

Peter Andrews

Senior Adviser

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Languages: English



Expertise

- Regulation

Sectors

- Financial Services

Profile

Peter has senior-level experience of a range of businesses in the financial sector, followed by 25 years in financial regulation. His characteristic approach is to use practical innovation to solve major problems. For example, at a 'Big Four' accounting and consulting firm he divided the whole of the Bank of England's regime of banking regulation into building blocks that were amenable to compliance systems solutions. At a large investment bank, he used economic fundamentals to value complex trading positions to achieve realistic profit recognition and facilitate risk management. As Special Advisor to the Chairman of a Russian-owned bank he negotiated extensively between conflicting parties to achieve the first Soviet-backed bond issue since 1917.

Until 2017, Peter was Chief Economist at the UK's Financial Conduct Authority (FCA, previously the Financial Services Authority, FSA). Here, he led a substantial economic research and consulting service, established the first behavioural economics capability at any financial regulator, built the foundations for the FCA's Competition Division, and undertook the first empirical work on the macroeconomic costs and benefits of higher capital standards. He also developed rigorous techniques for analysing market failures, remedies and their impacts to identify where intervention may be sensible, and to provide a strategic prioritisation tool based on the expected pay-offs of intervention.

A major theme of Peter's work at the FCA was that regulation is a waste of firms' and consumers' money unless it changes real-world decisions for the better. He therefore focused on issues such as the drivers of non-compliance, how behavioural insights can change firms' and consumers' decisions, and the impacts of such changes under different forms of competition. He engaged stakeholders by developing the FCA's Occasional Papers series and its Insight Channel of communications.

Peter also represented the UK in international fora such as the Basel Macro Assessment Group, the Financial Stability Board Group on stock lending and repos, and the International Organization of Securities Commission's (IOSCO) Committee on Risk and Research/Committee on Emerging Risks.

At Oxera, one of Peter's responsibilities is to develop the Regulation and Market Design Centre of Excellence. The aim of the Centre is to ensure that Oxera is at the cutting edge of new thinking and practical techniques in regulation, through internal research and interaction with leading academics.

Peter has extensive experience of delivering training courses, lectures, seminars and speeches, such as his 2016 Beesley Lecture on Price Discrimination.

Selected professional experience

As FCA Chief Economist, Peter was involved in all FCA projects expected to have a significant impact on the UK's retail and wholesale financial markets. These included:

- the FSA's Retail Distribution Review
- the FSA's measurement of equity market cleanliness
- the FSA's and FCA's implementation of MiFID and MiFID II (wholesale and retail)
- the FCA's market study on add-on general insurance
- the FCA's reform of payday lending (high-cost short-term credit price cap)
- the FCA's market study on asset management
- the FCA's market study on mortgages

In addition, Peter worked on international cooperative projects such as:

- the Basel (BIS) development of capital standards post the 2008 crisis
- IOSCO's initiatives on shadow banking, hedge funds, and high-frequency trading
- the European Commission directive on capital for conglomerates

Selected publications

- Curzon Price, T. and Andrews, P. (2017), 'The game of caps and nudges', Insight, 27 July.
- Andrews, P. (2017), 'New thinking in regulatory economics', Insight, 23 March.
- Andrews, P. (2017), 'Shadow banking – the potential risks and rewards', Insight, 21 February.
- Andrews, P. (2017), 'Beyond economics?', Insight, 25 January.
- Heady, C., Myles, G. and Andrews, P. (foreword) (2016), 'Incentivising Compliance with Financial Regulation', FCA Occasional Paper 25, December.
- Andrews, P. (2016), 'The economic challenge of regulating the mortgage market', Insight, 4 November.
- Andrews, P. (2016), 'Culture in UK banking', Insight, 18 October.
- Iscenko, Z., Andrews, P., Dambe, C. and Edmonds, P. (2016), 'Economics for Effective Regulation', FCA Occasional Paper 13, March.
- Andrews, P. (2016), 'Darwin and an evolution in price discrimination', Insight, 17 March.

Qualifications

- Member of the Chartered Institute of Securities and Investment
- Associate of the Chartered Institute of Accountants in England and Wales
- MSc Economic Competition and Regulation, London University, UK
- MA Jurisprudence, Oxford University, UK