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Assessing Fintech credit activity in Spain: an approach through the Fintech Observatory[1]

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[1] This contribution was prepared for the conference. The views expressed in this publication are those of the authors and do not necessarily represent the official views of the Committee, its members, or the BIS.

Assessing Fintech credit activity in Spain: an approach through the Fintech Observatory

Ramón Jesús Ruiz García[1]

Abstract

While it seems evident that Fintech activity, particularly Fintech Lending, is a growing phenomenon, there are generally few official sources that allow for a true measurement of trends and the amounts of intermediated financing. This is due to the challenge of clearly defining what should be considered Fintech, as well as the difficulty in obtaining information from entities that are often not subject to specific regulation. In this context, Bank of Spain has developed a methodology that primarily employs industry sources and public information to approximate the measurement of this phenomenon. This paper details the developed methodology and presents real data collected and used to assess the amounts of Fintech Lending activity in Spain for the FSB's global monitoring report on non-bank financial intermediation (GMR NBFI).

Keywords: Fintech Lending, Fintech Monitoring, non-banks, experimental statistic, Fintech census, entity identification.

JEL classification: G23

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Introduction

The financial system is perpetually evolving, driven by a dynamic interplay of market demands, regulatory changes, and technological advancements. In recent years, this evolution has been particularly pronounced with the advent and rapid growth of financial technology, or Fintech. The proliferation of smartphones, the expansion of internet connectivity, and the development of sophisticated data analytics and artificial intelligence have collectively fuelled the Fintech revolution. These innovations enable more personalized financial services, enhance the customer experience, and increase the inclusivity of the financial system by reaching underserved populations. From mobile banking and peer-to-peer lending to cryptocurrency or Insurtech, Fintech activity may transform traditional financial services and create entirely new paradigms of economic interaction.

Lending is one of the activities that can evolve significantly driven by the operations of Fintech entities. Particularly in countries where granting loans is not a restricted activity (as is the case in Spain), the proliferation of entities offering credit outside the traditional sphere can pose additional challenges for regulators. As Fintech Lending is likely to continue growing in the coming years, it becomes increasingly important to develop the necessary statistical tools to measure its significance, understand its interconnections with other players, and evaluate its implications for global financial stability.

However, many of these entities remain under the radar of financial authorities, both in terms of regulation and statistical compilation. The fact that current statistical manuals do not provide a common definition of Fintech[2] further limits the ability of compilers to measure it by using traditional methods. In this context, Bank of Spain launched an experimental statistic, called the Fintech Observatory, which seeks to characterize and assess Fintech activity in Spain.

This paper aims to explain the Spanish approach to quantifying the Fintech Lending phenomenon through the Fintech Observatory and to illustrate how this data has been further enriched and already used in international compilation exercises to offer a more comprehensive view of Fintech Lending in Spain.

The first step in the methodology of the Fintech Observatory requires defining the target population. Certain Fintech activities are subject to register, but this is not often the case. Therefore, industry data sources play a very important role in spotting potential candidates to be included in the population. Through the use of both official and industry data, Fintech entities are identified and a Fintech Census is constructed.

The second step involves compiling quantitative information. Since other statistical sources are typically unavailable for Fintech entities, business information is used instead. This information is gathered from business registers, annual public reports, and voluntary statements. The data are then converted into financial statistics terms through a series of automated transformations and subsequently subjected to

[2] Proposals for establishing a Fintech classification across different contexts have already been made. As an example, the paper "Fintech in statistical classifications: suggestions and tentative figures in a central bank context", by Ulf von Kalckreuth, Norman Wilson, Celestino Giron, Urszula Kochanska, Enzo Buthiot, Yann Wicky,Luis Ángel Maza and Román Santos, proposed a classification of Fintech activities in the current European Classification of Economic Activities (NACE). Similarly, the Cambridge Centre for Alternative Finance has developed a system to classify Fintech entities by business models.

manual quality controls. The combination of the Fintech Census data and quantitative information constitutes what is referred to as the Fintech Observatory.

To obtain additional details for evaluating Fintech interconnections with other subsectors, supplementary sources such as Balance of Payments/International Investment Position or Securities Holding Statistics data can be utilized. Additionally, through collaboration with the National Securities Market Commission, data on the volume of loans raised through crowdlending platforms is also examined.

The resulting database has been used to measure Fintech Lending activity in Spain in the context of Recommendation 10, Fintech Credit, of the third phase of the Data Gaps Initiative (DGI-3), launched by G20, as well as in Financial Stability Board's (FSB) global monitoring report on non-bank financial intermediation (GMR NBFI).

1. The Fintech Census

The FSB defines FinTech as "technologically enabled innovation in financial services that could result in new business models, applications, processes or products with an associated material effect on financial markets and institutions and the provision of financial services"[3].

Measuring a trend of this type first requires identifying the target population. However, there is currently no internationally agreed-upon methodology to determine whether entities meet the conditions set by the FSB and qualify as Fintech.

Therefore, the first necessary condition to approach the phenomenon requires to establish a tailored methodology that allows for the identification of entities that should be included in the population, while adapting to the available information sources. In the case of Spain, some Fintech activities are subject to registration by the competent authority, but this is not the general rule. Since there are only a few registered activities, it is essential to rely on Fintech industry sources to provide an accurate approximation of the phenomenon.

In the following paragraphs, the process followed to build the Fintech Census is described.

1.1 Public data sources

There are two types of Fintech entities subject to registration in Spain:

- Entities providing crowdfunding services: they are required to register and are supervised[4] by the National Securities Market Commission when their activity involves facilitating the granting of loans or placing transferable securities. Crowdfunding platforms involved in invoice purchasing or project financing through donations are excluded from this regulation.

3 FinTech - Financial Stability Board (fsb.org)

4 Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business, and amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937

- Providers engaged in exchange services between virtual currencies and fiat currencies and custodian wallet providers: they are required to register[5] with Bank of Spain, but there are currently no additional supervisory rules established for these providers.

These public registers are checked regularly for this statistical purpose and new entities are added to the Fintech census.

1.2 Industry sources

Given the scarcity of official sources, it is essential to turn to industry data alternatives. In this regard, two websites that are closely related to the Fintech sector have been identified. They are useful for spotting entities within the industry:

- Spanish FinTech and InsurTech Association (AEFI): it is an industry association that aims to "build and improve the financial and insurance environment in Spain so that it is favourable to financial, insurance and regulatory innovation". When an entity joins the association, it is required to report what type of Fintech service (referred to as "vertical"[6]) it is providing and this classification is accessible through AEFI's website. This self-reported information is useful at the analysis stages, where Fintech Lending entities are identified as those classified in the Online Lending and Neobanks[7] verticals.
- Finnovating: It is a B2B digital platform that aims to connect companies within the Fintech sector, facilitating investment and collaboration opportunities, growth acceleration tools, and market visibility. It creates Fintech entity maps by country, which serve as a highly valuable source for identifying entities.

Just like with public registers, industry websites are regularly checked through manual and automated processes. The entities identified are considered candidates for inclusion in the Fintech Census, but they are not added to the census until they have been analysed in the next phase.

1.3 Entity confirmation

It is assumed that the candidates found on industry websites are engaged in Fintech activities, but it is necessary to confirm that they are resident institutional units in the Spanish economy. First, as industry websites sometimes refer to commercial brands, a clear identification in terms of company name and national identification code is needed. Afterwards, it is necessary to check that the entity is a resident one, as there are cases where non-resident entities are offering services in Spain. If both filters are passed, the entity is added to the Fintech Census. Chart 1 shows the status of the

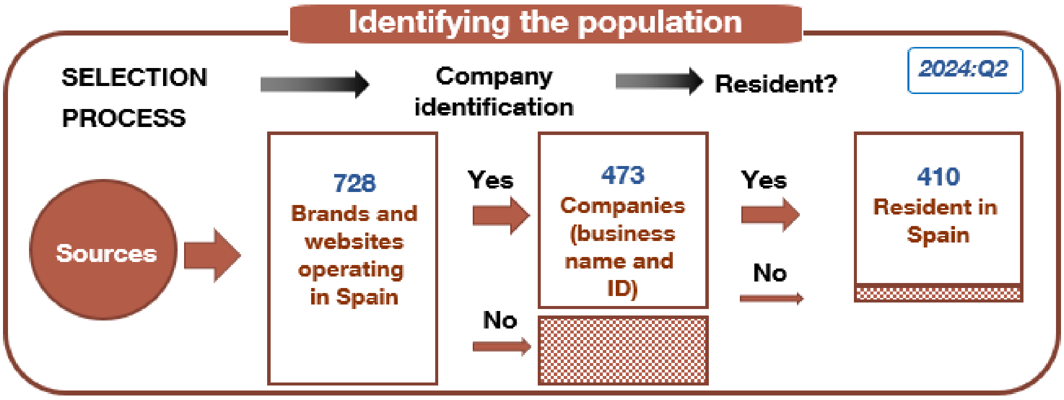
5 Law 10/2010, of April 28, on the prevention of money laundering and the financing of terrorism

6 There are 13 verticals in AEFI: WealthTech, PayTech, Lending Online, RegTech, Marketplaces and aggregators, Neobanks, Onboarding, InsurTech, Cryptocurrencies, Financial infrastructures, Personal Finance, Transactional Services/Currency and Crowdfunding/lending.

7 Since the "vertical" is a type of self-reported classification, the Neobank category, despite its name, does not necessarily include only entities with a banking license. In fact, the few entities currently classified in this vertical are considered non-financial in the Sectoral Classification of the Spanish Economy Database.

census as of Q2 2024, where only 410 out of the initial 728 candidates met both criteria.

Chart 1



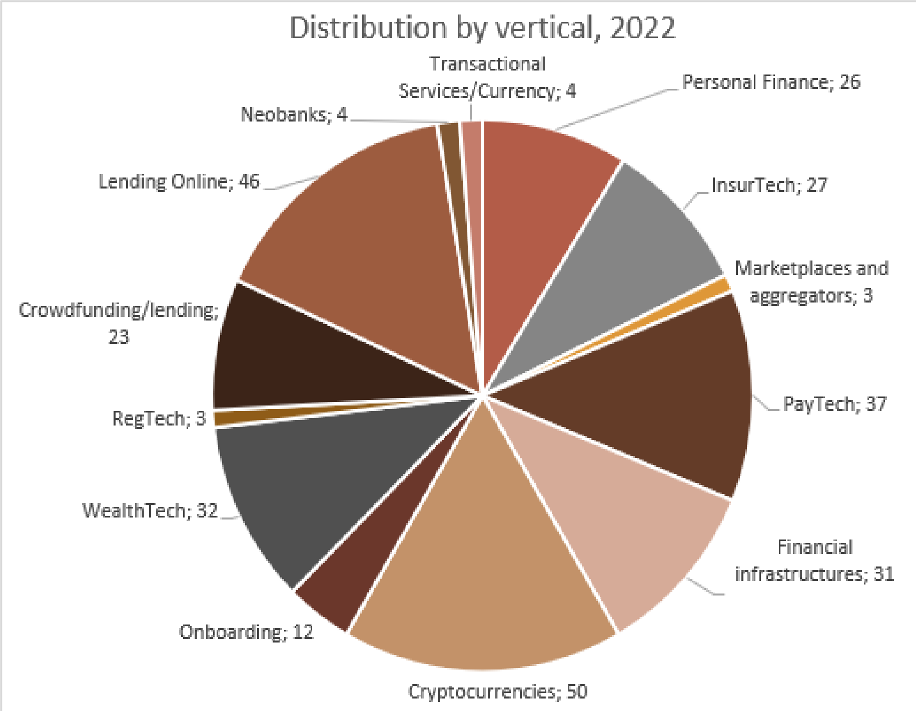
1.4 Labelling of entities and incorporation into the Census

When a new Fintech entity is identified, it is registered in two areas:

- Sectoral Classification of the Spanish Economy Database: it is the database available at Bank of Spain for identifying entities. It supports the sectoral classification of statistics such as financial accounts, securities statistics, or Balance of Payments/International Investment Position and it is publicly available and accessible to reporting agents responsible for transmitting sectoral aggregates. The "Fintech" characteristic has been incorporated into this database as a "flag." It is not an institutional sector per se but a feature that can be shared by any type of entity (except banks[8]).
- Fintech Census: this is a specific register created for studying the Fintech phenomenon. In addition to the national identification code and the name of the entity, it includes additional characteristics such as its national classification of economic activities code (Spanish NACE), geographical location, and vertical (or type of Fintech service). Chart 2 shows the distribution by vertical of the entities that were part of the Fintech census at the end of 2022.

8 The decision to exclude banks from the Fintech sphere stems from the fact that entities holding a banking license are generally subject to very high information requirements, making their activities more susceptible to monitoring. This approach aligns with the Fintech Credit definition proposed by the DGI-3 Task Team for Recommendation 10, which describes it as "credit activity facilitated by electronic platforms not operated by commercial banks". It also reflects the FSB Non-bank Monitoring Experts Group (NMEG)'s perspective on measuring Fintech Lending by non-bank entities (including non-bank deposit-taking corporations) within the GMR NBFI framework.

Chart 2



[9]

2. Fintech national accounts data

Once the target population has been identified, quantitative information related to it can be collected. Since the Fintech "flag" is compatible with classification into any economic sector (except banks) and Fintech entities themselves are not subject to specific reporting requirements, it is necessary to rely on administrative data and business information sources.

In this regard, the work carried out by the Bank of Spain's Central Balance Sheet Data Office (CBSDO) is crucial. The CBSDO is "a service that analyses the economic and financial information voluntarily submitted by Spanish non-financial corporations, which improves the knowledge about these corporations, enables financial accounts for the Spanish economy to be drawn up, and which analyses corporate performance and the effects of monetary policy measures on corporate financing and results"[10]. CBSDO products extend beyond non-financial corporations. Its contributions are crucial for including information on entities not subject to reporting requirements, such as holding companies and head offices, in financial accounts.

Additionally, in the context of Fintech data, the CBSDO collects, processes, and refines financial statements from business registers, annual public reports, and voluntary statements of entities identified in the Fintech Census to create a highly

[9] Total figures do not add up to the number of entities in Chart 1 because Chart 2 only includes firms for which accounting information was available at the time of compilation of Fintech national accounts data 2022.

[10] Central Balance Sheet Data Office's website

useful product with accounting information. The CBSDO has in place data quality management processes that automatically check the coherence and plausibility of information, and, when needed, call for the intervention of accounting experts. Finally, it translates that information into national accounts terms (financial and non-financial accounts). These refinements and transformations are tailored to better capture the economic reality of Fintech entities and may differ from those applied to non-financial corporations' data[11].

The final outcome of these processes is a significant amount of quantitative information, with over 100 variables from business accounting and 80 variables in terms of national accounting being collected. The main drawback of this product is its heavy reliance on data from business registers, which results in significant delays in availability and limits the data to an annual frequency.

3. The Fintech Observatory

The combination of the Fintech Census and Fintech national accounts data constitutes the Fintech Observatory.

The Fintech Observatory is an experimental statistic designed to measure the size and relevance of the non-banking Fintech sector in Spain, as well as to clearly delineate financial and non-financial Fintech companies. Its compilation began in 2020, and data are available from 2018 to 2022. To simplify the analysis, the 13 categories of Fintech activity (or verticals) are grouped into four Fintech activity groups: crowdfunding/lending and online lending, currency and paytech, investment services, and other financial activities.

Aggregated data are distributed semi-annually to internal users at Bank of Spain, though there are plans to make it publicly available in the medium term. Additionally, the granular database from which the information is derived is currently accessible only to internal users and to researchers, in this second case through the Bank of Spain Data Laboratory[12] (BELab). This database includes nearly 300 quantitative and qualitative fields for each Fintech entity.

4. Constructing the Broad Fintech Database

As with any other statistic, when data requirements exceed the usual scope of the Fintech Observatory, there is the possibility of turning to additional sources to further extend the analysis. To achieve a more precise measurement of the Fintech lending phenomenon, additional information is utilized. In this case, Crowdlending intermediation data and information from other granular databases are used to enrich the analysis.

[11] For example, specific treatment is given to companies engaged in factoring or invoice discounting, which is a common activity among Fintech entities. Since their activity is primarily financial, and to avoid overestimating their operating revenues and expenses, their invoice purchase activity is reallocated from operating revenues to financial income and expenses.

[12] BELab Microdata on Spanish non-bank Fintech entities (FIN)

For the purposes of this paper, the product obtained will be referred to as the Broad Fintech Database. However, it is neither a recurring statistical product nor a rigid one; rather, it is an ad-hoc product created for specific exercises related to Fintech information, as requested.

4.1 Measuring crowdlending activity

Crowdlending refers to the activity where multiple investors collectively lend money to individuals or businesses through online platforms. It is a specific form of crowdfunding where financing is provided through loans. This is particularly relevant to this paper, as such activities fall within the scope of Fintech Lending.

These platforms do not act as active intermediaries between those seeking funding and those providing it; rather, they provide the necessary tools to support the connection between parties. Hence, measuring the activity of crowdlending platforms represents a significant departure from the traditional approach used by Financial Accounts compilers, who focus on capturing the positions held by entities on their own account. In this case, the information provided by the Fintech Observatory does not offer additional insights, as it only records balance sheet positions and flows.

To address this issue, the information required based on Regulation (EU) 2020/1503 of the European Parliament and of the Council is used. In addition to subjecting crowdfunding platforms to specific registration and transparency requirements, this regulation mandates them to provide annual reports on the new financing operations they facilitate. It also allows national regulators to expand their information requirements for supervisory purposes.

In Spain, the National Securities Market Commission collects and processes this information. In addition to the previously mentioned basic annual reporting requirements, it requests that crowdfunding platforms provide data on open positions from previous periods, thus facilitating the updated measurement of the outstanding loan amounts they manage. This information is subsequently shared with Bank of Spain to enhance the tools for measuring Fintech activity.

This information still has certain limitations. Invoice trading platforms are not subject to regulation; however, as discussed in section 5, invoice trading is part of Fintech Lending in the context of the GMR NBFI. Additionally, crowdlending platforms are not required to report information on the interconnections between borrowers and lenders, which complicates the identification of funding flows between agents.

4.2 Other granular databases

Since the Fintech Census allows for the individual identification of entities, it opens the possibility of tracking these entities' data in other relevant databases[13].

[13] Some of the additional explorations mentioned in this section were used to analyse Fintech Credit entities under Recommendation 10 of the DGI-3 but were not necessary in the context of the GMR NBFI. In particular, granular information on interconnections covering a broad range of financial instruments was finally not required, given the lack of data availability at the global level. More detail about these international exercises is provided in section 5.

The following granular sources have been used at some point to expand the range of items available for analysis:

- Sectoral Classification of the Spanish Economy Database: additional qualitative details on the subsector, in terms of the System of National Accounts (SNA), and type of entity.
- International investment position: identification of connections with non-residents, as well as lending activities between residents and non-residents.
- Securities statistics: data on financing to and from other subsectors through debt securities.
- Banking groups’ structure: details about equity issued and held by banks.

5. Use of Fintech information in practical exercises

Once the methodology for defining the population and gathering quantitative data is established, the resulting information can be analysed for statistical applications. Data from the Fintech Database has already been used to assess Fintech Lending volumes in Spain in international compilation exercises.

The first experience was the Fintech Credit Pilot Exercise, which was part of the DGI-3, specifically Recommendation 10 on Fintech Credit. The recommendation aims to provide an initial international assessment of the phenomenon and enhance the understanding of information availability across different countries. The ultimate objective of this recommendation is to define a regular data collection that will be integrated into FSB’s GMR NBFI, an already well-established international annual exercise.

The data used in the following charts and tables were generated according to the definitive methodology of the GMR NBFI 2024 exercise[14], where Fintech Lending is defined as “intermediation conducted either through a loan (secured or unsecured), the purchase of debt-based securities (such as bonds, debentures, or subordinated debt), or the purchase of invoices or receivables from a business”. Fintech entities engaged in lending are those for which lending is their primary activity. Given the impossibility of analysing each entity in detail to determine their direct involvement in Fintech Lending, it is assumed that entities self-reporting their activities as part of AEFI’s verticals of "Lending Online"[15] or "Neobanks"[16] are Fintech Lending entities[17].

14 The GMR NBFI 2024 exercise is intended to be published by the FSB by the end of 2024.

15 Defined by AEFI as “vertical that encompasses entities which, after evaluating the borrower, provide collateral-free loans, as well as companies that manage and optimize credit sales for their clients”.

16 Defined by AEFI as: “vertical that covers 100% digital banks, in other words, banks that depend on smartphones and social networks to establish their relationship with customers”. As mentioned in footnote 7, despite AEFI’s description entities in this vertical do not necessarily hold a banking license.

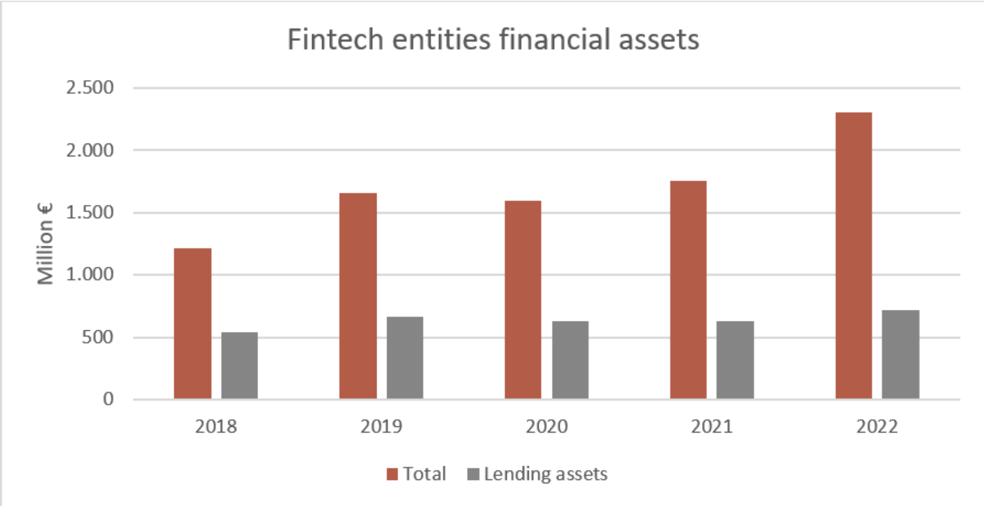
17 Note that Fintech Lending is not restricted to Fintech Lending entities; its definition focuses on the instrumentation of the investment. At the same time, Fintech entities engaged in lending are a subset of the broader Fintech population and are primarily focused on lending activities, but this does not necessarily mean that lending is their only activity. These nuances will be particularly relevant when analysing charts 4, 5 and 6.

6. Main findings

First, it is important to highlight the relatively minor role of Fintech entities within the Spanish financial landscape. According to financial accounts data, the total financial assets of Spanish financial institutions (sector S.12) amounted to nearly €5.2 trillion at the end of 2022. In contrast, the total financial assets of entities identified as Fintech amounted to €2.3 billion, representing just 0.04% of the total figure[18].

Focusing on the evolution of Fintech activity since 2018 observatory's data became available (Chart 3), there has been a 90% increase in terms of financial assets. Years of higher growth (2019 and 2022) alternate with years where asset accumulation slows down or even declines. During the same period, the growth of lending assets for all Fintech entities (not just Fintech entities engaged in lending) has been less pronounced, increasing by 32% over these four years.

Chart 3



Regarding the credit intermediation phenomenon itself, it is useful to progressively compare different perspectives from which Fintech lending can be analysed. If a restrictive approach to measuring the phenomenon is taken (considering only those entities whose main activity is lending and that are not subject to any type of statistical requirement), it is found that the volume of facilitated Fintech Lending is very low, only €115 million at the end of 2022. The following charts (4, 5, and 6) present increasingly stringent approaches to assessing Fintech Lending.

18 Furthermore, entities identified as Fintech are not necessarily classified as financial entities.

Chart 4

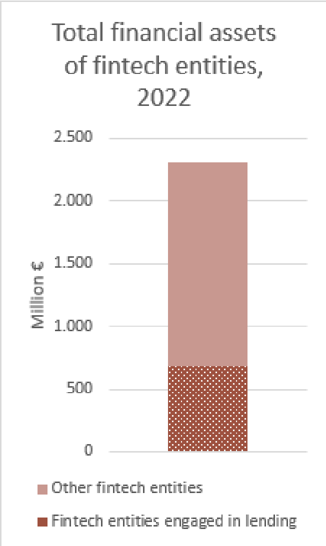


Chart 5

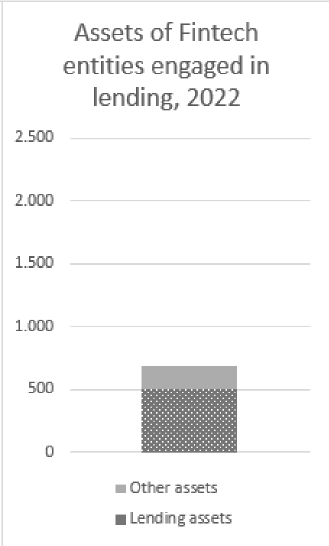


Chart 6

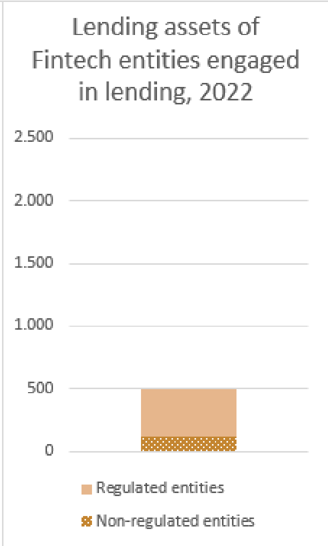


Chart 4 illustrates the relative importance of Fintech entities engaged in lending within the Spanish Fintech ecosystem. These entities hold approximately 30% (€688 million) of the total assets of Fintech entities.

Chart 5 delves into the composition of the financial asset portfolios of Fintech entities engaged in lending. As expected, most of their assets (72%, or €495 million) consist of lending-related assets.

Finally, Chart 6 focuses on analysing the lending assets held by Fintech entities engaged in lending. This chart aims to identify the volume of lending assets that may be currently excluded from standard statistical measurement. It distinguishes Fintech Lending entities which are subject to supervisory or statistical requirements from those which are not. The analysis reveals that most of the Fintech Lending activity (77%, or €381 million) is conducted by entities that are indeed under some form of regulation. This is primarily due to the presence of certain finance companies[19] that also qualify as Fintech entities. As a result, only €115 million in lending is facilitated by companies that are outside of the current statistical radar.

Regarding the behaviour of firms based on their type of activity, it is difficult to draw conclusions from the analysis by verticals (self-reported classification) and by economic sector (determined by Bank of Spain) of the financial assets to total assets ratio. In the Spanish context, the definition of Fintech implies that a firm's activity is related to financial activities, but it does not mean that the firm directly engages in financial intermediation. It is possible that certain entities are primarily providing non-financial services to other Fintech companies. This is why, within the same vertical, there may be units classified as financial and non-financial. Furthermore, there are several verticals (such as RegTech[20] or Onboarding[21]) that appear to integrate auxiliary non-financial services.

[19] In Spain, finance companies are subject to prudential regulation similar to that of banks and, consequently, are well captured in statistics such as financial accounts.

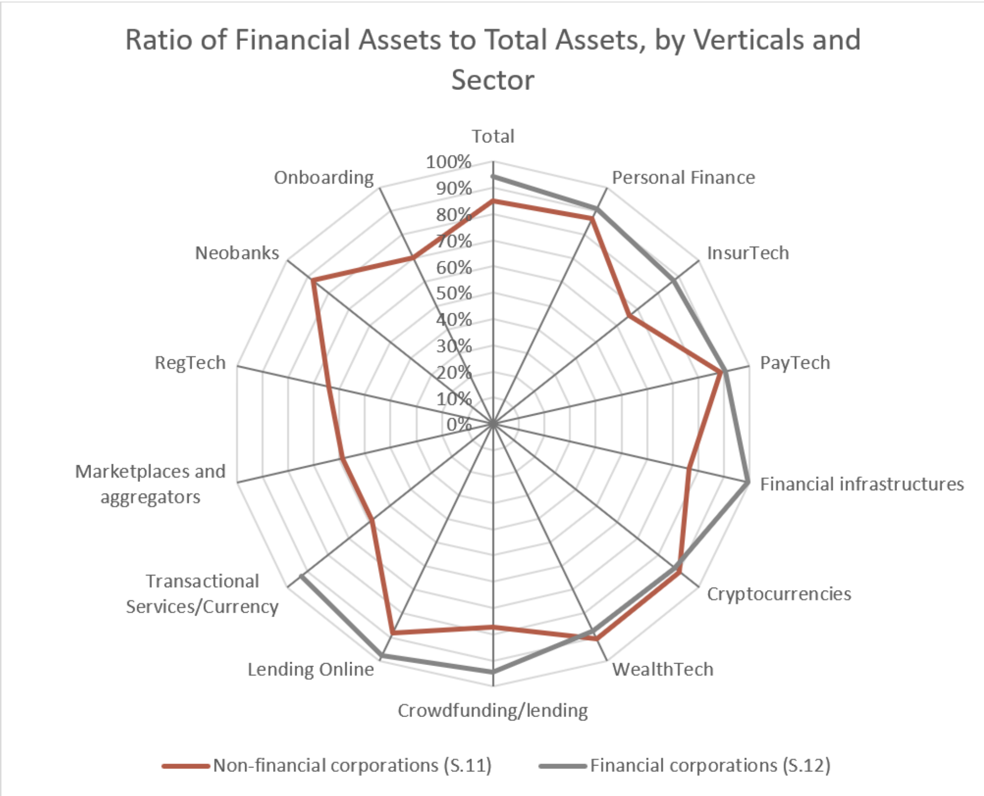
[20] Defined by AEFI as "vertical that groups together all those technology-based companies that create solutions aimed at meeting and adapting to the regulatory requirements of each sector".

[21] Defined by AEFI as "companies that provide services aimed at identifying people at a distance through electronic means".

However, as shown in Chart 7, many verticals exhibit little difference in the behaviour of financial and non-financial corporations. The case of entities involved in Online Lending is particularly striking, where the financial assets to total assets ratio is 88% for non-financial entities, not much lower than that of financial entities (98%). This may suggest that:

- There is room for improvement regarding Fintech firms within the Sectoral Classification of the Spanish Economy Database, as maybe certain companies that should be considered financial are currently classified as non-financial.[22]
- Either a wrong interpretation of the self-reported vertical classification is being made, or the entities themselves have difficulty correctly identifying their corresponding vertical. It may be the case that some entities engage in more than one activity and struggle to determine which one should be reported as the main one.

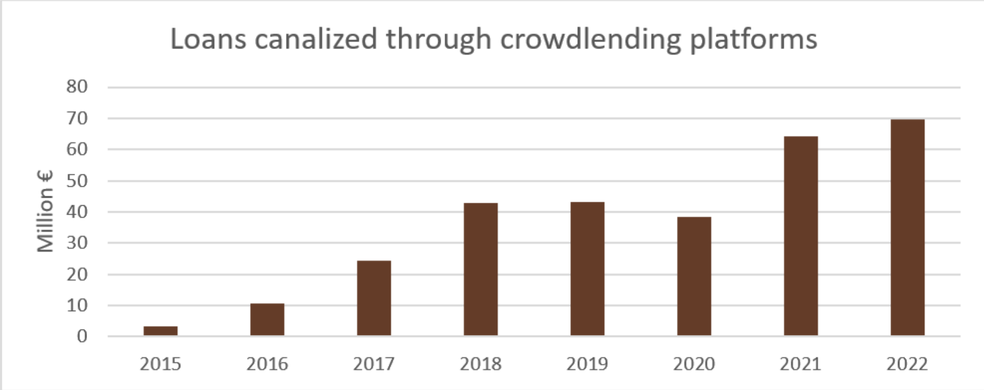
Chart 7



Lastly, it is interesting to analyse the evolution of crowdlending activity. Chart 8 shows a gradual increase in the volume of funding raised through crowdlending platforms, with the only exception being the year 2020, when activity slowed down, possibly due to COVID-19. Despite this steady growth, the amounts remain negligible within the Spanish financial context.

[22] It is important to mention that entities tagged as Fintech undergo even more rigorous sectoral classification checks than non-Fintech entities. However, it is not possible to manually verify each firm's activity, so efforts are focused on those with higher balance sheet volumes.

Chart 8



Regarding the projects launched during the year 2022, 97% of financed companies were resident, while only 47% of the funds came from resident investors.

7. Way forward

Fintech activity remains a rapidly evolving field, whose measurement presents an important challenge for statistical compilers. Given the novelty and dynamic nature of Fintech, developing innovative solutions to accurately capture and assess its impact is imperative. As this phenomenon is further explored, cross-border activities seem particularly relevant, which makes maintaining robust international collaboration especially crucial. Such cooperation allows for the identification of best practices and the establishment of a common methodology. Fortunately, initial international efforts aimed at evaluating Fintech activity have already begun to emerge and they will certainly provide a strong foundation for future advancements in this critical area.

In the Spanish case, it seems evident that close collaboration among national financial regulators is paramount to stay informed about new business models and to identify opportunities to access new sources of information.

Regarding the developed methodology, the analysis of the obtained data suggests that there is room for improvement in the current classification of Fintech entities, both concerning the SNA classification and the type of Fintech activity or "vertical." Additionally, it is likely that the tracking processes can be expanded to incorporate entities conducting Fintech activities that are not captured within current Fintech Census sources, although this type of error is always more challenging to assess. In any case, the improvement of these processes will always be limited by resource availability, and the analysis of the current information seems to indicate that, although potentially disruptive, Fintech Lending remains very marginal within the Spanish financial system.

BANCO DE ESPAÑA
Eurosistema

ASSESSING FINTECH CREDIT ACTIVITY IN SPAIN: AN APPROACH THROUGH THE FINTECH OBSERVATORY

Ramón Ruiz García

12TH IFC CONFERENCE ON "STATISTICS AND BEYOND: NEW DATA FOR DECISION MAKING IN CENTRAL BANKS"
Basel, Switzerland
August 23rd, 2024

STATISTICS DEPARTMENT

Objective

- Measuring Fintech Credit activity in the context of FSB's global monitoring report on non-bank financial intermediation (GMR NBFI)

Problems

- Difficulties in identifying Fintech entities
- Lack of specific information requirements

Solution

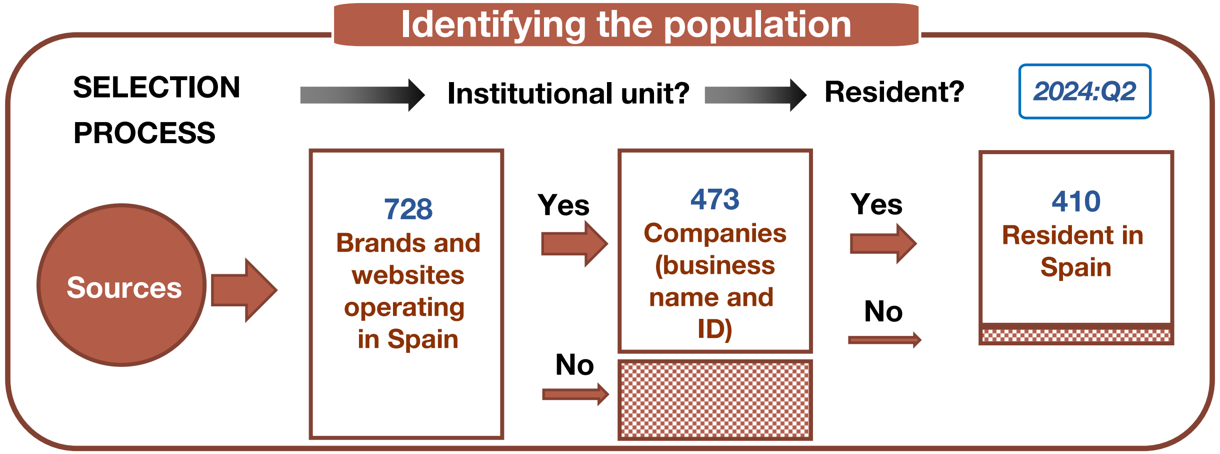
- Use of alternative data sources
- Approach activity definitions from an industry perspective

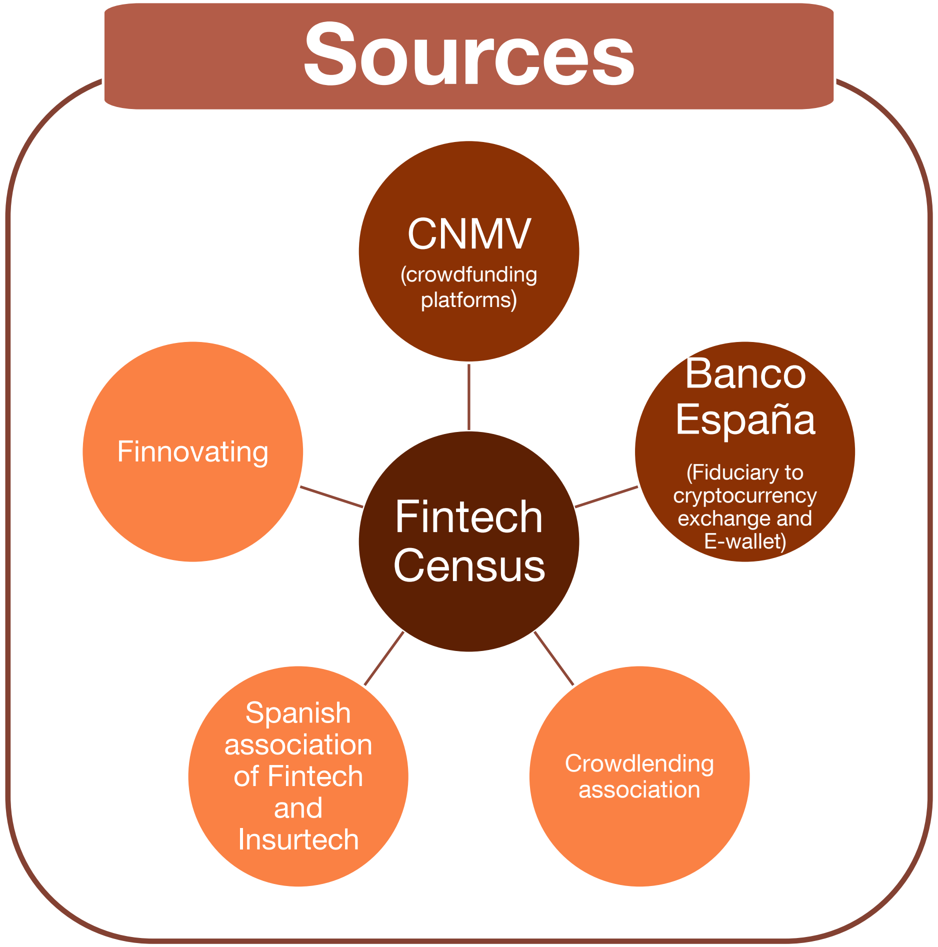
Fintech credit/lending definition in the GMR NBFI:

"Intermediation conducted [by Fintech entities] either through a loan (secured or unsecured), the purchase of **debt-based securities** (such as bonds, debentures, or subordinated debt), or the purchase of **invoices or receivables from a business"**.

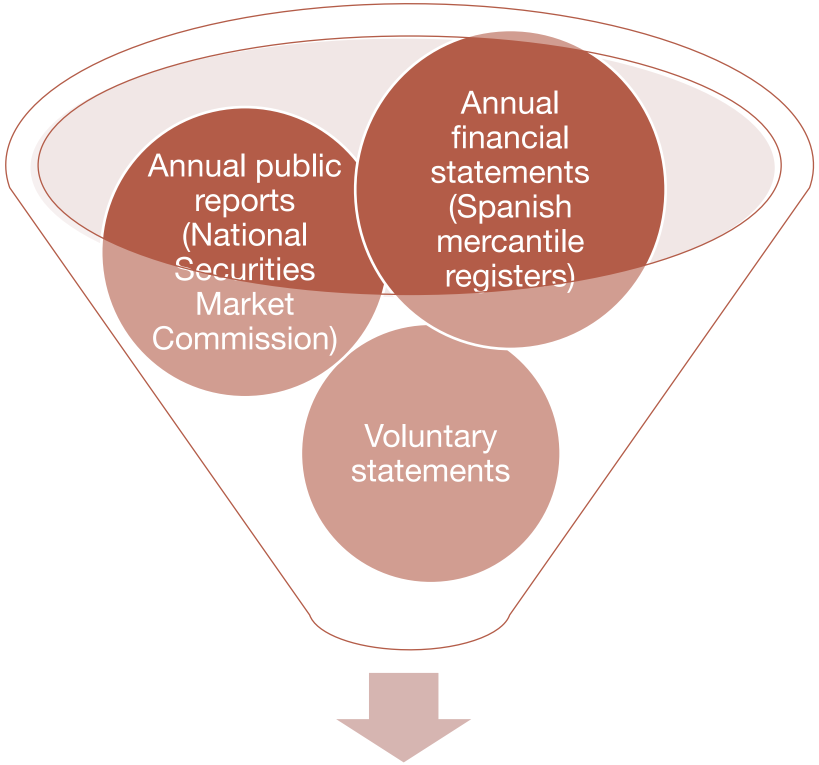
Identifying the population: the Fintech census

- **Built and maintained by the Statistics department**
- **IT support + manual browsing**
- **"Fintech" is a flag, compatible with classification into any sector (except banks)**
- **Qualitative information:**
  - National identification code
  - Type of Fintech service ("vertical")
  - Geographical location





Central Balance Sheet Data Office information



Information on National Accounts terms for NFC (S.11), holding companies, head offices…

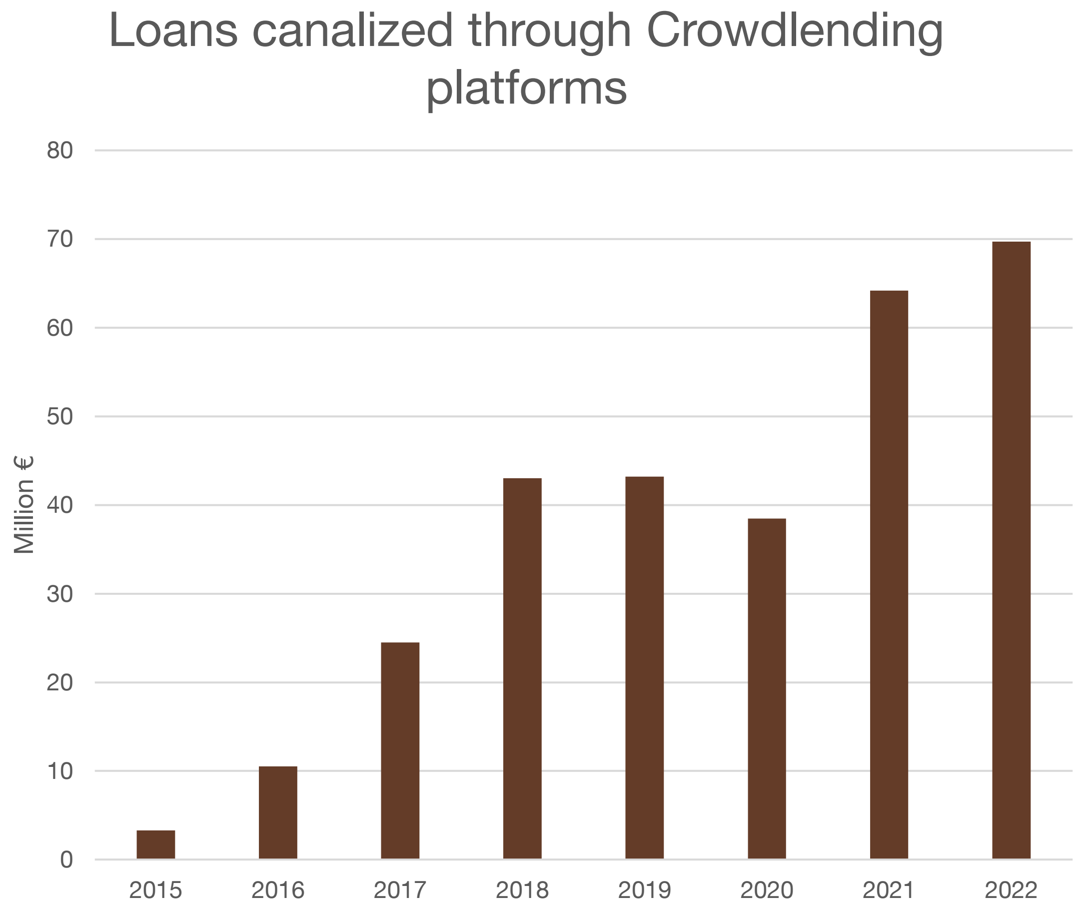
New product: Fintech National Accounts data

- Automatic processing of entities flagged as "Fintech"
  - *Manual processing of errors*
- Transformations are tailored to better capture the economic reality of Fintech entities
- Quantitative information:
  - *Balance sheet and current accounts (over 200 concepts)*
  - *Employment*
  - *FISIM (Financial Intermediation Services Indirectly Measured)*

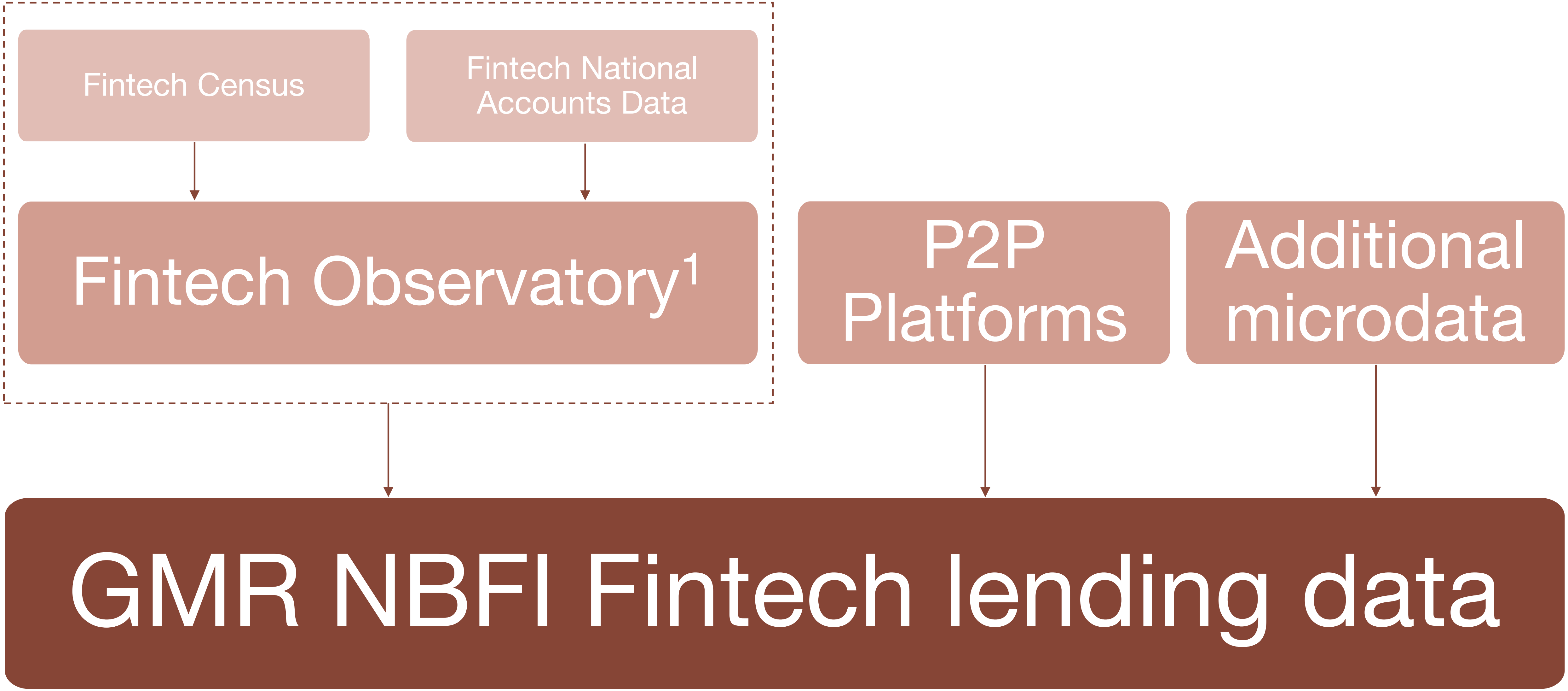
Crowdlending (P2P) Platforms:

- Not active intermediaries; they provide tools to support connection between parties (financial auxiliaries S.126)
- Subject to registry and information requirements
  - Invoice trading platforms not subject to regulation and hence not captured
- Collaboration with National Securities Market Commission to gather information

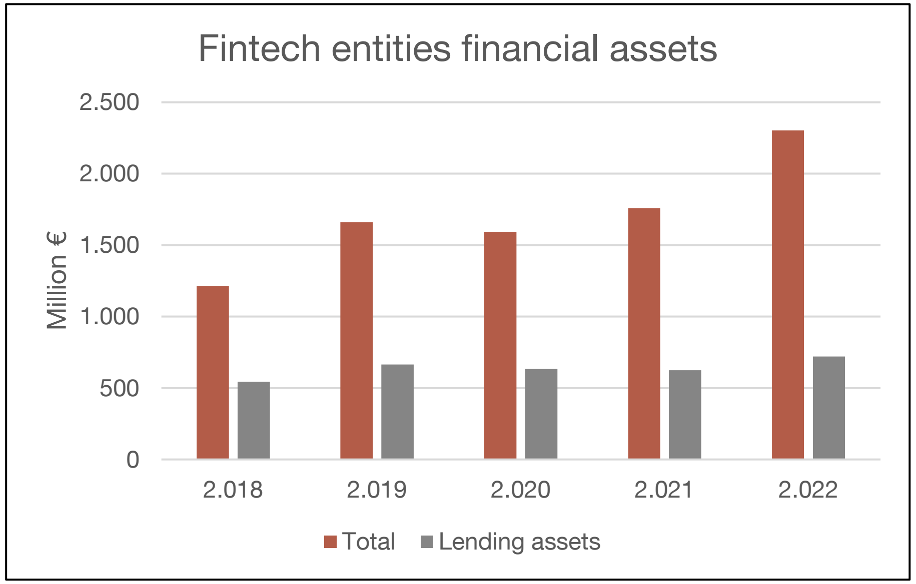
Different approach from Financial Accounts, which focus on balance positions

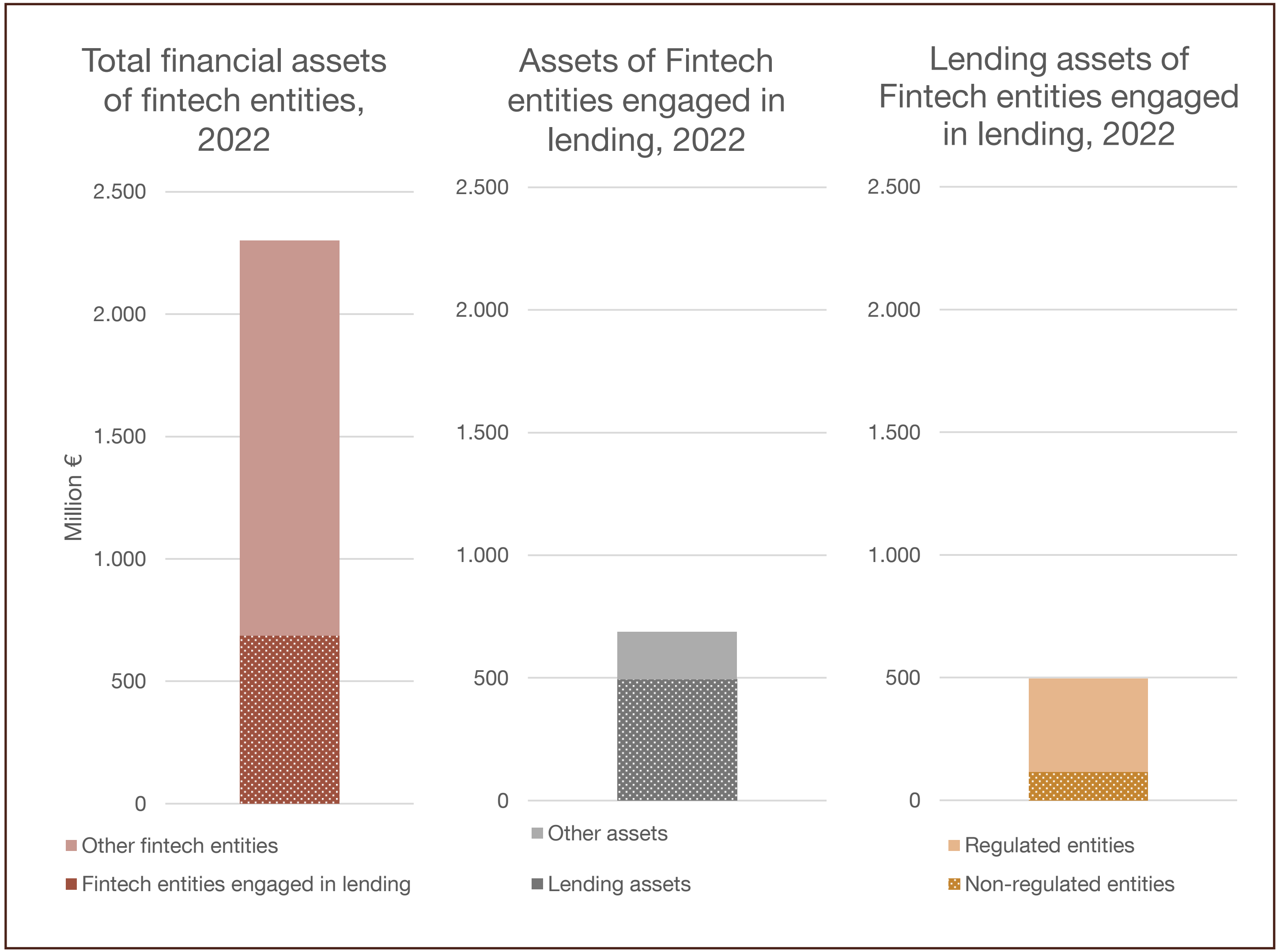


Overview of the sources



[1] Microdata is accessible to researchers through the Banco de España Data Laboratory (BELab)





- At end 2022, **financial assets of Fintech** entities amount to just **0.04% total financial system assets** in Spain
- **Narrow approach** suggests **most** Fintech **lending assets** owned by Fintech **lending entities fall within** some **existing reporting**

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Thank you for your attention

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