

## About the ABI

The Association of British Insurers is the voice of the UK's world-leading insurance and long-term savings industry. A productive and inclusive sector, our industry supports towns and cities across Britain in building back a balanced and innovative economy, employing over **310,000** individuals in high-skilled, lifelong careers, two-thirds of which are outside of London.

The UK insurance industry manages investments of over **£1.6 trillion**, pays over **£16 billion** in taxes to the Government and supports communities across the UK by enabling trade, risk-taking, investment and innovation. We are also a global success story, the largest in Europe and the fourth largest in the world.

The ABI represents over **200** member companies, including most household names and specialist providers, giving peace of mind to customers across the UK.

## ABI Response

In this short response, we comment only on Question C of the **Sustainability/Adaptability** section of the consultation.

As the consultation notes, the FCA has recently consulted on Open Finance – and published its Feedback Statement shortly before the closing date of this consultation.

The FCA has concluded that any next steps on Open Finance should be introduced on a phased basis and should follow the development of industry-led roadmaps. They recognise that it will be easier for some sectors to facilitate the introduction of Open Finance than others – with neither insurance or pensions currently envisaged to be in the likely first phase.

In our response to the FCA's consultation, the ABI emphasised the importance and unique challenges that face different parts of the insurance and long-term savings sector. In our view, any implementation of Open Finance principles for the sectors we represent would not operate as an 'add-on' to the existing Open Banking infrastructure, but would be unique projects in their own right.

Therefore, it is not possible at this stage to say that the future model proposed for Open Banking would be appropriate for any proposals that emerge from the next steps proposed in the FCA's Feedback Statement. As part of the FCA's proposed industry-led roadmap, we would want to conduct a detailed consideration of the appropriate governance and funding structure. The ABI has a close and effective working relationship with UKFinance and, therefore, would look to work closely with them and learn from their experience as we consider an operating model that would be appropriate for our own sector.