



The following provides a collection of relevant publications regarding digitalization and financial innovation at both the global and jurisdictional level. To view previous versions since June 2022, please see the [newsletter's page](#) on the GFMA website.

## March 2023

### GFMA, AFME, ASIFMA, and SIFMA

#### [SIFMA Welcomes the Introduction of E-delivery Legislation \(March 27, 2023\)](#)

**SIFMA** issued a statement from president and CEO Kenneth E. Bentsen, Jr. on the introduction of legislation, the “Improving Disclosure for Investors Act of 2023,” that would direct the SEC to promulgate rules that would expand access to electronic delivery of certain required financial disclosures. The statement includes reference to a recent [survey](#) which finds that “a large majority of retail investors regardless of income or age, want e-delivery for its environmental benefits, speed, and convenience.”

#### [SIFMA C&L Annual Seminar Debrief Includes Perspectives on Digital Assets \(March 24, 2023\)](#)

The **SIFMA** C&L Annual Seminar Debrief for 2023 included key themes from compliance and legal professionals relating to digital assets. A key perspective is that “~100% replied the industry needs more regulatory clarity; innovators survive, those who do not innovate do not survive, and those who comply survive.” Additional information on the event is available [here](#).

## GLOBAL

#### [CPMI Publishes Final Report on Facilitating Increased Adoption of PvP \(March 27, 2023\)](#)

The Committee on Payments and Market Infrastructure (CPMI) published their final report on “Facilitating Increased Adoption of Payment Versus Payment (PvP).” The paper includes reference to a BIS Innovation Hub experiment on direct settlement of central bank money using tokenized wholesale central bank digital currency (w-CBDC). The full text is available [here](#).

#### [BCBS Announces Workplan to Continue Efforts on Assessing and Mitigating Risks from Cryptoassets \(March 23, 2023\)](#)

The Basel Committee on Banking Supervision (BCBS) “approved a workplan to continue to assess and mitigate risks from cryptoassets to the global banking system.” This follows their [publication](#) of a prudential treatment for cryptoasset exposures last year. The new workplan “includes a set of targeted reviews of the prudential treatment, including with regard to the treatment of permissionless blockchains and the eligibility criteria for “Group 1” stablecoins.” Additionally as part of the workplan, the BCBS plans to “continue to monitor banks’ cryptoasset

activities and exposures, including their role as potential issuers of stablecoins and tokenised deposits, custodians of cryptoassets and interconnections with other nodes of the cryptoasset ecosystem.”

### **[BIS IH Announces Successful Completion of Project Nexus Prototype Phase \(March 23, 2023\)](#)**

The BIS Innovation Hub (BIS IH) announced that its Project Nexus prototype successfully linked Eurosystem, Malaysia, and Singapore payment systems. The next project phase will include partners in Indonesia, Malaysia, the Philippines, Singapore, and Thailand to work towards wider payments connectivity. Additional project details are available [here](#).

### **[BIS Publishes Working Paper on Big Tech Credit and Monetary Policy Transmission \(March 17, 2023\)](#)**

As part of their BIS Working Papers series, the Bank for International Settlements (BIS) published a paper on “Big tech credit and monetary policy transmission: micro-level evidence from China.” The paper finds that “in response to expansionary monetary policy, big tech lenders grant credit to more new borrowers than conventional banks do.”

### **[IOSCO and Cambridge Judge Business School Announce Collaboration on Machine-Learning Pilot to Assist Emerging Market Regulators \(March 9, 2023\)](#)**

The International Organisation of Securities Commissions (IOSCO) and the Cambridge Judge Business School announced a pilot project for the development of a Machine Assisted Capacity Building for Standards Implementation (MASI). This project will aim to provide a capacity building tool for emerging markets jurisdictions to assist self-assessments against IOSCO’s core principles and to facilitate comparisons against other regulatory frameworks from more developed jurisdictions.

### **[BIS IH Publishes Report on Project Icebreaker \(March 6, 2023\)](#)**

The BIS Innovation Hub (BIS IH) published a report on Project Icebreaker. Project Icebreaker is a collaboration between the Bank of Israel, Norges Bank, Sveriges Riksbank and the BIS IH Nordic Center focused on breaking new paths in cross-border retail CBDC payments. The full text of the report is available [here](#), and further details on the overall project can be found on the project [webpage](#).

### **[G20 Chair’s Summary and Outcome Document Highlights Efforts on Crypto \(February 25, 2023\)](#)**

The G20 Chair published a “Summary and Outcome Document” following the First G20 Finance Ministers and Central Bank Governors Meeting in Bengaluru on 25 February. The summary highlighted efforts relating to digital finance including that they “will continue to explore the macro-financial implications and widespread adoption of Central Bank Digital Currencies (CBDCs).”

### **[G20 Holds Panel Discussion on the Road to Policy Consensus on Crypto Assets \(February 25, 2023\)](#)**

The G20 held a panel discussion on “Policy Perspective: Debating the Road to Policy Consensus on Crypto Assets” under the G20 India Presidency. The announcement of this

panel highlighted the topics of shaping global policy dialogue on crypto assets and the way forward, including a joint technical paper by the IMF and FSB.

### **[IMF Executive Board Discusses Board Paper on Elements of Effective Policies for Crypto Assets \(February 8, 2023\)](#)**

The Executive Board of the International Monetary Fund (IMF) discussed an IMF board paper on “Elements of Effective Policies for Crypto Assets.” The paper outlines “a framework of nine elements that can help members develop a comprehensive, consistent, and coordinated policy response.” The report is available [here](#).

## **NORTH AMERICA**

### **Canada**

#### **[AMF Fraud Prevention Month Includes Focus on Cryptoasset Fraud \(February 27, 2023\)](#)**

The Autorité des Marchés Financiers (AMF) announced it would be focusing on cryptoasset fraud during its Fraud Prevention Month. AMF is focusing on this topic “because even though they lost a lot of their value during the past year and a number of platforms have collapsed, cryptoassets are still drawing a broad spectrum of investors into a digital world without borders.”

### **United States**

#### **[FASB Publishes Proposed ASU to Improve Accounting for and Disclosure of Certain Crypto Assets \(March 23, 2023\)](#)**

The Financial Accounting Standards Board (FASB) published a Proposed Accounting Standards Update (ASU) on Accounting for and Disclosure of Crypto Assets. Comments are requested by 6 June 2023.

#### **[CFTC Chair Highlights Need for Crypto Regulation \(March 15, 2023\)](#)**

Rostin Behnam, Chair of the Commodity Futures Trading Commission (CFTC) delivered remarks urging that the crypto “ecosystem is vast, it will not vanish, and it desperately needs comprehensive legislation.” He also notes that “regulation is necessary to protect customers and to prevent failures which cannot predictably be contained within any boundaries across the domestic and global financial markets.”

#### **[FRB Governor Bowman Delivers Speech on the Innovation Imperative \(March 14, 2023\)](#)**

Michelle Bowman, Member of the Board of Governors of the Federal Reserve System (FRB), delivered a speech on “The Innovation Imperative – Modernizing Traditional Banking.” The speech discussed how bank regulation and supervision can support responsible innovation, the unique challenges for smaller and community banks pursuing innovation, key actions of federal banking regulators to date, and the Governor’s views on future regulatory and supervisory actions to support innovation.

### [SEC Commissioners Peirce and Uyeda Issue Statement Regarding the Commission's Disapproval of a Proposed Rule Change to List and Trade Shares of the VanEck Bitcoin Trust \(March 10, 2023\)](#)

Commissioner Hester M. Peirce and Commissioner Mark T. Uyeda of the US Securities and Exchange Commission (SEC) issued a statement regarding the Commission's disapproval of a proposed rule change to list and trade shares of the VanEck Bitcoin Trust.

### [FRB Vice Chair for Supervision Delivers Speech on Supervision and Regulation of Banks' Crypto-Related Activities \(March 9, 2023\)](#)

Michael Barr, Vice Chair for Supervision of the Board of Governors of the Federal Reserve System (FRB), delivered a speech on "Supporting Innovation with Guardrails – the Federal Reserve's Approach to Supervision and Regulation of Banks' Crypto-Related Activities." The speech notes that the FRB's "goal is to create guardrails, while making room for innovation that can benefit consumers and the financial system more broadly."

### **FRB Chair Answers Questions on Authority to Develop CBDCs in HFSC Hearing Q&A (March 8, 2023)**

During a House Financial Services Committee (HFSC) hearing, Federal Reserve Board (FRB) Chair Jerome Powell answered questions relating to central bank digital currencies (CBDCs). Chair Powell noted that the FRB would require authorization from Congress to develop a retail CBDC. He noted, however, that there is a potential for a wholesale CBDC on which the authority is less clear. For further details, please see the hearing [webpage](#) and the [SIFMA summary](#).

### [CFTC Chair Highlights Need for Comprehensive Regulation to Support Regulating Digital Commodity Markets \(March 8, 2023\)](#)

Rostin Behnam, Chairman of the Commodity Futures Trading Commission (CFTC), delivered testimony to the US Senate Committee on Agriculture, Nutrition & Forestry. The testimony highlights the need for comprehensive regulation relating to digital commodity markets to enable the CFTC to "establish market structures and regulatory barriers, guardrails, and guidance that would prevent fraud before it happens, and fully deploy transparency and surveillance tools to see fraud when it does occur." For further details, please see the related [SIFMA summary](#).

## **EUROPE**

### **Denmark**

#### [NBD Governor Delivers Speech on New Types of Digital Money \(March 9, 2023\)](#)

Signe Krogstrup, Governor of the National Bank of Denmark (NBD), delivered a speech on "New Types of Digital Money" at the NBD's conference on the topic. The speech highlighted lessons from the history on the functioning of money, what's new and the direction of change for money, details on the rise of blockchain technology and crypto, and the potential role of central bank digital currencies (CBDCs).

## **Ireland**

### **[Central Bank of Ireland Includes Digital Topics in 2023 Priorities \(March 15, 2023\)](#)**

The Central Bank of Ireland published its priorities for 2023. These notably include “Implementing new EU regulations on digital operational resilience (DORA) and markets in crypto assets (MiCA), as well as contributing to the development of other regulations, such as the review of the Payment Services Directive (PSD2).”

### **[Central Bank of Ireland Highlights Digital Innovation in Securities Markets Risk Outlook Report \(March 2023\)](#)**

The Central Bank of Ireland published its Securities Markets Risk Outlook Report 2023. The report includes a chapter on Digital Innovation which focuses on the opportunities and risks of new technology and crypto assets.

## **Italy**

### **[BoI Deputy Governor Delivers Speech on Digital Finance and Market Infrastructures \(March 14, 2023\)](#)**

Paolo Angelini, Deputy Governor of the Bank of Italy (BoI), delivered a speech on “Digital Finance Markets and Infrastructures.” The speech highlights how “traditional” digital innovation has been positively impacting financial market infrastructure, as well as how “new” digital innovation and DLT-based technologies will impact financial market infrastructures going forward.

## **APAC**

### **Hong Kong**

#### **[HKMA Chief Executive Delivers Welcome Remarks at HKMA-BIS Joint Conference on Future-proof Supervision for an Innovative Banking World \(March 24, 2023\)](#)**

Eddie Yue, Chief Executive of the Hong Kong Monetary Authority (HKMA) delivered welcome remarks at the joint HKMA and Bank for International Settlements (BIS) conference on “Future-proof Supervision for an Innovative Banking World.” The speech noted that “technological advancement has been a game changer for the financial world” but also noted potential challenges due to new technologies such as risks related to crypto assets.

## **India**

### **[RBI Deputy Governor Delivers Speech on the FinTech Revolution in India \(March 10, 2023\)](#)**

Manesh Kumar Jain, Deputy Governor of the Reserve Bank of India (RBI), delivered a speech on “The FinTech Revolution in India – Innovation, Inclusion, and Regulation.” The speech highlighted what makes the current FinTech revolution different, the benefits and risks from FinTech, the role of financial inclusion, regulatory approaches to FinTech, and the path forward for FinTech in India.

### **RBI Governor Delivers Remarks on Digital Payments (March 6, 2023)**

Shaktikanta Das, Governor of the Reserve Bank of India (RBI), delivered remarks on the launch of RBI's new mission "Har Payment Digital." The remarks provided background on the payments space and the mission. The mission "is aimed at reinforcing the ease and convenience of digital payments and facilitate onboarding of new consumers into the digital fold."

### **New Zealand**

### **RBNZ Governor Highlights Design Work of CBDC (March 8, 2023)**

Adrian Orr, Governor of the Reserve Bank of New Zealand (RBNZ), delivered a speech on "Promoting economic wellbeing - Te Pūtea Matua optimisation challenges." The speech highlights the importance of inclusion as a key principle for central bank digital currency (CBDC) design. It also notes that a CBDC may "foster innovation, reduce costs in banking, enable faster and more secure payments, and encourage competition in the banking sector."

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