

Dear CMA Remedies Monitoring Team,

I'm the co-founder and CEO of Simpl, and former Head of Product at ClearScore. We are developing a consumer first credit card product designed to serve people without a UK credit history (e.g. expats, returning expats and young professionals) using Open Banking data and have received venture backing from LocalGlobe and Seedcamp (two of Europe's top seed venture funds).

I'm writing to you in relation to the recent proposed changes to the Open Banking governance structure. Simpl's mission to create an equitable financial services sector was built from our own personal experiences and leadership experiences at ClearScore where we saw numerous people struggle to access high quality credit products due to lack of a UK credit history. Open Banking and Open Finance has an important role in addressing these inequities and creating a more equitable financial service sector that treats consumers the way they deserve.

We recognise that Open Banking has been crucial to create a thriving Fintech ecosystem, and is still far from being a mature service. The proposed changes has the potential to regress any of the progress Open Banking has made in creating a fairer and more competitive financial service sector. We are specifically concerned about the following:

1. **Undue influence from ASPSP providers:** A large portion of the funding would come from ASPSP providers, who are incentivised to *not* share information or make it accessible for growing start-ups like ours to access crucial banking transaction data.. The paper acknowledges that the "...largest banks have shown signs of embracing open banking, they may also have an incentive to slow the further development of the open banking ecosystem, where this conflicts with their own commercial objectives", and we believe that the proposed governance structure does not appropriately deal with this conflict of interest.
2. **Clarity around TPP Fees:** Whilst it says the TPP fees would be subject to competition law review and "should not serve as an obstacle to TPP participation in the ecosystem, and instead reflects a value for money", we first-hand have experience that these 'small fees' can be prohibitively to early stage start-ups who have limited funding especially at the early stages of product development. It's unclear how these TPP fees would be determined and who would determine what good 'value for money' looks like for an early stage company in its most vulnerable stage.

We believe that whilst the intent of these changes are positive, we believe that it's crucial to not rush through the consultation process to ensure that the impact to the wider Fintech ecosystem is well understood. We request that the CMA extend the consultation process and ensure that the Fintech ecosystem is more widely consulted with to ensure that the changes don't negatively impact the thriving Fintech ecosystem, an ecosystem which the UK has proudly developed and wants to continue to grow (as we have seen through the Kalifa Fintech Review report).

Best,
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