



EUROPEAN COMMISSION

*Brussels, 20.8.2018
C(2018) 5614 final*

Dear President,

The Commission would like to thank the Camera Deputaților for its Opinion on the Communication ‘FinTech Action plan: for a more competitive and innovative European financial sector’.

The FinTech Action plan is part of the Commission’s efforts to build a Capital Markets Union and a true single market for consumer financial services. It is also part of its drive to create a Digital Single Market. The Commission aims to make EU rules more future-oriented and aligned with the rapid advance of technological development.

The plan will help the financial industry make use of the rapid advances in technology such as blockchain and other Information Technology applications and strengthen the cyber resilience of the industry. This will benefit consumers, investors, incumbents as well as new market players.

The Commission appreciates the Camera Deputaților’s overall support for the Action plan on FinTech, and notes the interest, in particular, for the creation of the EU FinTech Lab and the opportunities brought by new technologies such as distributed ledger technologies. The Commission’s attention has also been drawn to the need to assess the suitability of the financial services regulatory framework for FinTech, the exploration of best practices for ‘regulatory sandboxes’ as well as the importance of a ‘security by design’ approach within digital services.

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The Commission has taken good note of the Camera Deputaţilor's reservations and concerns, specifically in the area of consumer protection, financial capital mobilisation for start-ups and small and medium-sized enterprises, as well as the administrative burdens involved in the creation of innovation hubs and a European-wide certification framework for information and communication technology security products and services.

As regards the Camera Deputaţilor's comments on money laundering and terrorist financing issues related to crypto-assets, the Commission recalls that the fifth Anti-Money Laundering Directive must be implemented by Member States in the coming months, and includes specific requirements in this regard.

The Commission shares the Camera Deputaţilor's concern about investor and consumer protection. This is at the centre of the Action plan. The Commission believes that the steps set forth in the Action plan on FinTech will promote innovation within the financial sector and at the same time ensure and enhance the level of consumer and investor protection, for example through the strengthening of cyber resilience. Moreover, the Commission is convinced that FinTech solutions can support access to finance for small businesses. That is why the Commission presented a proposal for a Regulation on European crowdfunding services for business¹. This optional EU regime would enable crowdfunding platforms to easily provide their services across the EU single market. Instead of having to comply with different regulatory regimes, platforms would have to comply with only one set of rules, both when operating in their home market and in other Member States.

The Commission also supports the creation of innovation facilitators, both innovation hubs and regulatory sandboxes, as useful tools to foster financial innovation and has invited the European Supervisory Authorities to increase information sharing and exchange best practices between authorities who have set up such facilitators.

The Commission has also taken good note of the Camera Deputaţilor's call for an in-depth analysis of open platforms and of the suggestion for EU-wide action to prevent further economic gaps through the exploitation of FinTech.

The Commission would like to stress that FinTech is a key policy priority, just as the implementation of the Action plan on FinTech. The first actions have already been undertaken with the EU Blockchain Observatory and Forum in February 2018 and the setting up of the expert group on regulatory obstacles to financial innovation in May 2018. In June 2018, the Commission hosted the first meeting of the EU FinTech Lab, focusing on cloud outsourcing, as well as a public-private workshop on Cybersecurity information sharing in the financial sector.

¹ Proposal for a Regulation of the European Parliament and of the Council on European Crowdfunding Service Providers (ECSP) for Business {COM(2018) 113 final}.

Finally, the European Supervisory Authorities have started to work on several actions, including convergence of authorisation and licensing approaches for innovative FinTech business models, assessment of the applicability of current legislation to crypto-assets and Initial Coin Offerings, and best practices for innovation facilitators and outsourcing frameworks.

The Commission hopes that these clarifications address the issues raised by the Camera Deputaților and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Pierre Moscovici
Member of the Commission*