

# The CSSF's approach to innovation

10 October 2018

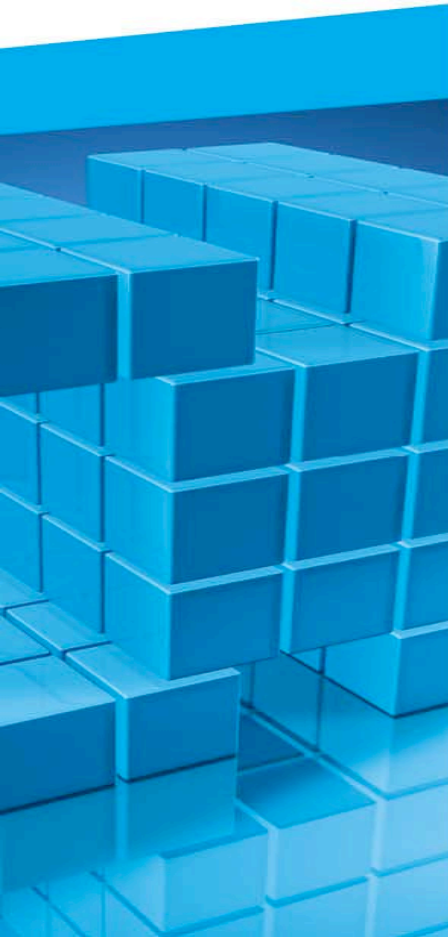
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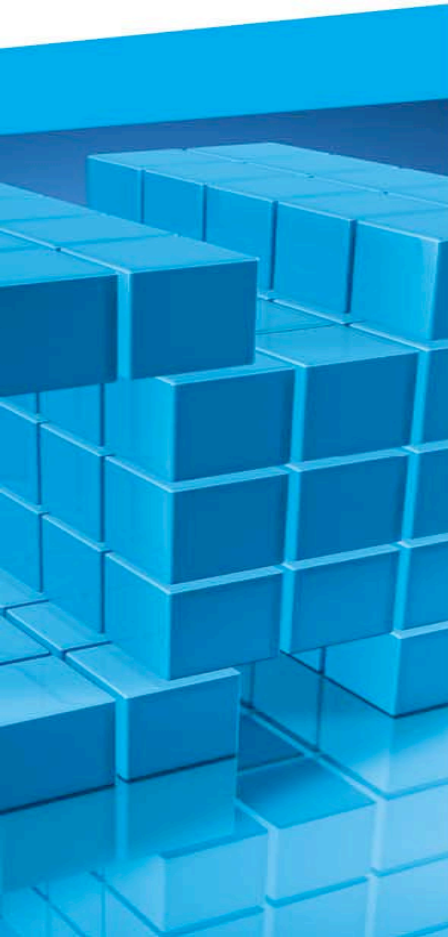
# Innovation, an essential driver for the development of the financial sector

- FinTech, a multisectoral reality
- A real opportunity for the financial sector
  - In the provision of financial services
  - In the compliance with the regulatory framework

# Challenges for the regulator

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- Main challenges for the regulator:
    - Find the right answer to new financial services arising from FinTech;
    - Make a proper assessment of the new risks arising from FinTech;
    - Protect the consumer without creating unnecessary barriers for the industry.
  - Legislation/regulation as a solution?

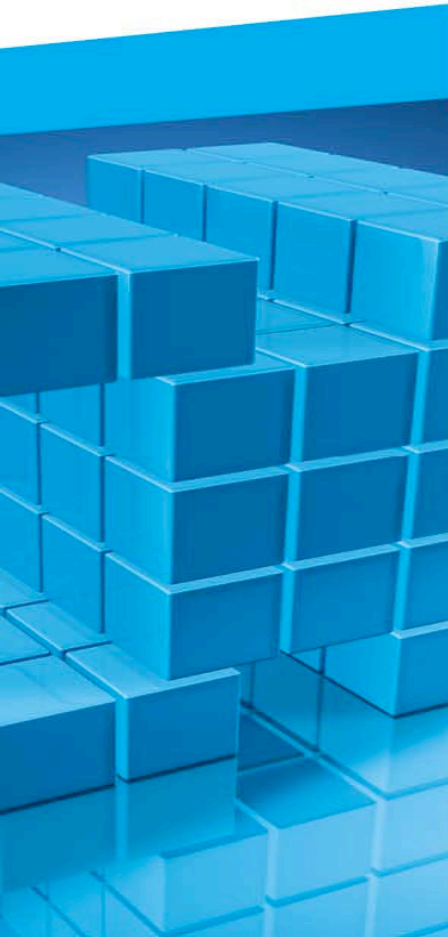
# CSSF approach to address these challenges

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- Technology neutrality as a core principle
    - Technology neutral = focus on the services provided, not the technology used
    - Technology neutral ≠ technology adverse
    - Technology neutral ≠ technology blindly trustful
      - Cloud computing
      - Blockchain
      - Robo-advice
      - Robo/video onboarding

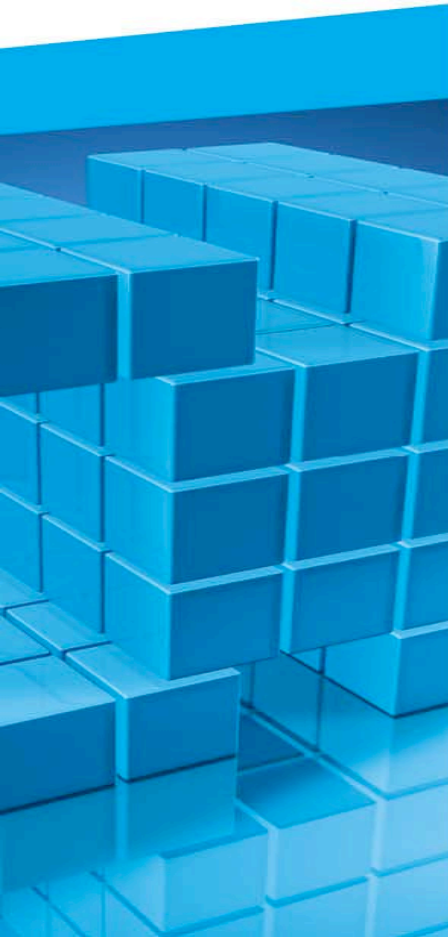
# CSSF's approach to address these challenges

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- Keeping a proactive dialogue with the industry
    - The CSSF FinTech Working Group
    - Constant accessibility
    - Innovation Hub ? Regulatory Sandbox ?
    - Outcomes

# CSSF approach to address these challenges

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- Cooperation with other jurisdictions
    - FinTech has no borders
    - On a European Union level
    - On an International level

## CSSF's approach for the year to come

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- Pursue our work on specific FinTech matters through the FinTech Working Group
  - Industry representatives as leverage to strengthen the dialogue
    - Association des Banques et Banquiers Luxembourg (ABBL)
    - Association Luxembourgeoise des Fonds d'Investissement (ALFI)
    - Luxembourg House of Financial Technologies (LHoFT)
    - Luxembourg for Finance (LFF)
  - Increase CSSF communication on FinTech



## Advice to FinTech entities

- Check our website
- Work with the industry's representatives
- Take into account emerging risks when designing your project
- Contact us
- Make a legal assessment of your project



## Questions ?

- Contact details :
  - Karen O'Sullivan
  - Email: [Karen.osullivan@cssf.lu](mailto:Karen.osullivan@cssf.lu)
- CSSF FinTech page:
  - <http://www.cssf.lu/en/supervision/fintech/>

Thank you for your attention

