

Delivering for the Future

4th Annual FinTech and Regulation Conference

3 March 2020, Brussels
Stanhope Hotel

2 March 2020: Speakers' dinner

Keynote interventions:

- Vilius Šapoka, Minister of Finance of Lithuania
- Jean Paul Servais, Chairman, FSMA, and Vice-Chair of the IOSCO Board

Views from the European Parliament:

- Stefan Berger (EPP, DE), MEP
- Ondrej Kovarik (RE, CZ), MEP

3 March 2020: Fintech Conference

09.00 – 09.05: Welcome

- Nickolas Reinhardt, Director, Afore Consulting

09.05 – 09.30: Keynote speakers

- Vilius Šapoka, Minister of Finance of Lithuania
- Ante Žigman, President of the Board of the Croatian Financial Services Supervisory Agency (HANFA)
- Thomas Lillelund, CEO, AIG Europe

09.30 – 10.30: International FinTech developments, challenges and lessons to be learned

Technology is borderless. As financial services and technology become more and more interlinked, the cross-border element becomes more pertinent. This presents both new opportunities for the sector but also leaves it exposed to new 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:

- How do we best address the increasing cross-border risks while allowing the opportunities the competition between business models brings?

- Do we need to enhance international cooperation as this trend accelerates?
- What might be seen as best practice for global cooperation?
- What are the regulatory and policy implications for a vibrant Fintech and RegTech ecosystem?

Confirmed speakers include:

- **Moderator:** Lisa Rabbe, Chief Government and Public Affairs Officer, Moody's
- Derville Rowland, Director General, Financial Conduct, Central Bank of Ireland
- Eva Hüpkes, Acting Head of Regulatory and Supervisory Policies, Financial Stability Board
- Franziska Löw, Head of International Affairs, FINMA
- Joseph Cuschieri, Chief Executive Officer, Malta Financial Services Authority

10.30 – 10.50: Coffee break

10.50 – 11.50: Reliance on third parties in financial markets: How to satisfy concerns over data, oversight, cybersecurity, outsourcing and operational resilience?

Financial services increasingly rely on third-party technology providers to deliver specialist expertise with greater efficiency than could be achieved in-house. As reliance has increased, regulators have begun to assess the need for specific oversight 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. Operational resilience or business continuity requires focus on emerging threats and the requirements for providing critical business services end-to-end in the face of adverse operational events. This panel will explore the reliance on third parties in financial markets, look at the importance of awareness of third, fourth and fifth party risks, and address the following questions related to third parties:

- Is the current regulatory and supervisory landscape in the EU fit for purpose? What needs to change?
- How do data protection and cyber security regulations impact outsourcing arrangements and are they permitting safety at the cost of efficiency of the sector?
- How is RegTech impacting the industry and how should this affect oversight?
- How do we achieve a culture of operational resilience in light of increasingly complex processes, firm structures and technology infrastructure?
- As third parties 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?

Confirmed speakers include:

- **Moderator:** Kirston Winters, Managing Director, IHS Markit
- Steve Purser, Head of Core Operations Department, ENISA
- Slavka Eley, Head of Banking Markets, Innovation and Products at European Banking Authority (EBA)
- Sabrina Feng, Chief Technology Risk Officer, London Stock Exchange Group
- James Kemp, Managing Director, AFME
- Google Cloud (TBC)

11.50 – 13.00: Open Finance and the developments of open infrastructure in retail financial services

Europe began moving towards Open Finance in 2018. PSD2 seeks to drive pan-European competition and innovation by opening up consumer banking data to third parties allowing customers and businesses to take greater control of their finances. The success of this initiative is leading European policymakers to contemplate opening up access to data beyond payment services. Encouraged by the changes in the EU, jurisdictions across the world are now moving at different speeds to accept and encourage Open Finance. This move to Open Finance has emerged thanks to a blurring of lines in financial services, online and mobile applications. 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 is open finance working across the EU Single Market?
 - Who will be the commercial winners from this? Are there any signs that the opening up of bank data to third parties is transforming the banking landscape radically?
 - Should the approach of PSD2 be expanded to cover other financial sectors? If so, where would consumers benefit most from opening up data to third parties?
 - With the increasing need to share large datasets between players, how can consumer security and data ownership be ensured in the EU?
- **Keynote interventions:**
- Else Bos, Director and Board Member, Central Bank of Netherlands (DNB)
 - Charlotte Hogg, CEO, VISA Europe

Confirmed speakers include:

- **Moderator:** Leena Mörntinen, Director General of Financial Markets Department at the Ministry of Finance of Finland
- Jan Ceyskens, Head of Unit for Digital Finance, DG FISMA, European Commission
- Matt Henderson, Business Lead EMEA, Stripe
- Claire Alexandre, Head of Government Relations at PayPal
- Thomas Grosse, Chief Banking Officer, N26
- Hartwig Gerhartinger, Senior Vice President, Legal & Regulatory, Deputy General Counsel, Paysafe Group

13.00 – 14.00: Lunch

14.00 – 14.30: Keynote speakers

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

14.30 – 15.30: FinTech – Its role in CMU and capital market integration

Despite numerous attempts, European capital markets remain fragmented, creating barriers to economic integration, holding back innovation, affecting both the efficiency and scale of continental European capital markets. Fintech holds great potential to increase market access, streamline processes, increase the range of products, lowering cost for clients, allowing national segmented markets to become pan-European and deepening and broadening EU capital markets. Thus, the panel will explore what role Fintech can play to overcome fragmentation, whether through improved trade execution, enhancing the transparency and comparability of products, or through reducing the well-publicised barriers to clearing and settlement transactions.

- Is Fintech already helping further integrate European capital markets and what potential exists to enhance the process of interconnecting markets under CMU 2.0?
- What barriers, whether regulatory or other, exist impeding the utilisation of new technologies from meeting the potential they offer to improve EU capital markets?
- Will Fintech lead to more equality for clients irrespective of size and geographical location?
- Will the trend of globalisation of capital markets through technological advancements hinder or advance the objectives of CMU?
- How specific role do new technologies, such as artificial intelligence, distributed ledger technology and big data play to advance market integration?

Confirmed speakers include:

- Carmine Di Noia, Commissioner, CONSOB
- Christopher Woolard, Board Member and Executive Director, Strategy and Competition, FCA
- Johan van Overtveldt, Member of the European Parliament
- Artur Granicki, Member of The Next CMU High-Level Group, Attorney-at-Law at the New Technologies Practice, Wardynski & Partners
- Matt Holmes, Managing Director Government and Regulatory Affairs, Deutsche Bank

15.30 – 15.50: Coffee break

15.50 – 17.00: From crypto assets to stablecoins – What is the appropriate policy response?

Crypto assets and newer applications around stablecoins offer huge benefits. They are scalable, reduce transaction costs, and increase speed and efficiency. At the same time, they potentially raise significant questions for policy makers both in Europe and globally. These concerns related to financial stability, regulatory and supervisory oversight, system integrity and consumer protection. Central banks are also closely watching whether there could be an impact on monetary policy. Within the EU, the European Commission has committed to propose specific legislation. This panel will discuss the possible role of crypto assets and stable coins for financial services markets and explore what might be the appropriate policy response.

- Can this issue be addressed at European level or do we need a global policy approach?
- How should any policy response balance possible concerns with the efficiency gains of this new technology?
- Should any policy response be tailored to the underlying function and risk of particular use case of crypto assets and stablecoins? Should the rules, for example, differentiate between back-office vs customer-facing applications?
- Should policy makers regulate the underlying DLT technology or the specific applications to financial services (payments, investments or others) or both?

- Should central banks develop their own stablecoin applications? Are we moving to the e-euro?
- What is Libra teaching us?

Confirmed speakers include:

- Mārtiņš Kazāks, Governor of the Bank of Latvia
- Tom Mutton, Director of Fintech, Bank of England
- Yuko Kawai, General Manager for Europe and Chief Representative in London, Bank of Japan
- Pēteris Zilgalvis, Head of Unit, Blockchain and Digital Innovation, DG CONNECT, European Commission
- Jan Frederic Eger, Head of International Government & Regulatory Affairs, Refinitiv
- The Libra Association (TBC)

17.00 – 17.30: Closing keynotes

- John Berrigan, Acting Director-General, DG FISMA, European Commission
- Dr. Jörg Kukies, State Secretary at the Federal Ministry of Finance of Germany
- Jean Paul Servais, Chairman, FSMA, and Vice-Chair of the IOSCO Board

17.30 – 17.35: Closing remarks

- Nickolas Reinhardt, Director, Afore Consulting

17.35 – 18.30: Networking drinks