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From: Secretary-General of the European Commission,  
signed by Mr Jordi AYET PUIGARNAU, Director

date of receipt: 8 March 2018

To: Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of  
the European Union

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Subject: ANNEX to the COMMUNICATION FROM THE EUROPEAN  
COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE  
EUROPEAN CENTRAL BANK, THE EUROPEAN ECONOMIC AND  
SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS  
FinTech Action Plan: For a more competitive and innovative European  
financial sector

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Delegations will find attached document COM(2018) 109 final - ANNEX.

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Encl.: COM(2018) 109 final - ANNEX



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ANNEX

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**COMMUNICATION FROM THE EUROPEAN COMMISSION TO THE EUROPEAN  
PARLIAMENT, THE COUNCIL, THE EUROPEAN CENTRAL BANK, THE  
EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE  
OF THE REGIONS**

**FinTech Action Plan: For a more competitive and innovative European financial sector**

## Annex –Workplan of the initiatives included in the FinTech Action Plan

This annex provides an overview of the initiatives included in the FinTech Action Plan.

<b>ENABLE INNOVATIVE BUSINESS MODELS TO REACH EU SCALE</b>			
<b>Box 1</b>	<b>Clear and converging licensing requirements for FinTech firms</b>	COM presents a legislative proposal for an EU Regulation on investment-based and lending-based crowdfunding service providers (ECSP) for business.	Q1 2018
		COM invites the European Supervisory Authorities to map current authorising and licensing approaches for innovative FinTech business models. In particular, they should explore how proportionality and flexibility in the financial services legislation are applied by national authorities. Where appropriate, the ESAs should issue guidelines on approaches and procedures or present recommendations to the COM on the need to adapt EU financial services legislation.	Q1 2019
		COM will continue monitoring the developments of crypto-assets and Initial Coin Offerings with the ESAs, the European Central Bank, the FSB as well as other international standard setters in the course of 2018. Based on the assessment of risks, opportunities and the suitability of the applicable regulatory framework, the COM will assess whether regulatory action at EU level is required.	by Q4 2018
<b>Box 2</b>	<b>Common standards and interoperable solutions for FinTech</b>	COM will help to develop more coordinated approaches on standards for FinTech by liaising and working with major standard-setting bodies, such as European Committee for Standardisation and International Organisation for Standardisation including in the blockchain area.	Q4 2018
		COM encourages and will support joint efforts by market players to develop, by mid-2019, standardised application programming interfaces that are compliant with the Payment Services Directive and the General Data Protection Regulation as a basis for a European open banking eco-system covering payment and other accounts.	Q2 2019
<b>Box 3</b>	<b>Enable innovative business models to scale-up across the EU through</b>	Building on recent work by the ESAs to map FinTech facilitators set up by national supervisory authorities, COM invites the ESAs to conduct further analysis and identify best practices and, where appropriate, to issue guidelines on these facilitators.	Q4 2018

	<b>innovation facilitators</b>	COM invites competent authorities at Member State and EU level to take initiatives to facilitate innovation on the basis of these best practices and invites the ESAs to facilitate supervisory cooperation, including coordination and dissemination of information regarding the innovative technologies, establishment and operation of innovation hubs and regulatory sandboxes, and consistency of supervisory practices.	Q1 2019
		Based on the work of the ESAs, the COM will present a report with best practices for regulatory sandboxes	By Q1 2019

### SUPPORT THE UPTAKE OF TECHNOLOGICAL INNOVATION IN THE FINANCIALS SECTOR

<b>Box 4</b>	<b>Technology-neutrality Suitability Review</b>	COM will set up an expert group to assess whether there are unjustified regulatory obstacles to financial innovation in the financial services regulatory framework.	Q2 2019
<b>Box 5</b>	<b>Removing obstacles to the use of cloud services</b>	COM invites the ESAs to explore the need for guidelines on outsourcing to cloud service providers by Q1 2019.	Q1 2019
		In the context of the Communication on Building the European Data Economy, COM invites cloud stakeholders to develop cross-sectoral self-regulatory codes of conduct to facilitate switching between cloud service providers. The Commission will also invite representatives from the financial sector to enable easier data porting also for financial institutions.	Q2 2018
		COM shall encourage and facilitate the development of standard contractual clauses for cloud outsourcing by financial institutions, building on the cross-sectoral cloud stakeholder efforts already facilitated by the COM, and ensuring financial sector involvement to this process. This work should be undertaken by a balanced mix of companies from the financial sector and cloud service providers, and should address in particular audit requirements, reporting requirements or the determination of materiality of the activities to be outsourced.	Q2 2019
<b>Box 6</b>	<b>EU Public Blockchain initiative</b>	COM will consult publicly on further digitisation of regulated information about companies listed on EU regulated markets, including the possible implementation of a European Financial Transparency Gateway based on distributed ledger technology.	Q2 2018
		COM will continue to work on a comprehensive strategy, considering all relevant legal implications, on distributed ledger technology and blockchain	

		addressing all sectors of the economy, including enabling FinTech and RegTech applications in the EU .	
		COM launched an EU Blockchain Observatory and Forum in February 2018, as well as a study on the feasibility of an EU public blockchain infrastructure to develop cross-border services. It will be assessed whether block chain can be deployed as a digital services infrastructure under the Connecting Europe Facility. With the support of the EU Observatory and Forum and the European Standardisation Organisations, COM will continue to appraise legal, governance and scalability issues and support interoperability and standardisation efforts, including further evaluating cases of blockchain use and its applications in the context of the Next Generation Internet.	As of Q1 2018
<b>Box 7</b>	<b>Building capacity and knowledge in an EU FinTech Lab</b>	COM will host an EU FinTech Lab where European and national authorities will be invited to engage with technology solution providers in a neutral, non-commercial space during targeted sessions on specific innovations.	Q2 2018

## ENHANCE SECURITY AND RESILIENCE OF THE FINANCIAL SECTOR

		COM will organise a public-private workshop to explore and assess barriers limiting information sharing on cyber threats between financial market participants and to identify potential solutions while ensuring data protection standards are met.	Q2 2018
<b>Box 8</b>	<b>Strengthening the EU Financial Sector the cyber resilience of the</b>	COM invites the ESAs to map the existing supervisory practices across financial sectors around ICT security and governance requirements, and where appropriate: a) to consider issuing guidelines aimed at supervisory convergence and enforcement of ICT risk management and mitigation requirements in the EU financial sector and, b) if necessary, provide the COM with technical advice on the need for legislative improvements.	Q1 2019
		COM invites the ESAs to evaluate the costs and benefits of developing a coherent cyber resilience testing framework for significant market participants and infrastructures within the whole EU financial sector.	Q4 2018