

Delivering for the Future

4th annual FinTech and Regulation Conference

3 March 2020, Brussels
Stanhope Hotel

2 March 2020: Speaker's dinner

- Jean Paul Servais, Chairman, FSMA, and Vice-Chair of the IOSCO Board

3 March 2020: Fintech Conference

09.00 – 09.30: Keynote speakers

09.30 – 10.30: International panel

As financial services and technology become more and more interlinked, the cross-border element becomes more pertinent. Technology is borderless, which both presents new opportunities for the sector but also leaves it open to specific risks. Even as jurisdictions seek to protect themselves from new vulnerabilities, it is frequently said that the global financial sector is only as strong as its weakest link. International collaboration is key to ensuring the safety of the international financial system, and international bodies such as the FSB and G7 are increasingly engaging in and promoting cooperative measures. This panel will explore regulatory and technological developments in international jurisdictions and seek to answer the following questions:

- What are the best global initiatives to further cooperation internationally?
- What are the regulatory and policy implications for a vibrant Fintech and RegTech ecosystem?

Confirmed speakers include:

- **Moderator:** Lisa Raab, Moody's
- Peter Kerstens, Adviser, DG FISMA, and Co-Chair of the FinTech Task Force, European Commission
- Derville Rowland, Director General, Financial Conduct, Central Bank of Ireland
- Eva Hüpkes, Acting Head of Regulatory and Supervisory Policies, Financial Stability Board
- Yuko Kawai, General Manager for Europe and Chief Representative in London, Bank of Japan
- Franziska Löw, Head of International Affairs, FINMA
- Joseph Cuschieri, Chief Executive Officer, Malta Financial Services Authority

10.30 – 11.00: Coffee break

11.00 – 12.00: Reliance on third parties in wholesale markets: cloud, third party providers – questions of data, oversight, control, cyber risk, outsourcing, etc.

Financial services increasingly have to rely on third parties for services involving technology. However, the regulations on these suppliers is not always very specific. Regulators have recently begun to assess the need for specific regulation covering these arrangements. The ESAs have issued or are working on issuing Guidelines for outsourcing arrangements, with a specific focus on outsourcing to the cloud and some national supervisors are exploring the possibility of bringing cloud service providers under their supervisory net. At the same time and as regulators consider introducing new rules, there is more reliance on RegTech for issues including reporting, data management and data analytics. This panel will explore the reliance on third parties in wholesale markets, look at the importance of awareness of third, fourth and fifth party risks, and address the following questions related to third parties:

- How does RegTech change the industry and how does this affect oversight?
- As TPPs aggregate and manage large amounts of data on behalf of their clients, are there impediments in the market at the moment for sharing this data? If so, how can they be addressed?
- Is the current regulatory landscape in the EU fit for purpose? How do current data protection and cyber security regulations impact outsourcing? Is there a need for change?

Confirmed speakers include:

- **Moderator:** Kirston Winters, Managing Director, IHS Markit
- Martin Spolc, Head of Unit, Sustainable Finance and Fintech, DG FISMA
- Steve Purser, Head of Core Operations Department, ENISA
- James Kemp, Managing Director, AFME

12.00 – 13.00: Open finance and the developments of API open infrastructure in retail financial services

The EU began moving towards Open Banking with the entry into force of the 2nd Payment Services Directive (PSD2) in 2018. More recently, the ERPB and EPC have been working on developing an API Access scheme that goes beyond core payment services. This panel will take into account best practices in different countries and may examine the various practices emerging around the world. This move to Open Finance has emerged thanks to a blurring of lines in financial services and emerging technologies. Consumers increasingly use technology in different ways and are seeking convenience in the way they use services. The panellists will explore whether the emergence of new technology might increase the take-up of these financial services.

- How can open finance function in the single market and who will be the commercial winners from this?
- Should the approach of the PSD2 be expanded to other sectors? What sectors would be the most important?
- With the increasing need to share large datasets between players, how can consumer security and data ownership be ensured in the EU?
- While the EU itself is moving away from data localisation requirements in individual Member States, is there a need for EU data localisation regulation to protect against EU citizen data being processed by third parties in non-EU jurisdictions?
- How can EU players ensure the maximum levels of cybersecurity?

Confirmed speakers include:

- Eric Ducoulombier, Head of Unit, Retail financial services, DG FISMA
- Else Bos, Director and Board Member, Central Bank of Netherlands (DNB)

13.00 – 14.00: Lunch

14.00 – 14.30: Keynote speakers

- Steven Maijoor, Chairman, ESMA
- Jose Manuel Campa, Chairman, EBA
- Fausto Parente, Executive Director, EIOPA

14.30 – 15.30: Combination between Fintech and CMU – wholesale and security issues

Despite the efforts, European capital markets remain fragmented, which affects the efficiency and scale of activities in continental European capital markets. The financial sector is already using a wealth of new technologies, such as artificial intelligence, distributed ledger technology, big data, which can be used to perform complex and intensive tasks. Fintech solutions have the potential to change financial intermediation structures even more substantially and contribute towards deepening and broadening EU capital markets. It can also be used to connect local ecosystems and markets as well as help building up pan-European markets. Thus, the panel will explore what role can Fintech play to overcome the fragmentation (whether it is in improving the execution of trades, the transparency of pricing of products or the clearing and settlement stages).

- Are technologies helping the further integration of European capital markets and how could they support the process of interconnecting markets and build up a CMU 2.0?
- What barriers, whether regulatory or other, remain that impede the development of an integrated CMU and what could be some 'easy wins' that would help?
- Will the trend of globalisation of capital markets continue through technological advancements?

Confirmed speakers include:

- Tatyana Panova, Head of Capital Markets Union Unit, DG FISMA, European Commission
- Carmine Di Noia, Commissioner, CONSOB
- Christopher Woolard, Board Member and Executive Director, Strategy and Competition, FCA

15.30 – 15.50: Coffee break

15.50 – 17.00: A changing landscape in financial services: the role of global technology companies

Technology is becoming increasingly global. Global players have begun to enter the financial services sector. LIBRA is only one, though highly visible manifestation of this. In some cases, technology companies are becoming competitors or are challenging existing market practices and players. In others, they are solution providers to the financial services industry. For regulators and supervisors this raises questions over the use and ownership of data, the impact on competition and the future of FinTech. This panel will examine where these concerns are coming from and whether they are warranted. How do technology companies approach the financial services market? Where do they see a role for themselves in the market? Are we moving towards a model with more competition between incumbents and technology companies or to a more cooperative model where each has roles that are more distinct?

- How is the increased participation of big technology companies in financial services likely to impact the future financial sector?

- Is there a possibility for cooperation between incumbents and technology companies, and where do SMEs and start-ups fit in?
- Is there a legitimate concern for competition policy?
- How do the EU institutions view the possibility or necessity to specifically promote European technology solutions?
- What is LIBRA teaching us?

Confirmed speakers include:

- Pēteris Zilgalvis, Head of Unit, Blockchain and Digital Innovation, DG CONNECT, European Commission
- Mārtiņš Kazāks, Member of Council, Bank of Latvia
- Tom Mutton, Director of Fintech, Bank of England

17.00 – 17.30: Closing keynotes

- Thomas Lillielund, CEO, AIG
- Vilius Šapoka, Minister of Finance of Lithuania

17.30 – 18.30: Networking drinks