



2017 IOSCO ANNUAL MEETING EXPERT PANELS
15-16 May 2017, Montego Bay, Jamaica

HOW TO DEAL WITH FINTECH? - CHALLENGES, BENEFITS & RISKS

The rise of the internet and increasing growth of computing power are rapidly changing the financial landscape and shaking up traditional financial services. Innovative business models are disintermediating traditional market players and regulated activities. Big data applications, cloud computing, artificial intelligence and machine learning are significantly cutting human interaction in financial services. Likewise, the securities industry is undergoing significant change in how it offers wealth management services to retail investors.

Many of the financial activities and products emerging from new technologies do not fit neatly within the existing regulatory framework and supervisory practices. Fintech developments are moving rapidly and faster than the underlying legal and regulatory framework. Securities regulators globally are facing new challenges brought by digital disruption as their current regulatory frameworks and surveillance systems are mostly designed for traditional market players and activities. To be truly effective, financial policy and regulation must be forward looking and prepared to accept the challenge of keeping pace with disruptive innovation.

Notwithstanding their challenges, new financial technologies are also offering new opportunities for an increased role and share of market based finance. They bring cost reduction, speed and market efficiency. Particularly, recent Fintech developments in emerging markets, which have proved an optimal testing ground for innovation, have substantially contributed to financial inclusion and channelling of household savings to the real economy.

This year's IOSCO Annual Conference Expert Panels are dedicated to the rising phenomenon of Fintech and its various aspects from a securities market regulator's perspective. The fundamental question for securities regulators is "How to foster a regulatory and supervisory environment conducive to technological innovation while at the same time ensuring financial stability and investor protection?" The panels are designed as two sessions, analysing (1) the benefits and challenges emanating from increased intrusion of Fintech into capital markets and (2) the potential regulatory responses to this trend. The panels will alternate core presentations by expert speakers with dialogue between speakers and with the attending public.