



The following provides a collection of relevant publications regarding digitalization and financial innovation at both the global and jurisdictional level.

September 2022

GFMA, AFME, ASIFMA, and SIFMA

[GFMA Joins Joint Trade Association Response to the BCBS Second Consult on the Prudential Treatment of Cryptoasset Exposures \(September 30, 2022\)](#)

GFMA joined a joint trade association response to the Basel Committee on Banking Supervision's (BCBS) second consult on the "Prudential Treatment of Cryptoasset Exposures." The response seeks a prudential framework that will allow bank customers and the broader financial sector to benefit from the advances in efficiency, transparency and speed offered by utilising cryptography and DLT or similar technology. This framework should support enhancing financial stability while avoiding overly restrictive limits to innovation." The full response can be found [here](#) and an executive summary is available [here](#).

[Sir Jon Cunliffe Delivers Speech on Innovation at AFME OPTIC Conference \(September 28, 2022\)](#)

Sir Jon Cunliffe, Deputy Governor for Financial Stability at the Bank of England (BoE) delivered a speech on "Innovation in Post Trade Services – Opportunities, Risks and the Role for the Public Sector" at the [AFME Operations, Post-Trade, Technology & Innovation 2022 \(OPTIC\) Conference](#). For additional details on the conference, please see the related update in the section below.

[AFME Publishes White Paper on Open Finance and Data Sharing \(September 27, 2022\)](#)

AFME published a white paper on "Open Finance and Data Sharing – Building Blocks for a Competitive, Innovative and Secure Framework." The report provides technical detail on how to operationalize a robust Open Finance Framework.

[ASIFMA Submits Response to SC Consultation on Proposed Regulatory Framework on Technology Risk Management \(September 19, 2022\)](#)

ASIFMA submitted a response to the Malaysia Securities Commission (SC) public consultation paper No. 1/2022 on a Proposed Regulatory Framework on Technology Risk Management (TRM).

[SIFMA Publishes Statement on Biden Administration's Digital Assets Reports \(September 16, 2022\)](#)

SIFMA issued a [statement](#) from president and CEO Kenneth E. Bentsen, Jr. regarding reports released by the Biden Administration under Executive Order 14067 – Ensuring the Responsible Development of Digital Assets. Additional details on the reports can be found in the US section of this newsletter.

CAPITAL MARKETS CONFERENCES

[Registration Available for ASIFMA Tech & Ops Conference 2022 \(October 5-6, 2022\)](#)

ASIFMA's flagship annual event in Asia for technology and operations is “designed by the industry for the industry” where the industry experts from sell-side, buy-side, policy makers and regulators, law firms and consultants come together to meet and discuss important issues impacting this area. The conference identifies key tech & ops related shared challenges that the industry is facing and brings market participants together to help solve these. Registration and further details are available [here](#).

[AFME Hosts Operations, Post-Trade, Technology & Innovation Conference 2022 \(September 27-28, 2022\)](#)

AFME's Operations, Post-Trade, Technology & Innovation Conference 2022 (OPTIC) was a new conference bringing together practitioners and technologists to discuss how European capital markets, and the operational framework that underpins them, are evolving. The theme for this year's event was "Reimagining Europe's Capital Markets". OPTIC 2022 took place in London, with a two-day agenda packed with keynote addresses from regulatory authorities, thought-provoking panels and speeches from Europe's leading financial institutions, and ample networking opportunities for attendees.

GLOBAL

[BIS FSI Publishes Paper on Big Tech Regulation \(October 3, 2022\)](#)

As part of its Occasional Papers series, the Bank for International Settlements (BIS) Financial Stability Institute (FSI) published a paper on “Big Tech Regulation: in Search of a New Framework.” The paper notes that “there is a clear need for the international regulatory community to develop guidance” regarding the regulation of Big Techs.

[BCBS Discusses Supervisory Implications of AI/ML \(September 14-15, 2022\)](#)

At their September 14-15 meeting, the Basel Committee on Banking Supervision (BCBS) discussed views on the supervisory implications of the use of artificial intelligence (AI) and machine learning (ML) by banks. The Committee agreed to continue to assess these developments and exchange supervisory best practices on the topic.

[BIS Publishes Paper on Cyber Risk in Central Banking \(September 14, 2022\)](#)

The Bank for International Settlements (BIS) published a working paper on “Cyber Risk in Central Banking.” The paper utilizes the results of a survey conducted in 2021 among the members of the Global Cyber Resilience Group to provide an overview on cyber risk in the central bank community.

[BCBS GHOS Provides Direction on Future Work Relating to Cryptoassets \(September 13, 2022\)](#)

The Basel Committee on Banking Supervision's (BCBS) oversight body, the Governors and Heads of Supervision (GHOS), announced they will be providing direction to the BCBS on its work on climate-related financial risks and cryptoassets. The announcement also noted that the GHOS tasked the BCBS with finalizing a prudential framework for banks' cryptoasset exposures around the end of this year.

[BCBS Chair Delivers Speech on Trust and Digitalization of Banking \(September 9, 2022\)](#)

Pablo Hernández de Cos, Chair of the Basel Committee on Banking Supervision (BCBS), delivered a speech on "[Trust, digitalisation and banking: from my word is my bond to my code is my bond?](#)" The speech summarizes the growth of digitalization in banking, as well as the risks relating to digitalization. Additionally, the speech highlights the importance of trust in the system.

[CPMI Publishes Article on Harmonization of ISO 20022 \(September 9, 2022\)](#)

The Bank for International Settlements (BIS) Committee on Payments and Market Infrastructure (CPMI) published an article providing an update on a workstream of the G20 cross-border payments programme focused on the harmonisation of ISO 20022 for enhancing cross-border payments.

[September Issue of IMF Publication "Finance and Development" focuses on Fintech \(September 2022\)](#)

The September 2022 issue of the International Monetary Fund's publication "Finance & Development" focuses on the topic of fintech. It includes four articles focusing on fintech and virtual currencies that can be found [here](#).

NORTH AMERICA

United States

[FSOC Releases Digital Assets Financial Stability Report \(October 3, 2022\)](#)

The US Financial Stability Oversight Council (FSOC) published a "[Report on Digital Asset Financial Stability Risks and Regulation](#)." The report presents the FSOC's analysis of the background and key developments in the crypto and digital asset markets, their view of vulnerabilities within the crypto asset ecosystem, as well as exposures to the broader financial system through interconnections with the crypto-asset markets and analysis of potential financial stability risks within digital asset markets. A summary fact sheet is available [here](#).

[Michelle W Bowman Delivers Remarks on Large Bank Supervision Regarding Digital and Crypto Assets \(September 30, 2022\)](#)

Michelle W Bowman, Member of the Board of Governors of the Federal Reserve System (FRB) delivered remarks regarding large bank supervision and regulation. The remarks highlighted how existing “principles can help frame a productive conversation about the future of regulation and supervision, including around banks engaging in crypto-asset-related activities.” The remarks also noted that “the goal with digital assets should be to match oversight to risk, and to provide clarity in supervisory expectations for banks seeking to engage in the crypto-asset ecosystem.”

[UST Publishes RFC on Illicit Finance Risks Posed by Digital Assets \(September 29, 2022\)](#)

The US Department of the Treasury (UST) released a request for comment (RFC) on “Ensuring Responsible Development of Digital Assets.” This RFC particularly will focus on illicit finance risks posed by digital assets.

[BIS Publishes Paper on the Impact of Fintech Lending on Credit Access for U.S. Small Businesses \(September 26, 2022\)](#)

The Bank for International Settlements (BIS) published a working paper on “The Impact of Fintech Lending on Credit Access for U.S. Small Businesses.”

[HFSC Holds Hearing on Alternative Payment Systems and the National Security Impacts of Their Growth \(September 20, 2022\)](#)

The House Financial Services Committee (HFSC) held a hearing on “Alternative Payment Systems and the National Security Impacts of Their Growth.” Key topics discussed included stablecoins, central bank digital currency (CBDC), and blockchains. A **SIFMA** summary of the hearing is available [here](#).

[White House Releases Comprehensive Framework for Responsible Development of Digital Assets \(September 16, 2022\)](#)

On 9 March 2022, President Biden issued an Executive Order that directed a variety of federal government departments and agencies to undertake a “whole-of-government” review of digital asset policy and regulation. On 16 September, a number of reports related to the Executive Order were issued by the US Treasury, Department of Commerce, and Department of Justice. The White House also published a [Fact Sheet](#) summarizing these reports and a corresponding [statement](#) was released by NEC Director Brian Deese and National Security Advisor Jake Sullivan. Please see below updates for additional information on the reports from each department. Additionally, details regarding a **SIFMA** [statement](#) on the reports can be found in the top section of this newsletter.

[UST Publishes Three Reports as Part of Comprehensive Framework for Responsible Development of Digital Assets \(September 16, 2022\)](#)

The US Department of the Treasury (UST) published reports on “[The Future of Money and Payments](#)” and “[Implications for Consumers, Investors, and Businesses](#),” as well as an “[Action Plan to Address Illicit Financing Risks of Digital Assets](#).” These reports were part of the White House’s Comprehensive Framework for Responsible Development of Digital Assets. Details on this framework can be found above. Additionally, Secretary Yellen issued a statement on all three reports that can be found [here](#).

[DoJ Publishes Report on Role of Law Enforcement Relating to Digital Assets as Part of Comprehensive Framework for Responsible Development of Digital Assets \(September 16, 2022\)](#)

The US Department of Justice (DoJ) published a report on “[The Role of Law Enforcement in Detecting, Investigating, and Prosecuting Criminal Activity Related to Digital Assets](#)” as part of the White House’s Comprehensive Framework for Responsible Development of Digital Assets. Details on this framework can be found above and a press release from DoJ can be found [here](#).

[US Department of Commerce Publishes Report on US Competitiveness as Part of Comprehensive Framework for Responsible Development of Digital Assets \(September 16, 2022\)](#)

The US Department of Commerce published a report on “[Responsible Advancement of U.S. Competitiveness in Digital Assets](#)” as part of the White House’s Comprehensive Framework for Responsible Development of Digital Assets. Details on this framework can be found above and a statement from Secretary Gina Raimondo is available [here](#).

[Senate Banking Committee Hearing on SEC Oversight Features Discussion on Digital Assets \(September 15, 2022\)](#)

The Senate Banking Committee held a hearing on oversight of the U.S. Securities and Exchange Commission (SEC). The hearing testimony from SEC Chair Gary Gensler, as well as the questions and answers session, featured topics relating to the role of the SEC and digital assets. A **SIFMA** summary of the hearing is available [here](#).

[Senate Agriculture Committee Holds Legislative Hearing to Review the Digital Commodities Consumer Protection Act \(September 14, 2022\)](#)

The Senate Agriculture, Nutrition, and Forestry Committee held a legislative hearing to review the Digital Commodities Consumer Protection Act. The hearing included testimony from Commodity Futures Trading Commission (CFTC) Chairman Rostin Behnam and discussion focused on examining how the CFTC and Securities and Exchange Commission (SEC) would work together to regulate cryptocurrency. A **SIFMA** summary of the hearing is available [here](#).

[SEC Chair Delivers Remarks on Crypto Tokens and Intermediaries \(September 8, 2022\)](#)

Gary Gensler, Chair of the Securities and Exchange Commission (SEC) delivered remarks on “Kennedy and Crypto” at the Practising Law Institute (PLI) SEC Speaks in 2022 event. His remarks focused on the role of the SEC relating to crypto tokens and intermediaries. For further details on the full SEC Speaks in 2022 event, please see update below.

[SEC Remarks focus on Digitalization as part of PLI SEC Speaks in 2022 \(September 8-9, 2022\)](#)

Remarks from the Securities and Exchange Commission (SEC) Chair and Commissioners at the Practising Law Institute (PLI) SEC Speaks in 2022 event focused on many topics relating to digitalization. **SIFMA** published a summary of [Day 1](#) and [Day 2](#) of the event with further details on remarks relating to digitalization topics. For further details on Chair Gensler's speech, please see update above.

[Michael Barr Speech Highlights Risks and Opportunities of Digitalization \(September 7, 2022\)](#)

Michael Barr, Vice Chair for Supervision at the Federal Reserve Board (FRB), delivered a speech on "Making the Financial System Safer and Fairer." The speech highlighted the risks relating to crypto assets and the opportunities from fast and efficient digital payments. The full text of the speech can be found [here](#).

[FASB Publishes Project Update on Accounting for and Disclosure of Crypto Assets \(September 2, 2022\)](#)

The Financial Accounting Standards Board (FASB) published an update on its project relating to the "Accounting for and Disclosure of Crypto Assets. This project was formerly known as "Accounting for and Disclosure of Digital Assets."

EUROPE

EU

[Fabio Panetta Delivers Speech on the Role of the Public and Private Sectors in the Digital Euro Ecosystem \(September 29, 2022\)](#)

Fabio Panetta, Member of the Executive Board of the European Central Bank (ECB), delivered a speech on the role of the public and private sectors in the digital euro ecosystem. The speech highlighted the importance of harnessing synergies throughout the payments process, the role of the Eurosystem, the role of intermediaries, and the need for establishing a digital euro scheme to make the digital euro available to everyone.

[EBA Includes Addressing the Challenges from the Digitalization of Finance as part of Work Programme for 2023 \(September 29, 2022\)](#)

The European Banking Authority (EBA) published their new work programme for 2023. One of the five main focuses of the programme will be "addressing the new challenges arising from the digitalisation of finance."

[Fabio Panetta Delivers Speech on Demystifying w-CBDC \(September 26, 2022\)](#)

Fabio Panetta, Member of the Executive Board of the European Central Bank (ECB), delivered a speech on demystifying wholesale central bank digital currency (w-CBDC). The speech highlighted the impact of digitalization of finance on payments and the role of a digital euro.

[European Commission Publishes State of the Union Report on New EU Cybersecurity Rules \(September 15, 2022\)](#)

The European Commission published a “State of the Union: New EU Cybersecurity Rules Ensure More Secure Hardware and Software Products.” This release was published as the Commission presented a proposal for a new Cyber Resilience Act. This is the first EU-wide legislation of its kind and it introduces mandatory cybersecurity requirements for products with digital elements, throughout their whole lifecycles.

France

[Denis Beau Delivers Remarks on Opportunities and Challenges Relating to the Tokenization of Finance \(September 28, 2022\)](#)

Denis Beau, First Deputy Governor of the Banque de France, delivered remarks on the opportunities and challenges of the tokenization, as well as the related role for central banks. In his remarks, he noted that central banks could be useful in the tokenization process by developing central bank digital currencies (CBDCs).

[François Villeroy de Galhau Delivers Speech on Central Banks’ Dual Role in Innovation \(September 28, 2022\)](#)

François Villeroy de Galhau, Governor of the Banque de France, delivered a speech on the dual role of central banks relating to innovation. These roles include developing well-tailored, consistent and evolving regulations, as well as helping to develop and drive innovation.

[François Villeroy de Galhau Delivers Remarks Highlighting Importance of Cross-Border Interoperability of Digital Currencies \(September 14, 2022\)](#)

François Villeroy de Galhau, Governor of the Banque de France, delivered remarks on “Ethics of Currency – a Possible Guide for Central Bankers?” As part of his speech, he highlighted “with the aim of avoiding international fragmentation, we have to pay special attention and dedicate efforts then to cross-border interoperability, and hence to wholesale CBDC as a way to ensure it.” The full text of the speech is available [here](#).

Germany

[Joachim Nagel Delivers Speech on Digital Money \(September 26, 2022\)](#)

Joachim Nagel, President of the Deutsche Bundesbank, delivered a speech on “The Shape of Money – Yesterday, Today and Tomorrow.” The speech provided background on the market for online payments, highlighted how a central bank digital currency (CBDC) could complement the existing landscape, and discussed considerations regarding centralized or decentralized settlement.

[Burkhard Balz Delivers Remarks on the Digital Euro as an Opportunity for Europe \(September 7, 2022\)](#)

Burkhard Balz, Member of the Executive Board of the Deutsche Bundesbank, delivered a speech at CashCon 2022 on “The digital euro – an opportunity for Europe.” His remarks noted that cash and a potential digital euro should complement each other.

[Claudia Buch Delivers Speech on Structural Change in Central Bank Statistics \(August 25, 2022\)](#)

Claudia Buch, Vice-President of the Deutsche Bundesbank, delivered a speech on the need for structural change in central bank statistics. The speech highlights that “leveraging digitalization might be an important way of bridging existing information gaps.” The full text of the speech is available [here](#).

Italy

[Alessandra Perrazzelli Delivers Speech Highlighting Innovation Technologies \(September 8, 2022\)](#)

Alessandra Perrazzelli, Deputy Governor of the Bank of Italy, delivered a speech on “Challenges for the evolving financial system – the balance between resilience and adaptability.” The speech highlighted the latest developments relating to innovation technologies in the financial system.

Lithuania

[Gediminas Šimkus Delivers Speech on the Future of Central Banking \(September 30, 2022\)](#)

Gediminas Šimkus, Chairman of the Board of the Bank of Lithuania delivered a speech on the future of central banking at a conference co-hosted by the Bank of Lithuania and Bank for International Settlements (BIS). His speech called for central banks to “embrace the revolution underway in digital money” and also for “shifting from data-centric to data-driven policy making.”

United Kingdom

[Vicky Saporta Delivers Speech on the PRA’s Future Approach to Policy \(September 27, 2022\)](#)

Vicky Saporta, Executive Director, Prudential Policy at the Bank of England (BoE) delivered a speech on the Prudential Regulation Authority’s (PRA) future approach to policy. As part of the speech, Vicky highlighted that good prudential regulation responds when innovation changes the way finance works. An example of this change highlighted in the speech is their work relating to how firms manage risks from cryptoassets.

[FCA Speech on Fighting Financial Crime Highlights Efforts Relating to Crypto \(September 7, 2022\)](#)

Sarah Pritchard, Executive Director, Markets at the UK Financial Conduct Authority (FCA) delivered a speech on “Fighting Financial Crime – the Force Multiplier Effect.” The speech highlighted the FCA’s “robust standards for crypto firms on anti-money laundering measures, knowing that this sector is targeted as a weak link, and open for abuse by criminals.”

[Digital Regulation Cooperation Forum Publishes Terms of Reference \(September 5, 2022\)](#)

The Digital Regulation Cooperation Forum (DRCF) brings together the Competition and Markets Authority (CMA), Information Commissioner's Office (ICO), Office of Communications (Ofcom), and Financial Conduct authority (FCA) tasked with regulating digital services to collectively drive greater regulatory cooperation and deliver coherent approaches to digital regulation. DRCF published their terms of reference which can be found [here](#).

APAC

Australia

[RBA Governor Statement Highlights Work on Potential AUD CBDC \(September 16, 2022\)](#)

Philip Lowe, Governor of the Reserve Bank of Australia (RBA) delivered an opening statement to the House of Representatives Standing Committee on Economics which highlighted RBA efforts relating to a potential Australian dollar (AUD) central bank digital currency (CBDC). His remarks noted that the RBA is working with the Digital Finance Cooperative Research Centre on potential use cases for a CBDC and is also working with other central banks on this issue.

Japan

[JFSA Includes Work to Realize a Digital Society as Part of Strategic Priorities \(September 26, 2022\)](#)

The Japan Financial Services Agency (JFSA) published their strategic priorities from July 2022-June 2023. The priorities included "work to realize a digital society, by developing a favorable environment for digital money and crypto-assets in order to support the development of Web3.0 and the Metaverse from the financial side."

[JFSA Publishes Article Highlighting Three Major Policy Perspectives for Financial Regulators Regarding Crypto-Assets \(September 14, 2022\)](#)

The Japan Financial Services Agency (JFSA) published an article by Tomoko Amaya, Vice Minister for International Affairs, highlighting "Three Major Policy Perspectives for Financial Regulators Regarding Crypto-Assets." These three perspectives include financial stability, user protection, and AML/CFT.

Hong Kong

[HKMA Publishes Guidance on Cloud Computing \(August 31, 2022\)](#)

The Hong Kong Monetary Authority (HKMA) published guidance on cloud computing. The guidance was provided in the form of a letter sent to the Chief Executives of all authorized institutions. The guidance includes details on governance framework, on-going risk management and controls, protection of access and other legal rights, and risk management capabilities.

India

[RBI Governor Delivers Address on Fintech as a Force Multiplier \(September 21, 2022\)](#)

Shaktikanta Das, Governor of the Reserve Bank of India (RBI) delivered an address on “Fintech as a Force Multiplier” at the Global Fintech Festival in Mumbai. The address highlighted innovations in the Indian financial sector, the road ahead relating to Fintech, and governance and conduct considerations.

Singapore

[MAS Launches Financial Services Industry Transformation Map 2025 \(September 15, 2022\)](#)

The Monetary Authority of Singapore (MAS) launched a Financial Services Industry Transformation Map (ITM) for 2025. The map includes digitalizing financial infrastructure as part of its five key strategies. As part of another key strategy on enhancing asset class strengths, fintech is listed as one of the asset classes in focus.

*All information collected and provided for this report is publicly available.