



## APPG on Challenger Banks and Building Societies

### Call for Evidence - Wirecard

The APPG is taking evidence on the recent Wirecard situation and seeking to understand what lessons there may be for UK regulation and whether there were any warning signs that UK firms and regulators should have been aware of.

The APPG is particularly concerned about the systemic nature of Wirecard. Were UK regulators sufficiently aware of the nature and scale of Wirecard's business? Did they have sufficient understanding of its business model and the knock on effect of regulatory action to protect customer funds? Finally, did the industry and regulators raise concerns following repeated media reports of irregular practices at Wirecard?

#### **Key Issues**

The overarching issues that the APPG is seeking to understand are as follows:

- The key issues behind the Wirecard collapse;
- Could a Wirecard style debacle occur in the UK with a UK regulated payment provider?;
- Regulation of fintech institutions and whether this was appropriate and proportionate to foster growth and to protect the public?;
- Would the FCA and Bank of England's approach have been different from BaFIN?;
- Do regulators adequately understand the business models and risks presented by Fintech companies?;
- Are there adequate procedures for whistle-blowers to alert regulators to problems in firms?

#### **Witnesses**

- Eduard Panteleev - Co-Founder and CEO - Anna Money
- Virraj Jatania - Co-Founder and CEO – Pockit
- Nigel Verdon – Co-Founder and CEO - Railsbank

#### **Timelines**

We aim to publish our preliminary findings within a month of the hearing. Other timelines are as follows:

#### **Time and venue of virtual oral evidence session**

16:00 21<sup>st</sup> July 2020 via Microsoft Teams.

#### **Written evidence timelines**

To be considered written evidence will need to be received by Secretariat by **5pm on the 7<sup>th</sup> August 2020.**

#### **Format of submissions**

The APPG welcomes written submissions. These should ideally be in word format and less than 2MB in size. Otherwise, they should be in accordance with the guidelines issued by select committees which can be viewed here: <https://www.parliament.uk/get-involved/have-your-say/take-part-in-committee-inquiries/commons-witness-guide/>

#### **APPG Secretariat**

**16<sup>th</sup> July 2020**