Brussels, 20 January 2020

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<th>General Secretariat of the Council</th>
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<td>To:</td>
<td>Financial Services Committee</td>
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<td>Subject:</td>
<td>FSC meeting on 22 January 2020</td>
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<td>Item 2: FinTech/Digital Finance Strategy and cyber risks, including crypto assets and digital operational resilience</td>
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<td>- Presentation by the Commission's DG FISMA</td>
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EN
Presentation at the FSC
22 January
Jan Ceyssens, DG FISMA
Background

• Key priority for von der Leyen Commission: “Making Europe fit for the Digital Age”

• EVP Dombrovskis was tasked to “put forward a FinTech Strategy to support new digital technologies in our financial system”
State of play

- Almost two years after the Commission adopted the Fintech Action Plan in 2018, the actions set out in it have largely been implemented.
  - ROFIEG report published in December

- Since adoption of the Action Plan, new challenges have arisen
Work towards Digital Finance Strategy (1)

- Making sure the EU remains among the leading jurisdictions in the digital development of the financial sector, while addressing related risks.
- Supporting key EU financial services policies (e.g., CMU, sustainable finance, international role of the Euro).
- Work across different files, units and departments within the Commission.
- Broad and upfront stakeholder consultations and outreach.
Work towards Digital Finance Strategy (2)

- **Key areas of reflection**
  - Deepening the Single Market for digital financial services,
  - Promoting a data-driven financial sector in the EU while addressing its risks and ensuring a true level playing field,
  - Making the EU financial services regulatory framework more innovation-friendly, and
  - Enhancing the digital operational resilience of the financial system.
Legislative work: crypto assets

• Consultation launched, open until 19 March.
• Basis: ESAs advice on crypto assets; Council/COM statement on stablecoins; int work.
• Broad scope & proportionate approach commensurate to risk.
• Crypto assets covered by existing legislation:
  • Need for adjustment to ensure legal clarity and make legislation work?
• Crypto assets not covered by existing legislation:
  • New framework?
Legislative work: digital operational resilience

- Consultation launched, open until 19 March
- Basis: ESAs advice; int. work.
- Four areas of consultation, based on ESAs:
  - ICT requirements
  - Incident reporting
  - Testing
  - Third party providers
- Close work with DG CNECT (interaction with NIS Directive, cloud service providers).
Thank you!