

Strengthening supervision of non-bank and digital lending, and consumer decision-making

Supporting ASEAN Member States to strengthen consumer protection in practice - through improved supervision of non-bank and digital lending, and stronger support for consumer decision-making in digital financial environments.

The Consumer Protection workstream is part of the ASEAN-UK Economic Integration Programme (EIP), under its Financial Services Pillar (FSP), which aims to promote fair and responsible digital financial markets through enhanced supervision and informed consumer decision-making.

What this workstream does

Consumer protection in digital financial systems is shaped by both how markets are supervised and how consumers make decisions in practice.

This workstream focuses on strengthening supervision of non-bank and digital lending, where credit is increasingly delivered through platforms and non-traditional providers, and where risks can emerge and scale rapidly.

At the same time, it supports improvements in consumer decision-making, recognising that borrowing, payment and saving decisions are increasingly made in real time through digital interfaces.

Together, this approach links system-level oversight with practical outcomes for consumers.

Why this matters

Financial systems across ASEAN are evolving rapidly. Non-bank lenders, digital platforms, and new credit models are expanding access, but also reshaping how risks arise.

In lending markets, risks are not only increasing - they are changing in form and speed. Credit can scale quickly across digital channels, pricing structures can be difficult to assess, and conduct risks can arise across the full lending lifecycle.

Supervisory approaches are evolving, but often face constraints in keeping pace with new models, coordinating across institutions, and translating frameworks into effective supervisory practice.

At the same time, borrowing, payment and saving decisions are increasingly made in real time, often with limited transparency, reduced comparability, and behavioural pressures embedded in digital interfaces.

What this workstream delivers

The workstream provides applied technical support across two complementary areas - supervision of lending markets, and consumers decisions-making.



Supervision of non-bank and digital lending

Supporting authorities to strengthen how lending markets are supervised - particularly where credit is delivered through non-bank and digital channels.

Risk analysis	Understanding how risks arise across the lending lifecycle, including origination, repayment, and collections, and how these vary across different types of providers.
Supervisory design	Drawing on international experience to assess supervisory models and approaches, and supporting authorities to assess supervisory architecture, coordination, and mandate alignment within country contexts.
Applied support	Providing practical frameworks, tools, and supervisory clinics to strengthen risk diagnosis, prioritisation, and supervisory response in practice.



Consumer decision-making at the point of use

Supporting authorities to strengthen how consumers engage with lending, payment and saving products in digital environments, particularly at the point of financial decisions.

This includes structured support across three areas:

Risk points in decision-making	Identifying key consumer risks across digital borrowing, payment, and saving journeys, including product selection, pricing, fraud, data privacy, and repayment decisions.
Supervisory design	Exploring how decision-support approaches can be integrated into institutional platforms, such as financial education systems (e.g. BSP's BELA platform), enabling timely and relevant support.
Applied support	Designing approaches that clearly distinguish financial education from financial advice, and establishing safeguards, governance, and implementation pathways, including structured phases from use-case definition to functional specification.

Targeted AMS

Engagement is demand-driven and tailored to country priorities, with support adapted to institutional context, regulatory needs, and readiness.

What success looks like

- Stronger supervision of non-bank and digital lending
- Improved coordination across regulatory and supervisory authorities
- More effective identification and prioritisation of consumer risks
- Enhanced approaches to supporting consumer decision-making in practice
- Early improvements in consumer outcomes in lending markets

About the ASEAN Economic Integration Programme (EIP)

EIP is a programme supported by the Foreign, Commonwealth & Development Office (FCDO) in partnership with the Association of Southeast Asian Nations (ASEAN, implemented by Cadmus Group and the Office for Product Safety and Standards (OPSS).

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