

FinTech Innovation

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Robo-Advisory and Pension Funds

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ACPR mandate

Licensing and prudential supervision

Credit
institution

Payment
institutions
Electronic
Money

Investment
Services
Providers

Insurance
Companies

Consumers protection

Licensed entities

Intermediaries
(IOBSP, IAS, Agents
PSP)

IFP

ACPR adaptation to FinTechs

□ Creation of FinTech-Innovation Unit: an open minded initiative

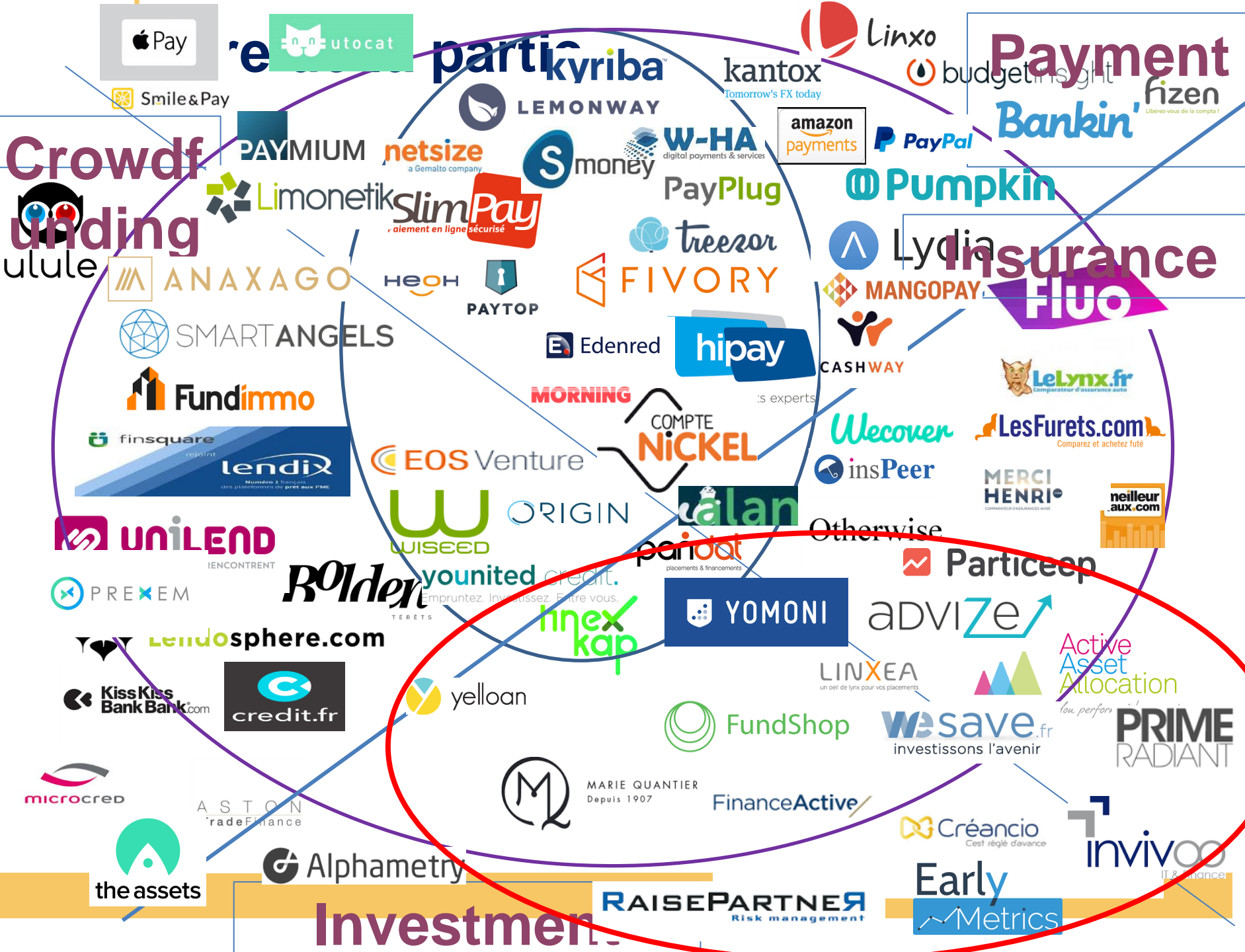
- 1st june 2016 (3 persons)
- Strengthened coordination with AMF
- Unique entry point for FinTech at ACPR
- Better understanding of innovations and innovators (new players and incumbents) to help prepare and design the future regulation (national, european, international)
- « Innovation Hub »
- Explain the regulation and supervision environment and help identify the most relevant status. Then follow the licensing process.
- Less formalism
- More reactivity (small team, priority to FinTechs)
- Mobilization of internal experts capacity

Crowdfunding

Payment Bankin'

Insurance FIUO

Investment



ACPR adaptation to FinTechs

□ Forum FinTech

□ A unique of its kind instance

- 35 representatives of FinTechs
- Others from incumbents, Authorities, Consulting companies etc.

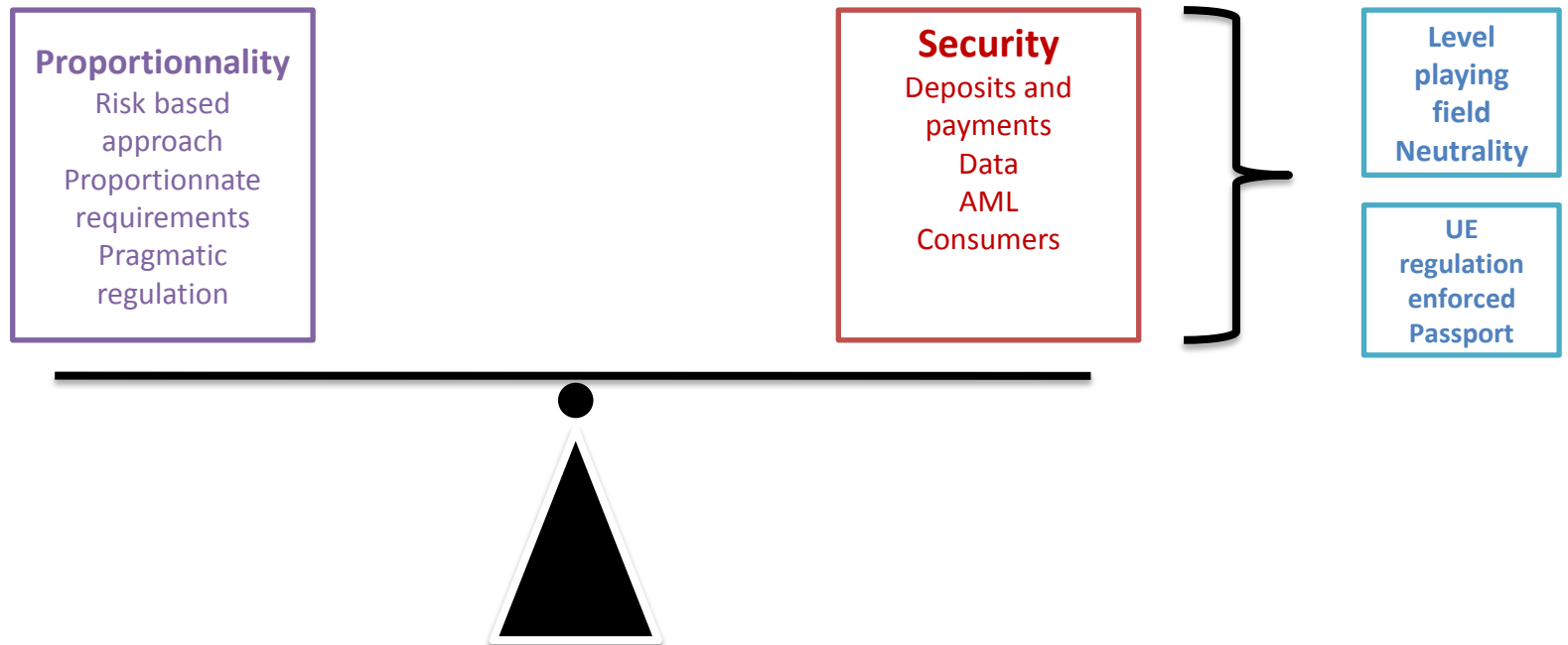
□ Mandate: watch group, dialog and proposition

- Identification and better understanding of issues (risks and opportunities)
- Provide an opinion on national and international regulation projects
- Communicate to the regulators etc. the main issues faced by professionals

□ 3 main topics identified up to now

- Proportionality in licensing and supervision
- Data usage
- Client identification and KyC

Underlying philosophy



- ❑ **Substantiate the proportionality principle**
- ❑ **Need for stability and clarity of regulation**

Main issues for FinTechs

- Proportionality and Sandbox
- KYC, distant identification, digital signature
- Data usage, GDPR
- DSP2 (APIs and responsibility between entities)
 - Evolution of crowdfunding business models
 - Blockchain
- Automated advice, articulation of status, DDA directive, PRIIPS...
- Compétitività, Brexit
 - Peer to peer insurance
- Cybersecurity/ Cloud /Cyberinsurance

Pension Funds

Third layer of pensions in France (different from Anglo saxon case)

- **Supplementary Pension contracts.**
- **Proposed by Insurance companies (class 20)**
- **Under Solvency II prudential regulation**
- **Or under « RPS » dedicated status with specific prudential rules (close to Solvency I for Life Insurance)**

New regulation currently designed: FRPS

- **Specific status (not insurance companies)**
- **Recent therefore no licensed companies at the moment**
- **Hybrid prudential rules (between S1 and S2). IORP2.**

Robo-advisors :

- **Intermediaries**
- **Rules applying to life insurance plus those linked to automation, digitalization, distant selling,**

Consumer Protection

- Same protection independantly of who is selling
 - Whatever the communication channel
 - Keeping in mind that some consumers are not used to these new tools ;
 - Fair and transparent communication required
- Guidelines on duty of advice in Life insurance concerning usage of digital interfaces ;
- Guidelines on social media ;
- Joint committee Report on automated advice

- Performance simulators ;
- Multiplication of intermediaries (dilution of responsibility)
- Multiplication of communication and selling channels
- Data usage (GDPR/CNIL)

Pôle FinTech Innovation

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Dedicated website

<https://acpr.banque-france.fr/lacpr/missions/pole-acpr-fintech-innovation/>