# ALTERNATIVE FINANCE: NEW SOLUTIONS TO OLD PROBLEMS

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Cambridge
Centre
for Alternative
Finance





## **CCAF RESEARCH STREAMS**

#### 1. Online Channels & Instruments

e.g. P2P/Marketplace Lending & Crowdfunding

# 2. Credit Analytics & New Data Informing Credit Outcomes

- e.g. Social Media, Psychometric, Behavioral, IoT

# 3. Payments Systems and Distributed Ledger Technology

- e.g. Blockchain, Crypto-currencies

# 4. FinTech Regulation & Policy

- e.g. FCA, IDB, World Bank and RegSimple



## CCAF RESEARCH HIGHLIGHTS

- 22 Reports
- 182 Countries
- 100+ Partners
- 2000+ FinTech Firms Surveyed
- 10,000,000 Micro-Level Data Points
- \$470bn+ Volume Tracked Since 2013















DEUTSCHER CROWDSOURCING VERBAND







Lendit



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▲日本クラウドファンディング協会







































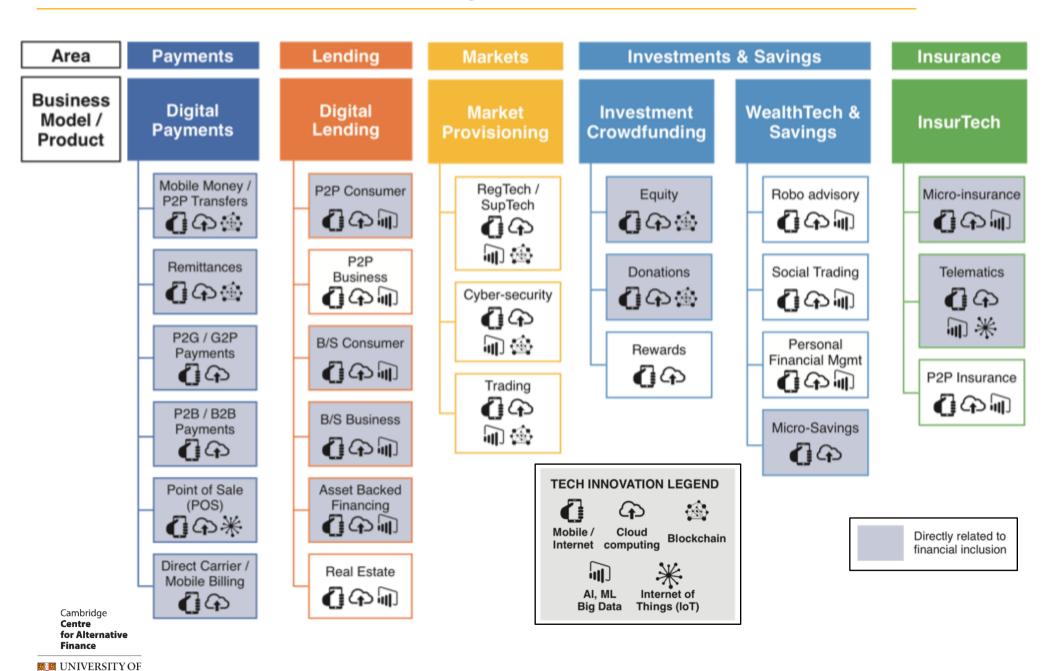
## **CCAF RESEARCH: SELECTION OF CITATIONS**

- Inter-American Development Bank <u>Alternative Finance in LatAm & Caribbean</u>
- IOSCO Research Report on Financial Technologies
- FCA Review of the UK Regulatory Regime
- World Bank <u>Crowdfunding's Potential for the Caribbean</u>
- FSB <u>Financial Stability Implications from FinTech</u>
- European Commission <u>Crowdfunding in the EU Capital Markets</u>
- OECD <u>Disruption Innovation in the Financial Sector</u>
- Global Partnership for Financial Inclusion <u>Crowdfunding at the BoP</u>
- Reserve Bank of India <u>Consultation on P2P Lending</u>
- Bank of England <u>The Promise of Fintech: Something New Under the Sun</u>
- FSD Africa P2P Regulation in East Africa
- GCAP <u>Crowdfunding & Financial Inclusion</u>
- UN Development Programme <u>Alternative Financing Lab</u>

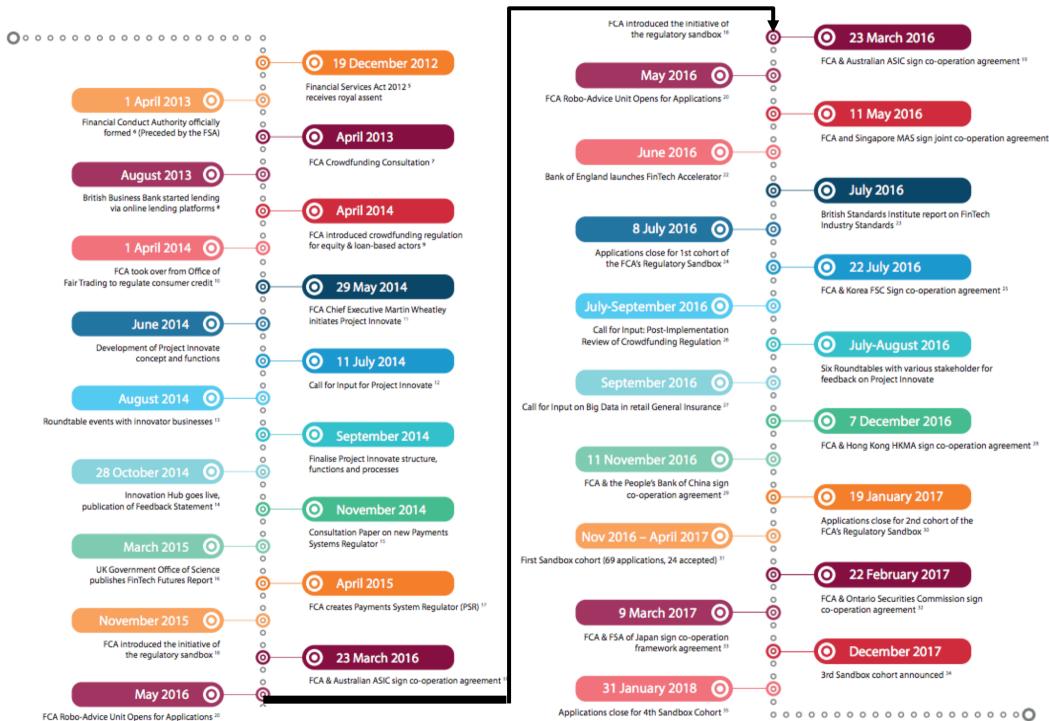


# **CCAF FinTech Taxonomy**

CAMBRIDGE Judge Business School



# **Timeline: UK FS Innovation**



# **UK FCA Approach to Financial & Regulatory Innovation**

FCA Board & Chief Executive Office (Chief Executive, Andrew Bailey)

Strategy & Competition Division (Director, Christopher Woolard)

**Policy** 

Market Intelligence,
Data & Analysis
(MIDA

1. Innovate: Policy & Engagement

2. Innovate: Regulatory Sandbox

5. Innovate: RegTech& Advanced Analytics

3. Innovate: The Direct Support Team 4. Innovate: The Advice Unit

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# **Typical Regulatory Sandbox Process**

Firm applies to the regulatory sandbox

Sandbox team regularly monitor and supervise agreed tests

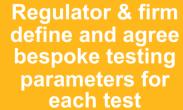
Sandbox team provides firms with feedback on their innovative propositions

Applicants assessed against publicly available assessment criteria

Firms formally enter the sandbox and begin testing

Firms provide final report outlining the key lessons and outcomes of testing process

Regulator hosts & participates in external engagement activities

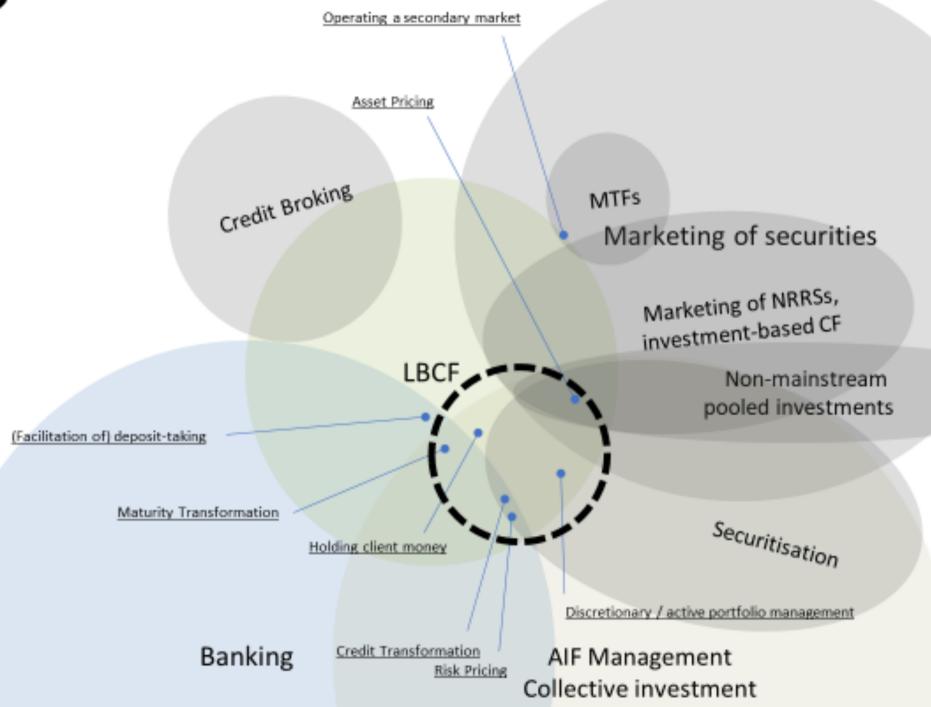


Firms decide to proceed to full authorisation or abandon innovation

Review lessons ensuring learning is internalised to improve processes

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## **ALTERNATIVE FINANCE REGULATION**

CCAF Assisting FCA to Review UK Loan and Investment Regulation:

- I) 'Stakeholders Surveys' 10,000 surveyed
- II) Transaction Level Data
- III) UK Alternative Finance Benchmarking Survey



#### IDB-CCAF Research Collaborations in Latin America

- Latin America Market Data Collection
- II) Funder & Fundraiser Research
- III) Chile, Mexico, Peru



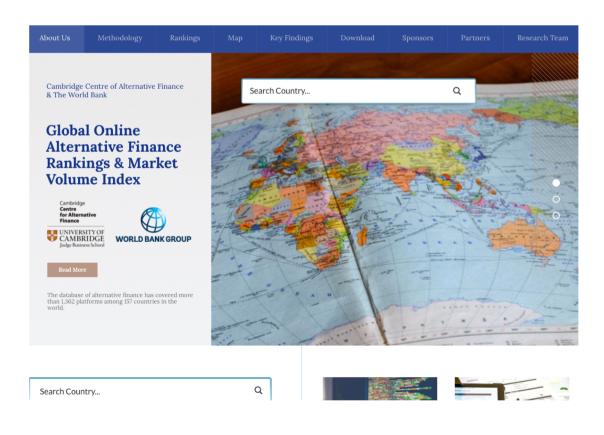


# WORLD BANK – CAMBRIDGE ALTERNATIVE FINANCE DATA & REGULATION COLLABORATION

- I) The Global Alternative Finance Rankings Launch in October
- Informing Evidence-Based Policymaking
- II) The Global Alternative Finance Regulator & Policymaker Surveys

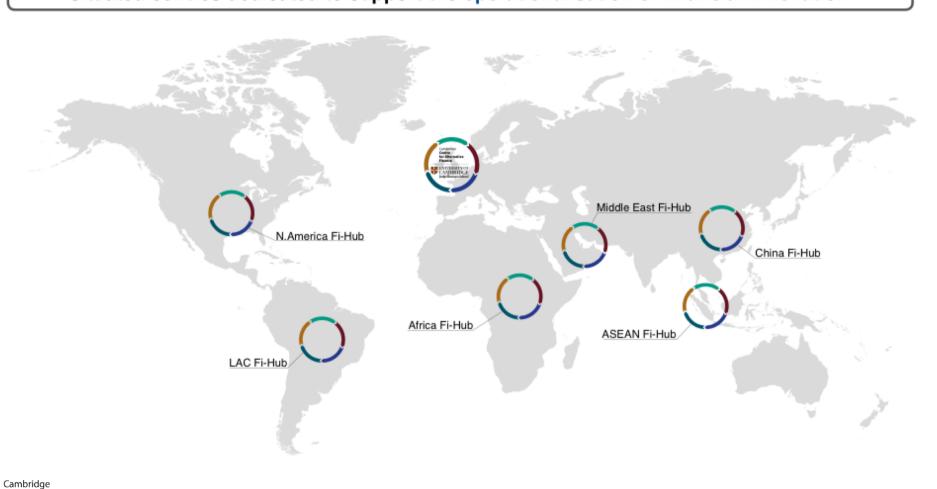






# CAMBRIDGE ALTERNATIVE FINANCE NETWORK COLLABORATION

Fi-Hubs: An enabling network of interconnected, coordinated and strategically situated centres dedicated to support the operationalisation of financial innovation





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