding of their choices/ possibilities, combined with the industry offering better experiences, and more competitive products and services.

The potential cumulative benefits for the EU economy produced by enhanced access to and sharing of data in the EU financial sector ranges between EUR 4.6 billion and EUR 12.4 billion³ every year.

Insurely welcomes the Commission's proposal on FIDA, which is positive in many respects. Paving the way forward on how to address data sharing, consumer consent, and data privacy are key to establishing a successful framework.

³ [Open finance framework – enabling data sharing and third party access in the financial sector \(europa.eu\)](https://ec.europa.eu/economy_finance/open-finance-framework_enabling-data-sharing-and-third-party-access-in-the-financial-sector_en)

An ambitious FIDA is needed to accelerate progress on financial data sharing.

Insurely believes that the following elements should be taken into account in the context of FIDA to ensure alignment with the needs of consumers and businesses:

- **The Commission got it right on the breadth of the scope.** By providing a wide scope (Article 2) of data sharing, innovations will be unlocked across many financial categories. This type of data sharing should cover all aspects of a consumers financial life, with the exclusion of illness and health insurance products. We do however see that those are critical insurance products for consumers, and should be added after proving that data sharing is safe for the average European citizen.
- **The obligation to make data available to consumers is critical.** The potential for innovation stemming from FIDA will only happen if Article 4 is upheld to its word. Free of charge for each citizen, electronic, in real time, mandatory, and only initiated by the consumer. Financial and insurance services providers should share a customer's data only when given permission from the consumer: Third party providers (TPPs) are collecting insurance data on behalf of the consumer and sending it to another company of the consumer's choice. TPPs play a central role in a data sharing ecosystem, unlocking consumer centric use cases, which create an overall better end-to-end experience for customers; however charging for collecting customer data on behalf of the customer would create a barrier for consumers in collecting their data and may remove any innovation that is not profit driven (thus limiting potential value for the end consumer).

- **Fees may be a good instrument for ensuring compliance, however they should just cover operating expenses of the FIDA APIs for data holders.** We agree that fees to data holders is a balanced approach to development and governance cost, if combined with sanctions for breaching FIDA regulations. Fees are great in concept, but we struggle to see how it will be practically implemented. Some questions which arise when thinking about the impact of fees are: How will we ensure that costs are not passed onto consumers? How do we ensure that fees don't indirectly promote innovation efforts towards only use cases with high revenue generating possibilities instead of use cases which provide the highest value for consumers? How do we ensure that data holders don't use fees as a tool to limit competition?
- **The Financial Data Access permission dashboard (Art. 8) is a feature that will greatly benefit the customer.** Permissions dashboard is welcomed, but we see it as complex for data holders to manage. We promote an even greater definition of how this will work. In particular we support appointing a supervisor to ensure that the portals provided to customers by the data holders are fair, transparent, and understandable. This will also ensure that the data holders do not implement any 'dark patterns' in the designs and implementations of these portals which encourage the customer to not share their data; especially since many incumbent data holders will be incentivized to not want their existing customers to share their data.
- **Data sharing schemes are welcomed but further clarity is needed.** Minimizing the workload and clarifying data schemes' mandate will increase the probability of schemes agreeing on a harmonized data structure and API structure in time. We welcome the introduction of financial data schemes to FIDA, however one should limit their decision mandate to be about data structure and API structures, not which content is to be included and how much to charge for fees. Scheme structures are not one size fits all and each data category will have different needs.

- We agree that data holders should agree on a common data structure and format as this will essentially minimize the cost and fees in the network per market and scheme. Nonetheless, leaving the mandate on data content to schemes will risk the purpose of the regulation and contradicts the preambles as well as *right to data* under GDPR (ref Article 20 GDPR). Consumer organizations should also have veto power in data schemes to minimize risk of schemes misusing their power for competition reasons. Article 10 is one of the most important sections in this proposed regulation, and we believe that it also serves as the article where the greatest improvements should be made. Currently, this regulation will allow for a variety of scheme structures, which may or may not be overlapping in nature - will the schemes be EU wide, market focused, service focused, or a mix of above? We believe that it is unlikely that an EU-wide efficient structure will be formed without intervention from legislators. Therefore we think that the Regulation should set:
 - An EU wide scheme for basic insurance data (e.g. about the customer themselves and defining the product/service they have purchased), as this type of data is prevalently standard for all markets in the EU.
 - A supervisor body governing the scheme's operation ensures that the data sharing schemes operate in a way which is fair, transparent, and results in a level playing field for incumbents and challengers alike.

About Insurely

[Insurely](#), headquartered in Sweden, was founded in 2018 with the mission of transforming the insurance industry with the commitment of creating a more open and transparent market by introducing innovative API's and user-friendly solutions for open insurance.

With the help of open data and cutting-edge technology, Insurely provides insurance companies and banks with solutions that enhance the experience for their customers. This allows them to gain a deeper understanding of their clients, leading to increased conversions and strengthened customer satisfaction while consumers are empowered to make better decisions about insurance by having a clearer understanding of the industry. The entire process is carried out in a seamless digital flow, with real-time data sharing, making it easy and efficient for everyone.

Contacts

Martin Einemo, Insurely CEO - martin@insurely.com;

Frank Kody, Insurely Head of Data and Analytics - frank.kody@insurely.com

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