

Coalition for Financial Ecosystem Standards (CFES) Launches Standards Framework and Advisory Board

WASHINGTON, DC (March 11, 2025) — The Coalition for Financial Ecosystem Standards (CFES) today released the STARC (Standardized Assessment for Risk Management and Compliance) framework and an initial set of 54 standards establishing industry benchmarks for risk management and compliance on bank-fintech partnerships. Alongside the framework and standards, CFES launched an Advisory Board including top banking, fintech, and nonprofit advocates dedicated to further development and implementation of the standards.

The standards provide measurable criteria across six core areas: BSA/AML, compliance management systems, third-party risk management, operational risk, complaint handling, and marketing and product compliance. Using a maturity-based rating system, the standards enable organizations to benchmark their compliance and risk management practices against industry standards.

"By creating comprehensive, consistent, and risk-calibrated standards, we're helping facilitate innovation within an approach that respects safety, soundness, and consumer protections," said Sima Gandhi, Co-Founder of CFES. "Our framework operationalizes existing regulatory guidance into clear, actionable criteria."

CFES also announced the formation of its Advisory Board, with the Independent Community Bankers of America (ICBA), American Fintech Council (AFC), and national nonprofit and advocacy organization, SaverLife. The Advisory Board will provide strategic guidance on standards development and implementation, ensuring consumer protections and banking perspectives are represented in CFES' standards development.

"Community banks are at the forefront of financial innovation, and in order to continue growing and successfully partnering with fintechs, we need clear standards that support efficient yet rigorous due diligence," said Rebeca Romero Rainey, President and CEO at ICBA. "By joining CFES's Advisory Board, we're helping ensure these standards reflect the practical needs of community banks while maintaining the robust risk management our industry requires."

"As an organization that represents both fintech companies and innovative banks, AFC was built on the foundation of responsible innovation that balances appropriate regulatory boundaries for emerging financial service markets," said Phil Goldfeder, CEO at AFC. "Regulatory and compliance clarity is critical for our members and industry success. We are excited to partner with CFES in the development of STARC to provide a framework which responsible innovative banks and fintech companies can rely on."

"As financial services evolve through bank-fintech partnerships, strong consumer protections must be foundational," said Leigh Phillips, President and CEO of SaverLife. "STARC's requirements for complaint handling, disclosure, and fair marketing create a framework that works for both consumers and providers."

The framework and these initial standards were developed through extensive consultation with banks, fintechs, regulators, and consumer advocates. "The standards and the certification process provide fintechs, partner banks, and regulators with a structured approach to communicating and otherwise ensuring sound compliance and risk management practices," said Bryan Mulcahey, co-founder of CFES. "This initial set of standards is just the beginning of the CFES's ongoing mission to enhance collaboration and trust across the innovative financial services community." Fintechs and partner banks interested in learning more about the certification process are encouraged to contact the CFES.

For more information, visit <https://thecfes.com/>. View the standards at <https://thecfes.com/standards>.

About the Coalition for Financial Ecosystem Standards

The Coalition for Financial Ecosystem Standards (CFES) is an organization that supports a competitive and thriving financial services ecosystem that also enables safety, soundness, and consumer protections. In partnership with a wide range of industry leaders, we are enhancing non-bank compliance and risk management practices by developing standards, a certification process, and other supporting services.