On March 3, the European Banking Authority (EBA) published a speech by Chair of the EBA, José Manuel Campa, at the 4th Annual Conference on “FinTech and Digital Innovation: Delivering for the Future” (the Speech).

In the Speech, Mr. Campa focused on three discrete areas: 1) the impact of regulation on the development of new technologies; 2) the impact of supervision; and 3) the EBA’s plans for 2020 with regards to FinTech.

Concerning the impact of regulation, Mr. Campa described a “patchwork of domestic requirements” across the European Union (EU) that are “impacting firms’ capacity to integrate technological solutions into their businesses.” He advocated for consistency in the guidance issued by EU institutions and also identified areas “where additional regulation is needed,” in particular in relation to third-party service providers (TPPs) and crypto-assets.

Mr. Campa outlined a similar view of the impact of supervision and noted that a firm with a presence in multiple jurisdictions might encounter “differing approaches” from each local supervisor. Suggesting that these different approaches might be due
to a “lack of familiarity with newer technologies,” Mr. Campa highlighted the EBA’s “FinTech Knowledge Hub” and other initiatives to promote knowledge sharing and education.

Finally, Mr. Campa set out the three areas of focus for the EBA in 2020 in relation to digital finance:

- RegTech (the use of technologies to address regulatory and compliance requirements more effectively and efficiently) and SupTech (relating to the harmonization of technologies used for suspicious transaction monitoring);
- “Platformization,” which refers to “the trend towards the reaggregation of products and services on platforms, and emerging new forms of interconnection in the financial sector”; and
- Operational resilience (supporting the implementation of their Guidelines on ICT risk and continuing follow-up work in relation to cryptoassets). For more information, please see the August 23, 2019 edition of Corporate & Financial Weekly Digest).

The Speech is available here.

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