

A tailored and responsive FinTech regulation

By the ACPR, the French supervisory authority for banking and insurance sectors, attached to the Banque de France

The remit of the ACPR

Licensing and supervising

Credit institutions and specialized credit firms

Payment and E-money institutions

Investment services
(together with the French financial market authority)

Insurance companies

Consumer protection

All those licensed institutions

Intermediaries in credit, insurance and payment activities

Loan-based crowdfunding platform (2014)

The FinTech-Innovation unit

❑ *Innovation Hub* of the ACPR

❑ **A single point of entry for FinTech**

- Team with a strong expertise in financial regulation
- Open-minded to innovation
- Set up to be agile and responsive
- Concrete insights on the French financial regulation
- Answer your questions in a timely manner

❑ **A guide to the licensing process**

- A guidance for formalities
- A follow-up of the progress
- A close coordination with the French Financial Market authority (AMF), with our internal network of experts and with Banque de France's experts

The FinTech-Innovation unit

- ❑ **~100 innovative project leaders**

- ❑ **~20 innovative technology providers**
 - Blockchain, Big Data, Customer identification, RegTech

- ❑ **Incumbent banking and insurance players**

- ❑ **Partners (professional associations, private equity, advisory and accounting firms)**

The FinTech forum

An open and innovative dialogue with the industry

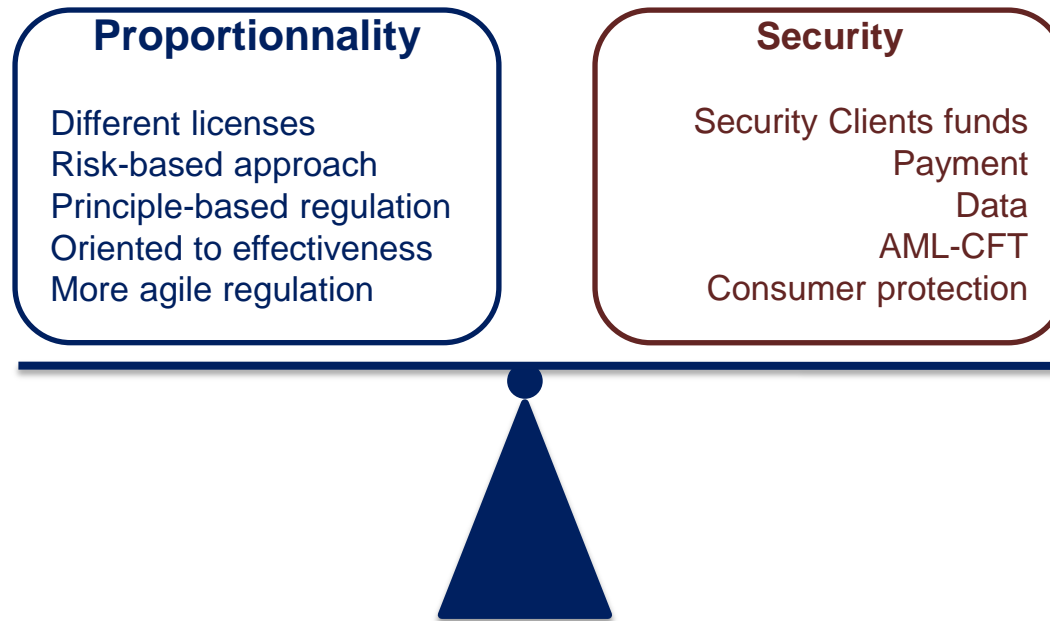
- ❑ Joint ACPR/AMF forum
- ❑ A majority of FinTech representatives
- ❑ Ministry of finance + French Data protection authority (CNIL) + TRACFIN for AML-CFT + French authority for IT security (ANSSI)



Mandate of that body

- ❑ Make proposals on regulation and supervisory practices regarding FinTech and innovation
- ❑ Identify the challenges and the issues associated with developments of FinTechs
- ❑ Issue opinions on the proposed changes to domestic or European regulations and on amendments to AMF or ACPR policy.
- ❑ Keep supervisors up to date on innovation and challenges

ACPR approach to FinTech



- **Respect of the EU framework**
- **Level playing field**

- **Oriented to effectiveness**
- **Sustain the proportionnalité principle**

Two concrete examples



Peer-to-Peer lending

- ❑ French regulatory framework introduced in 2014 and modified in 2016 to foster new channels of SME financing
- ❑ Registration but no licensing process
- ❑ Regulation focused to consumer protection and AML-CFT issues
- ❑ Regulation supports the development of the sector



Payment services

- ❑ License exemptions
 - Restricted network / limited range of goods and services
 - Automatic waiver if amount of payment below EUR 1 million
- ❑ Agent of a payment service provider
 - Controlled by the PSP
- ❑ Limited payment institution and fully-fledged payment institution
 - Principle-based approach for internal control
 - Risk-based approach for supervision
- ❑ Future DSP2 framework

Conclusion

One single e-mail address

fintech-innovation@acpr.banque-france.fr

**A dedicated webpage on the ACPR website
To keep the FinTech community informed about regulation**

<https://acpr.banque-france.fr/en/acpr/tasks/pole-acpr-fintech-innovation.html>

Conclusion

Our ambition is to be a financial centre of excellence in terms of security and appropriate rule-making. That will allow us to attract the most outstanding FinTech and financial innovation initiatives.



François Villeroy de Galhau

Gouverneur of the Banque de France, Chairman of the Autorité de contrôle prudentiel et de résolution (ACPR)

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