

CYSEC ANNOUNCES THE LAUNCH OF ITS INNOVATION HUB

The Cyprus Securities and Exchange Commission (the “CySEC”) is pleased to announce the establishment of its Innovation Hub, designed to address and explore the rise of FinTech and RegTech developments.

FinTech and RegTech are constantly, and quickly evolving. To this end, CySEC has taken the decision to establish the Innovation Hub to foster a better, more effective relationship between entities operating in this area and the way they are regulated. The Innovation Hub will be a place where both supervised and non-supervised entities in innovative or new industries will have ongoing access to CySEC to best understand and implement their regulatory requirements.

CySEC’s initiative aims to create a platform for dialogue between innovative industries that operate in the FinTech and RegTech spaces, facilitating the exchange of information. CySEC encourages a two-way communication; FinTech firms will have access to specialised regulatory expertise, industry and academic roundtables - and will also have a voice to improve CySEC’s understanding of the risks and benefits of new innovative investment products and platforms, using Distributed Ledger Technology (DLT) (e.g. Blockchain), enabling a more informed regulatory landscape.

Demetra Kalogerou, Chair of the CySEC, said: “The establishment of the Innovation Hub marks an important and exciting step for CySEC’s supervision of new and innovative Fintech companies in Cyprus. In promoting closer ties with these fledgling but fast-growing industries, we aim to best protect investors by fully understanding the risks and benefits these new products bring.”

The Innovation Hub is expected to become operational in September 2018. Eligible firms interested in having their sector or products included and examined by the Innovation Hub will be able to submit a request for further study once the hub is operational.

A designated space on CySEC’s website will be created and the eligibility criteria for examination of a request will be announced, once the Innovation Hub becomes operational.

Nicosia, 27 July, 2018