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From:	Mr José Manuel CAMPA, Chairperson of the EBA and Acting Chair of the Joint Committee of the European Supervisory Authorities (EBA, EIOPA and ESMA)
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To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union

Subject:	2022 Work programme of the Joint Committee of the European Supervisory Authorities (EBA, EIOPA and ESMA)
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Delegations will find attached the document mentioned above.

Encl.

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JOINT COMMITTEE OF THE EUROPEAN
SUPERVISORY AUTHORITIES

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2022 Work Programme of the Joint Committee of the European Supervisory Authorities

1. Through the Joint Committee of the European Supervisory Authorities (the ESAs) the three ESAs, namely the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA) and the European Securities and Markets Authority (ESMA), liaise very closely and on a regular basis with the aim to strengthening cooperation among each other. The European Commission and the European Systemic Risk Board (ESRB) also participate in the Joint Committee.
2. To foster cross sectoral consistency, as well as supervisory convergence, the ESAs coordinate closely in line with their institutional role. The three ESAs regularly coordinate through the Joint Committee their activities within the scope of their respective responsibilities to ensure consistency in their practices. They further exchange information and best practices among themselves and with the ESRB.
3. In the context of the COVID-19 pandemic and its economic impact and the enduring challenges for market participants and consumers, the Joint Committee will closely monitor and assess emerging key cross-sectoral risks and vulnerabilities for the financial stability. The Joint Committee will publish its bi-annual cross-sectoral Risk Reports, which will be submitted and presented to the Financial Stability Table of the Economic and Financial Committee (EFC-FST) in spring and autumn 2022. With regards to the impact of COVID-19, the Joint Committee will discuss potential additional regulatory and supervisory joint responses to mitigate risks, to support the financial sector's resilience and to contribute to a sustainable economic recovery. The Joint Committee, will continue to take a forward looking approach to explore and monitor potential emerging risks for financial markets participants and the financial system as a whole.
4. The Joint Committee work will continue to focus in particular on the area of consumer and investor protection, retail financial services, retail investment products and prudential analysis of cross-sectoral developments, risks and vulnerabilities for financial stability, cybersecurity, financial conglomerates and prudential consolidation, as well as accounting and auditing.

5. In the area of the new Green Deal and the Sustainable Finance strategy, the Joint Committee will develop a number of draft technical standards under the Sustainable Finance Disclosure Regulation (SFDR). Furthermore, subject to the result of the revision of the Non-Financial Reporting Directive (NFRD), the ESAs will contribute to the development of disclosure standards for non-financial information¹. The ESAs will continue their work on artificial intelligence and use of behavioural finance findings for supervisory purposes.
6. The Joint Committee will increase its efforts in the area of the European Commission's Digital Finance Package, including the legislative proposals on Digital Operational Resilience (DORA). A special emphasis will also be on monitoring and analysing technological innovations, including Suptech. The focus will be on the implementation of the expected mandates that will stem from the Digital Finance Package. A first example is represented by the request to EBA, EIOPA and ESMA for technical advice on digital finance and related issues to be delivered by January 2022.
7. With the United Kingdom's withdrawal from the EU, the Single Market and the Customs Union, the UK became a third country with broad consequences for financial institutions and customers. The Joint Committee will continue to monitor the impact of that decision and serve as a forum to discuss and coordinate any cross-sectoral issue impacting investor protection, EU market integrity and financial stability.
8. Through the European Forum for Innovation Facilitators (EFIF), the Joint Committee will further promote coordination and cooperation among national innovation facilitators to foster the scaling up of innovation in the financial sector across the EU in line with the Commission FinTech Action Plan.
9. The Joint Committee will also address other cross-sectoral matters such as the cross-sectoral mandates and questions (Q&As) stemming from for example the PRIIPs, SFDR, and the Securitisation Regulation.
10. Furthermore, through the Joint Committee, the ESAs will continue to fulfil their mandate on the mapping and monitoring of on external credit assessment institutions (ECAIs) under the Capital Requirements Regulation and Solvency II.
11. In the area of Financial Conglomerates, the Joint Committee will publish the annual list of financial conglomerates and work on specific conglomerate's reporting templates.

Consumer Protection and Financial Innovation

12. The Joint Committee enhances confidence and strengthens the protection of European consumers in relation to banking, insurance and securities products. This will continue to be an area of priority for the Joint Committee in 2022.

Topic/Activity	PRIIPs work on review of the Regulation
Description	In response to the European Commission request for Call for Advice of 27 July 2021, the ESAs will provide information and analysis to support the review of PRIIPs in accordance with Article 33 of the PRIIPs Regulation.
Expected output	Technical advice

¹ As part of the NFRD revision, the European Commission proposes a new Corporate Sustainability Reporting Directive (CSRD) which includes development of specific disclosure standards.

Topic/Activity	PRIIPS Level 3 work
Description	<p>Work will continue on the development of Q&As or other level 3 tools to promote supervisory convergence and give competent authorities and market participants further guidance on the practical application of the PRIIPs rules.</p> <p>The ESAs will also prepare an Annual Report based on the information submitted by national competent authorities on administrative sanctions or measures imposed.</p>
Expected output	Q&As and other Level 3 tools

Topic/Activity	Sustainability-related disclosures in the financial services sector (SFDR)
Description	<p>In accordance with the Commission's Renewed Sustainable Finance Strategy, the ESAs will be requested by the European Commission, before the end of 2022, to review the Regulatory Technical Standards under SFDR, clarifying indicators for both climate and environment-related principal adverse impacts and principal adverse impacts in the field of social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.</p> <p>The ESAs delivered seven empowerments for RTS under the SFDR in January 2021. Six new technical standards from the Taxonomy Regulation were also developed in the course of 2021.</p> <p>The SFDR gives an optional mandate to the ESAs to work on one optional Implementing Technical Standard (ITS) on marketing communications. The ESAs will monitor the application of the SFDR to determine whether that optional ITS is required.</p>
Expected output	Technical Standards

Topic/Activity	Sustainability-related disclosures in the financial services sector (SFDR) report on adverse impact disclosures
Description	<p>The ESAs are required under Article 18 SFDR to deliver a report annually to the Commission starting on 10 September 2022 on the best practices with regard to entity and product-level disclosure of the principal adverse impacts of investments on sustainability factors and to make recommendations towards voluntary reporting standards. The report must consider implications of due diligence practices on disclosures under SFDR and must provide guidance on the issue. Delivery of this report by the envisaged deadline may be affected by the delay in the application of the Level 2 legislation underpinning SFDR.</p>
Expected output	Report

Topic/Activity	Sustainability-related disclosures in the financial services sector (SFDR) Level 3 work
Description	The ESAs will monitor the practical application of the SFDR to determine if Q&As or other level 3 tools to promote supervisory convergence are needed to give competent authorities and market participants further guidance on the practical application of the SFDR rules.
Expected output	Q&As and other Level 3 tools

Topic/Activity	Financial Education and Literacy
Description	The work will contribute to the three ESAs fulfilling their respective mandates to review and coordinate financial education and literacy initiatives of national authorities and will facilitate a better alignment of the approaches taken so far by the three ESAs. The work will start by a mapping of NCAs' initiatives on financial education and lessons learned which will be materialized by concrete actions.
Expected outputs	Joint ESAs high-level conference on financial education and literacy; ESAs thematic repository on financial education; ESAs thematic report on financial education; Workshop with NCAs on financial education.

Topic/Activity	Use of behavioral finance findings for supervisory purposes
Description	In light of potential consumer protection concerns and benefits, the ESAs will assess the use of insights from behavioural finance when dealing with existing and potential clients, especially when providing or collecting information. The ESAs will further consider how behavioural finance findings can be used by NCAs and incorporated in their supervisory practices in order to strengthen financial consumer protection This work could potentially cover relevant common ESA work stemming from the Commission's Retail Investment Strategy, given the mandate under the ESAs regulations to develop common disclosure standards.
Expected outputs	Joint Report

Risk Assessment

13. Cross-sectoral (banks, insurers, investors, asset managers) risk analysis and assessment will continue to be one of the main areas of focus for the Joint Committee in 2022. The analysis will highlight the assessments by the ESAs of key trends and vulnerabilities to financial stability and continue to include appropriate cross-referencing in the sectoral risk reports. Furthermore, the assessment could potentially include ad-hoc focus on the use of macroprudential tools to ensure financial stability. The Joint Committee's Risk Sub-Committee will continue to be an important

forum for discussion of cross-sectoral risks, including e.g. potential risks stemming from technology and BigTech companies.

Topic/Activity	Cross-sectoral risk analysis
Description	The ESAs will continue analysing the key trends and vulnerabilities to financial stability and continue to include appropriate cross-referencing in the sectoral risk reports, which will be presented to the Council's Economic and Financial meeting and published
Expected outputs	Bi-annual Joint Report on Risks and Vulnerabilities

Securitisation

15. The Joint Committee Securitisation Committee (JCSC) will work on providing a consistent approach and common understanding to cross-sectoral questions stemming from the Securitisation Regulation.
16. The ESAs, through the Joint Committee, will also work on practical and operational cross-sectoral issues in relation to the supervision and enforcement of the Securitisation Regulation to ensure a consistent supervisory approach. The JCSC will assess concrete cases and if necessary, develop good practices and/or supervisory briefings.
17. The JCSC will stand ready to contribute to possible legislative proposals on revision of the Securitisation Regulation.

Topic/Activity	Level 3 work related to the Securitisation Regulation
Description	The ESAs will work on developing Q&As and other level 3 tools to promote supervisory convergence and to give competent authorities and stakeholders' further guidance on the implementation of cross-sectoral areas of the Securitisation Regulation
Expected outputs	Joint Q&As and other level 3 tools

Technological innovation and cybersecurity

18. The Joint Committee provides the ESAs with a platform to exchange views on technological innovation, including SupTech, and cybersecurity and to consider options for coordinated cross-sectoral action. The ESAs need to implement additional actions following the publication of the European Commission Digital Finance Package in September 2020. A first example is represented by the request to EBA, EIOPA and ESMA for technical advice on digital finance and related issues to be delivered by January 2022. The legislative proposal on digital operational resilience (DORA) also envisage several joint actions for the ESAs.
19. Through the Joint Committee, the ESAs will continue to work together particularly on the areas included in the Digital Finance Package, along with the European Commission, to ensure alignment and a coordinated approach for cross-sector issues.

Topic/Activity	Work on digital operational resilience
Description	Depending on the finalisation of the legislative proposal on digital operational resilience, the ESAs might develop regulatory products in this area based on the mandate to be received from the co-legislators.
Expected outputs	Advice, reports, guidelines and draft regulatory or implementing technical standards depending on the empowerments.

External Credit Assessment Institutions

20. The ESAs will continue to pursue regulatory work on External Credit Assessment Institutions, following the mandate to the Joint Committee under article 136 of Capital Requirements Regulation (CRR) to specify and monitor the correspondence between the relevant credit assessments issued by an ECAI to the Credit Quality Steps set out in the CRR ("mapping"). The mappings under article 109a(1) of Solvency II will be amended accordingly to ensure a consistent usage of ECAIs' credit assessments under the banking and insurance regulatory framework.

Topic/Activity	External Credit Assessment Institutions
Description	Production of mappings for newly registered ECAIs and monitoring of existing mappings.
Expected outputs	Draft implementing technical standards.

Financial Conglomerates

21. The ESAs stand ready to bring forward the effective supplementary supervision of financial conglomerates and to discuss appropriate regulatory and supervisory actions.

Topic/Activity	Annual list of financial conglomerates and specific reporting formats
Description	The ESAs will continue to review and update its list of identified financial conglomerates
Expected outputs	2022 List of identified financial conglomerates

Topic/Activity	Conglomerates Reporting
Description	The ESAs will continue to develop technical standards for financial conglomerates' reporting templates. The directive on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate (FICOD) require the ESAs to develop reporting templates and uniform conditions of application of the supervisory overview by the coordinator of the financial conglomerate.
Expected outputs	Draft technical standards

European Forum for Innovation Facilitators (EFIF)

22. Under the framework of the Joint Committee, the ESAs will continue to work to strengthen communication and coordination between national innovation facilitators via the European Forum for Innovation Facilitators (EFIF).

For more details please refer the EFIF Work Programme 2021/2022 outlined in the annex.

Topic/Activity	Work on EFIF
Description	Promote coordination and cooperation among national innovation facilitators to foster the scaling up of innovation in the EU financial sector and to promote a common response to new technologies.
Expected outputs	Output to be developed in the following areas: <ul style="list-style-type: none"> • Artificial intelligence (AI), machine learning (ML) and Big Data analytics; • Tokenisation and distributed ledger technologies; • Open Finance/application program interfaces (APIs); • Platforms facilitating the provision of financial services (retail and institutional); • Use of innovative technology for customer due diligence (CDD), in particular, identity verification and/or transaction monitoring; • RegTech; • Green FinTech and green sandboxes.

Other work

Topic/Activity	Expected work 2022
Joint Consumer Protection Day	In 2022, the ESAs will organise the 10th Joint Consumer Protection Day. Since its inception, the Consumer Protection Day has become an important milestone for stakeholders across the EU that have an interest in the topic of consumer protection.
Performance of retail investment products	The Joint Committee will continue to discuss progress on the work regarding fees and the long-term performance of retail investment products.
Exchange of information on fit and proper assessments	In 2022, the ESAs will continue with the implementation of information exchange on fit and proper assessments (Article 31a ESAs Regulation). To this end, the Joint Committee will propose to implement an IT solution, supporting the exchange of information, based on the outcome of a pilot business case and a data protection impact assessment study. The Joint Committee will furthermore develop joint Guidelines to ensure cross-sectoral consistency.
UK withdrawal from the EU	Following the withdrawal of the UK from the EU, there is a need for regular monitoring of the impact, in particular, with UK firms losing access to the single market, it is vital that the EU continues to address any legacy issues in order to ensure investor protection, EU market integrity and financial stability.

Annex:

EFIF Work Programme 2021/2022

- (i) The European Forum for Innovation Facilitators (EFIF) has been established to promote coordination and cooperation among national innovation facilitators² to foster the scaling up of innovation in the EU financial sector and to promote a common response to new technologies³.
- (ii) Specifically the EFIF is intended to provide a platform for participating authorities, including national competent authorities (NCAs) to share experiences from engagement with firms through innovation facilitators, to share technological expertise, and to reach common views on the regulatory and supervisory treatment of innovative products, services and business models, overall boosting bilateral and multilateral coordination.
- (iii) Observations and outcomes from EFIF discussions, for example on recurrent regulatory obstacles to the scaling up of technology-enabled products, services and business models, can be directed to the European Commission and the European Supervisory Authorities (ESAs), as appropriate, to inform work streams, including policy positions adopted by the Joint Committee of the ESAs.
- (iv) The EFIF provides a platform for supervisors to collaborate in responding to firm/group-specific issues, for example questions about innovations and licensing. The EFIF also provides a platform for those NCAs with regulatory sandboxes to agree, where appropriate and on a voluntary basis, joint testing arrangements.
- (v) The tasks and organisation of the EFIF are prescribed in the Terms of Reference which came into effect on 25 May 2019.
- (vi) In 2021-2022 the EFIF will continue to monitor developments in:
 - a. the design and operation of innovation facilitators taking account of the best practices set out in the January 2019 ESAs joint report on regulatory sandboxes and innovation hubs;⁴
 - b. the innovative products, identified in the context of innovation facilitator activities, and related regulatory and supervisory issues arising.
- (vii) Additionally, the EFIF will consider the following thematic areas:
 - a. artificial intelligence (AI), machine learning (ML) and Big Data analytics;
 - b. tokenisation and distributed ledger technologies;
 - c. Open Finance/application program interfaces (APIs);
 - d. platforms facilitating the provision of financial services (retail and institutional) and digital finance;
 - e. use of innovative technology for customer due diligence (CDD), in particular, identity verification and/or transaction monitoring;
 - f. RegTech;
 - g. green FinTech and green sandboxes,whilst keeping these areas under review in line with any new trends emerging from innovation facilitators.
- (viii) Finally, the EFIF will enhance its visibility and strengthen its capacity through available

² Innovation facilitators typically take the form of 'innovation hubs' and 'regulatory sandboxes'. Innovation hubs provide a dedicated point of contact for firms to raise enquiries with NCAs on FinTech-related issues and to seek non-binding guidance on regulatory and supervisory expectations, including licensing requirements. Regulatory sandboxes, on the other hand, are schemes to enable firms to test, pursuant to a specific testing plan agreed and monitored by a dedicated function of the competent authority, innovative financial products, financial services or business models. Source – ESA's Joint Report "Fintech: Regulatory Sandboxes and Innovation hubs", January 2019, p.3:

https://www.esma.europa.eu/sites/default/files/library/jc_2018_74_joint_report_on_regulatory_sandboxes_and_innovation_hubs.pdf

³ The governance and organization of the EFIF rests with the Joint Committee of the European Supervisory Authorities as provided in the EFIF Terms of reference, <https://esas-joint-committee.europa.eu/Publications/efif/EFIF%20Terms%20of%20Reference.pdf>

⁴ <https://www.esa.europa.eu/sites/default/documents/files/documents/10180/2545547/154a7ccb-06de-4514-a1e3-0d063b5edb46/JC%202018%2074%20Joint%20Report%20on%20Regulatory%20Sandboxes%20and%20Innovation%20Hubs.pdf?retry=1>

measures. These efforts will be aligned with the European Commission's initiative to establish a new EU digital finance platform offering an interface to the EFIF as provided by the Digital Finance Strategy for the EU published on 24 September 2020⁵. The EFIF will also take steps to provide a procedural framework on which NCAs shall rely to share testing-related information when multiple NCAs of two or more Member States are involved in testing ('cross-border testing') and use other mechanisms to facilitate firms' interaction with supervisors from different MSs.

General tasks

Topic/Activity	Monitoring the design and operation of innovation facilitators established by NCAs in the EU
Description	<p>Identification of:</p> <ul style="list-style-type: none"> any innovation facilitators established post-January 2019 (the date of the joint ESA report on regulatory sandboxes and innovation hubs); any substantive changes to the design or operation of innovation facilitators established pre-January 2019; experience acquired in the operation of innovation facilitators and best practices for the design and operation of innovation facilitators (set out in the joint ESA report on regulatory sandboxes and innovation hubs); areas of innovation facilitators' focus and specialized innovation facilitators (e.g. Blockchain; technology-enabled products, services and business models in the context of sustainable finance).
Expected output	<p>As appropriate:</p> <ul style="list-style-type: none"> update of the list of innovation facilitators established in the EU; specification* of any areas of the best practices that may warrant an update in order to promote consistency and convergence in the design and operation of innovation facilitators (e.g. in terms of: promoting innovation facilitators; communicating 'lessons learned' to the industry; engaging with firms beyond the regulatory perimeter (e.g. tech firms seeking to provide products and services to regulated financial institutions); establishing potential performance indicators for innovation facilitators which NCAs could use for their own purposes to help demonstrate how innovation facilitators are being used); specification* of any areas in which ESA guidance on the design and operation of innovation facilitators may be appropriate.

Topic/Activity	Monitoring innovations identified in innovation facilitators
Description	<p>Identification of the innovative products, services and business models identified in the context of innovation facilitator activities (including main outcomes from sandboxes tests), regulatory and supervisory issues arising and experience acquired by the NCAs, with a view to promoting a common response to new technologies.</p>
Expected output	<p>Specification of:</p> <ul style="list-style-type: none"> identified innovations, supported by statistics, where available; major regulatory and supervisory issues, including any

⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0591&from=EN>

	<p>areas in which:</p> <ul style="list-style-type: none"> ○ common views on the appropriate regulatory and supervisory response are reached; ○ recurrent regulatory obstacles or gaps impeding the scaling up of financial innovation are observed that may warrant attention by the ESAs and/or the European Commission; ○ policy action may be needed to address any risks to consumers, market integrity or for financial stability. <p>Development, as appropriate, of:</p> <ul style="list-style-type: none"> • a library of identified innovations where data available; • supervisory training, as appropriate, on identified innovations.
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Topic/Activity	Facilitating joint testing (regulatory sandboxes and observing NCAs)
Description	Development of a procedural Framework for cross-border testing on which NCAs shall rely to coordinate testing and share testing-related information when a firm indicates interest in the involvement of multiple NCAs from two or more Member States in testing of its product, service, business model or delivery mechanism.
Expected output	Specification of: <ul style="list-style-type: none"> • adoption of the procedural Framework as provided by the Digital Finance Strategy for the EU; • implementation of the framework.

Topic/Activity	Enhancing the visibility of the EFIF and strengthening its role in scaling up innovation (webpage/Extranet and when established by the EC- the EU digital finance platform)
Description	Promoting awareness of the EFIF and strengthening capacity for members and observers to use the EFIF as a means of information exchange, of greater engagement between NCAs on innovation-related issue and of knowledge sharing between NCAs about innovations and the opportunities and risks they present.
Expected output	<ul style="list-style-type: none"> • cooperation with the EC in developing and launching the EU digital finance platform; • making the information about the functionality of innovation facilitators and contact points and initiatives that are not yet operational but are under development available either through the web-site or, when available the EU digital platform; • promotional activities (e.g. potentially EFIF workshops); • facilitating the information exchange between EFIF members and observers (e.g. via the Extranet, mailing lists and the EU digital platform when available), collate innovation-related publications, and have an exchange of views on innovation-related issues.

Areas of thematic focus

Topic/Activity	Artificial intelligence (AI), machine learning (ML), and Big Data analytics: Experience from innovation facilitator activities
Description	Identification of applications and use cases in the EU financial sector, regulatory and supervisory issues arising, including issues relating to the application of data protection law, and experience acquired by NCAs, with a view to promoting a common response to these new technologies.
Expected output	<p>Specification of:</p> <ul style="list-style-type: none"> • observed cases/trends in the use of AI, ML, Big Data in retail and wholesale financial services (e.g. innovative credit scoring, design investment portfolios); • areas where regulatory/supervisory guidance (including type and level of guidance) would be needed to support the scale-up of AI applications in the financial services; • major regulatory and supervisory issues, including any areas in which: <ul style="list-style-type: none"> ○ common views on the appropriate regulatory and supervisory response are reached; ○ recurrent regulatory obstacles or gaps impeding the scaling up of financial innovation are observed (e.g. data gathering and aggregation), that may warrant attention by the ESAs, EDPB and/or the European Commission; ○ policy action may be needed to address any risks to consumers, market integrity or for financial stability.

Topic/Activity	Tokenisation and distributed ledger technologies (DLT): Experience from innovation facilitator activities
Description	<p>Identification of applications and use cases in the EU financial sector, regulatory and supervisory issues arising and experience acquired by the NCAs, with a view to promoting a common response to these new technologies.</p> <p>Specific tasks for the EFIF may arise in relation to the implementation of the Digital Finance Package adopted on 24 September 2020.</p>
Expected output	<p>Specification of:</p> <ul style="list-style-type: none"> • trends in tokenisation and the use of DLT-based applications (which may or may not entail crypto-assets), including different types of tokens and use cases; • major regulatory and supervisory themes, including any areas in which: <ul style="list-style-type: none"> ○ common views on the appropriate regulatory and supervisory response are reached; ○ recurrent regulatory obstacles or gaps impeding the scaling up of financial innovation are observed that may warrant attention by the ESAs and/or the European Commission; • policy action may be needed to address any risks to consumers, market integrity or for financial stability.

Topic/Activity	Open Finance/ application programme interfaces (APIs): Experience from innovation facilitator activities
Description	Identification of APIs and use cases and experience acquired by the NCAs, with a view to promoting convergence of practices.
Expected output	<p>Specification of:</p> <ul style="list-style-type: none"> • trends in the design of APIs and areas where standardisation is observed or where there may be benefits to further standardisation; • major regulatory and supervisory themes, including any areas in which:

	<ul style="list-style-type: none"> ○ common views on the appropriate regulatory and supervisory response are reached; ○ recurrent regulatory obstacles or gaps impeding the scaling up of financial innovation are observed that may warrant attention by the ESAs and/or the European Commission policy action may be needed to address any risks to consumers, market integrity or for financial stability. • policy action may be needed to address any risks to consumers, market integrity or for financial stability.
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Topic/Activity	Multi-purpose digital platforms facilitating the provision of financial services (retail and institutional): Experience from innovation facilitator activities
Description	Identification of applications and use cases of digital platforms offering combinations of services (e.g. non-financial & financial/multi-sector financial) and enabling financial firms to market and/or conclude with customers contracts for financial products and services in the EU financial sector, regulatory and supervisory issues arising and experience acquired by the NCAs, with a view to promoting a common response to these new models of providing financial services.
Expected output	<p>Specification of:</p> <ul style="list-style-type: none"> • trends in the scope and potential definition/taxonomy of platforms; • the list of platforms operating in the EU in MSs and cross-border by types of financial services they provide; • trends in the design of platforms, including structure and financial services/other services available on the platforms; • major regulatory and supervisory themes, including any areas in which: <ul style="list-style-type: none"> ○ common views on the appropriate regulatory and supervisory response are reached; ○ recurrent regulatory obstacles or gaps impeding the scaling up of financial innovation are observed that may warrant attention by the ESAs and/or the European Commission; • policy action may be needed to address any risks to consumers, market integrity or for financial stability.

Topic/Activity	Use of innovative technology for customer due diligence (CDD), in particular, identity verification and transaction monitoring: Experience from innovation facilitator activities
Description	<p>Identification of applications and use cases in the EU financial sector, regulatory and supervisory issues arising and experience acquired by the NCAs, with a view to promoting a common approach to the acceptance of the use of innovative technologies for CDD, in particular, identity verification and transaction monitoring.</p> <p>Specific tasks for the EFIF may arise in relation to the implementation of the Digital Finance Strategy, in particular with regards to implementation of a sound legal framework enabling the use of interoperable digital identity solutions which will enable new customers to access financial services quickly and easily (“on boarding”).</p>
Expected output	<p>Specification of:</p> <ul style="list-style-type: none"> • technology trends and use cases;

	<ul style="list-style-type: none"> • major regulatory and supervisory themes, including any areas in which: <ul style="list-style-type: none"> ○ common views on the appropriate regulatory and supervisory response are reached; ○ recurrent regulatory obstacles or gaps impeding the scaling up of financial innovation are observed that may warrant attention by the ESAs and/or the European Commission; ○ policy action may be needed to address any risks to consumers or the resilience of the financial system from a ML/TF perspective.
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Topic/Activity	RegTech: ⁶ Experience from innovation facilitator activities
Description	Identification of applications and use cases in the EU financial sector, regulatory and supervisory issues arising and experience acquired by the NCAs, with a view to promoting a common approach to the use of RegTech and supporting interoperability.
Expected output	<p>Specification of:</p> <ul style="list-style-type: none"> • technology trends and use cases; • major regulatory and supervisory themes, including any areas in which: <ul style="list-style-type: none"> ○ common views on the appropriate regulatory and supervisory response are reached; ○ recurrent regulatory obstacles or gaps impeding the scaling up of financial innovation are observed that may warrant attention by the ESAs and/or the European Commission; • policy action may be needed to address any risks to consumers, market integrity or for financial stability.

Topic/Activity	Green FinTech⁷ and green sandboxes⁸: Experience from innovation facilitator activities
Description	Identification of use cases of innovative technologies such as distributed ledger technology (DLT), artificial intelligence (AI), machine learning, the internet of Things (IoT) and others that help channel investments into sustainable objectives and assist transition to a greener economy ('Green FinTech'). Identification of initiatives when sandboxes and hubs are focused/specialized on FinTechs proposing solutions for climate transition and ESG investing. Identification of regulatory and supervisory issues arising and experience acquired by the NCAs, with a view to promoting a common response to innovative technologies enabling sustainability goals.
Expected output	<p>Specification of:</p> <ul style="list-style-type: none"> • observed use cases of new technologies responding to the increasing demand of market participants and consumers to address sustainability factors, predominantly climate risks, in all sector of financial services, if such technologies were subject to inquiries in a hub or tested in a sandbox; • trends in the design of such ESG financial products/solutions/business models and the most common risks, especially greenwashing risks, observed through the operation of innovation facilitators; • areas where convergence in treating green financial

⁶ The FSB defines regulatory technology (RegTech) as any range of applications of FinTech for regulatory and compliance requirements and reporting by regulated institutions. This can also refer to service providers offering such solutions.

⁷ Green FinTech refers to the use of innovative technologies and solutions, such as distributed ledger technology (DLT), artificial intelligence (AI), machine learning, the internet of Things (IoT) and other digital technologies enabling sustainability goals in financial products and services.

⁸ Green sandboxes mean the sandboxes that are specializing in testing Green FinTech and focused on addressing climate risks in general.

	<p>technologies would be beneficial;</p> <ul style="list-style-type: none"> • use cases, if any, and experience of the use of green boxes to promote sustainability objectives; • major regulatory and supervisory themes, including any areas in which: <ul style="list-style-type: none"> ○ common views on the appropriate regulatory and supervisory response are reached; ○ recurrent regulatory obstacles or gaps impeding the scaling up of financial innovation are observed that may warrant attention by the ESAs and/or the European Commission; • policy action may be needed to address any risks to consumers, market integrity or for financial stability.
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Firm/Group-specific tasks

Topic/Activity	Industry engagement.
Description	Invitation of industry representatives that have cooperated with innovation facilitators to participate in EFIF meetings to present their experiences in order to highlight different use cases of innovative technology in the market (e.g. by live demos), regulatory and supervisory issues on which supervisory collaboration may be considered by NCAs to be desirable in order to promote a common response(e.g. questions received via innovation facilitators about licensing), and design features of innovation facilitators.
Expected output	<p>Specification of:</p> <ul style="list-style-type: none"> • innovation trends; • issues raised; • major regulatory and supervisory themes, including any areas in which common views on the appropriate regulatory and supervisory response are reached and transmitted to the firm/group concerned.