



European Internet Forum  
Political Leadership for Digital Society

**28 March 2017**

**20:00 - 22:00**

**DINNER DEBATE**

## **Fintech transforming digital economics and the economy**

Entrepreneurs create value through innovation and the art of doing business. They use their imagination and ambition to generate new ideas, drive change and set new standards. They embrace risks as individuals to generate collective rewards, contributing to job creation. They inspire future leaders transforming dreams into actions and clear plans.

Is Fintech the new disruptive force in financial markets? There are different ways to reply to this question. From the side of a newly created Fintech firms the answer is "YES". They promise superior transaction experience and efficient allocation of capital.

Incumbent Banks are more sceptical. They see merit in the application of many emerging technologies, such as blockchain, but they still believe that financial intermediation is a conservative sector that is not easy to be transformed soon. On the other hand banks need to understand where they can reap profits going forward. Tech is a big driver of the change and some services are up for grabs. Embracing innovation and new digital technologies as key enablers for achieving these goals is paramount.

The regulators keep an eye on the evolving technologies and market responses and they try to find a balance between security and innovation. From the consumer's point of view the Fintech opens, indeed, a new horizon in financial transactions, but consumers cannot forget that in the last 100 years the transaction cost to the consumer is constant, indicating that the improvements in financial technology benefit only the supply side and not the consumer. Moreover, Fintech, promises allocative efficiency but has very few to say about "toxic investments" and stability. Security, privacy and consumer protection at the pre-contractual and contractual stages are crucial. Consumer interests must be at the center of Fintech developments.

Despite the different views on Fintech, nobody can ignore that brand new business model emerges in the financial sector and challenge directly traditional models and actors who resist defending their "business as usual" mentality, sometimes by exploiting the long-standing relationships they have with the regulators. However it is also true that, in some part of Europe, some traditional incumbent players are on the contrary using their established position to embrace the Fintech revolution, in particular, by nurturing the creation of ecosystems that are capable of producing the new applications and the new business models that can boost their digital transformation instead of being disrupted.

In this working dinner, market participants, regulators and consumers meet to exchange ideas on from where the Fintech revolution is coming about, who is fuelling it, which are its enablers, what are the technologies it uses, such as the internet, the web and blockchain, to disrupt the market, how fast it evolves in the sectors of clearing, payments, lending and investments, how Fintech will benefit consumers in terms of better access, pricing, quality, customer service, product simplification, how these evolution affects the financial market, the growth potential of the economy and the overall riskiness to the consumer and to the market stability as a whole.

## programme- 28th March 2017

### Welcome and introduction:

Eva Kaili MEP and EIF Member

### Speakers:

Roberto Viola, Director General of DG CONNECT, European Commission

Luca Peyrano, CEO of ELITE (London Stock Exchange Group)

Ruth Wandhöfer, Global Head of Regulatory & Market Strategy, Managing Director, Citi

### Exchange of views with participants

([under the Chatham House rule](#))

## Speakers



**Ms Eva Kaili**

Vice-President of the European  
Parliament  
EIF Steering Committee Member



**Mr Roberto Viola**

Director General  
European Commission, DG CNECT



**Mr Luca Peyrano**

CEO  
ELITE (London Stock Exchange  
Group)



**Ms Ruth Wandhöfer**

Global Head of Regulatory &  
Market Strategy, Managing  
Director  
Citi

### Venue

European Parliament, Members' Salon, Rue Wiertz 60, Brussels, Belgium



European Internet Forum



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