

PRESS RELEASE

CySEC issues a Progress Report on the Activities of the Innovation Hub

NICOSIA, 10 February 2020 - The Cyprus Securities and Exchange Commission (“CySEC”) has today issued a progress report on the Innovation Hub’s activities since its launch in October 2018. Market participants can download the report [here](#).

The Innovation Hub serves as a knowledge-sharing platform for both supervised and non-supervised entities to enhance understanding about new and evolving financial and regulatory technologies.

The Hub has engaged with 19 companies in relation to specific queries and/or products with a wide range of interests in innovation, including:

- Regtech (regulatory and AML) compliance tools based on data analytics and big data reporting;
- Companies that use Distributed Ledger Technology for offering, transferring and verifying the ownership of financial instruments;
- Artificial intelligence tools for both Fintech and Regtech purposes;
- A venture capital fund investing in blockchain start-ups;
- Tools for asset managers operating using big data; and
- Trading facilities intending to operate using Distributed Ledger Technology.

In addition to the above the Innovation Hub also engaged with more than 10 third parties, including Legal practitioners, Auditing Firms, University representatives, Credit Institutions and Associations, who were seeking to grasp a better understanding on CySEC’s view on financial innovation. Engaging with these institutions means all parties are abreast of current and upcoming trends.

CySEC has worked with the Hub’s members to outline how emerging technological applications to both regulatory reporting and product innovation are covered by existing investor protection legislation, and prior to any stage of licensing and ultimate supervision, what the requirements are to comply with national and EU rules and regulations.

Demetra Kalogerou, Chairwoman of CySEC, said: *“The update on the Innovation Hub is a timely reminder of the work we are doing to strengthen investor protection by embracing new innovations in financial and regulatory technology. CySEC’s approach to innovation fits into the broader national agenda of aiming to create a robust ecosystem in which fintech firms can flourish responsibly in Cyprus. We are committed to ensuring our supervisory aims are aligned to national and international standards.”*

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