Summary of Conclusions

24th EFIF conference call, 19 September 2025

Date	19 September 2025
Time	09.30-15.00 (CET)
Location	Online meeting (Microsoft Teams)
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1. Opening remarks by ESMA, Chair of EFIF

ESMA opened the meeting by welcoming the participants. The SoCs of the May meeting were provisionally approved subject to revisions based on comments from EFIF members.

2. Innovation facilitators: Update on developments

Presentation by ESMA & tour de table.

ESMA presented the results of the quarterly survey on developments in Innovation Facilitators. The number of queries to innovation hubs continue to fluctuate. The queries increased in 2Q25 but the figures in 2024 and 2025 continue to be lower than in 2023. In 2Q25 most of queries related to crypto assets, investment services and other services, in the areas of DLT and other technologies, followed by AI and big data.

EFIF members discussed the rationale behind the fluctuations and recent downward trend in queries. Various EFF members shared that queries on crypto assets, the DLT and the AI Act are directly directed to licensing or supervisory teams.

EFIF members took note that the number of queries relating to insurance remains limited. EIOPA explained that large players in the insurance industry typically engage directly with their supervisors instead of using innovation hubs. Meanwhile, start-ups and incumbent companies typically engage in partnerships or pilot programs with reinsurance companies rather than using sandboxes. EIOPA also noted that innovation initiatives in the innovation sector mostly focus on AI.

Tour de table

EFIF members shared the updates from their jurisdictions related to their latest sandbox cohorts, updates to national sandbox frameworks, and preparations for designation as market surveillance authorities under the AI Act. Topics addressed in innovation hubs included virtual IBANs, crypto licensing, financial crime, and sustainability-related analytics. One member noted engagement with academia in its latest sandbox cohort (which was shadowed by university experts for a forthcoming academic report).

3. Commission update on the EU Digital Finance Platform

Presenter: DG-FISMA

DG-FISMA presented the latest developments related to the one of the core initiatives of the EU Digital Finance Platform: the Synthetic Data Hub, which supports testing environments for financial innovators to access synthetic supervisory data. The Commission hosted several workshops on the Hub over the summer, including technical sessions with experts.

Synthetic data allows institutions to simulate real-world financial data in a safe and controlled environment without compromising privacy or confidentiality. This is particularly useful for testing AI models, RegTech tools, and other financial innovations. The current sources of data are primarily datasets from credit agencies, though additional data sets will be published soon. The Digital Finance Platform is a recipient of funding under the Digital Europe Programme 2025-2027.

Discussion

EFIF members requested further clarity on project engagement, including whether a demonstration could be arranged prior to confirming participation, which MS are currently participating, and the types of data sets involved.

FISMA announced it will host a technical session in October for all interested parties, regardless of the confidentiality status of their data sets. To encourage other authorities to contribute data, the workshop will allow participating authorities to share their experiences, including with the technical aspects of their involvement. FISMA noted that NCA participants in the Hub are supported by Commission data specialists.

4. Presentation from HKMA: Sandbox initiatives

Presenter: Hong Kong Monetary Authority (HKMA)

HKMA presented its ‘Project Ensemble’ sandbox. Launched in March 2024, Ensemble has facilitated local market experimentation with tokenisation. HKMA shared that it expected to issue a final report by end 2025. EFIF members learned that the sandbox had created a space for partnership with the technical community to set up interoperability standards and that a number of large financial entities had successfully issued and traded tokenised securities in the sandbox.

HKMA also presented its Stablecoin Issuer Sandbox (also launched in March 2024). HKMA explained that the purpose of the Stablecoin Issuer Sandbox was to allow institutions with plans to issue stablecoin in Hong Kong to conduct testing on their operational plans, and to facilitate the two-way communication on proposed regulatory requirements.

Discussion

HKMA and EFIF members exchanged on various issues including governance and structure of the sandboxes, operational costs and types of eligible use cases.

5. BigTech workshop debrief & questionnaire results

Presenter: EBA

EBA provided a debrief on the June 2025 BigTech Workshop, outlining key challenges identified by participants, including as it relates to cooperation among financial-sector authorities and non-financial regulators, as well as data confidentiality issues. The suggested follow-up actions included initiatives to facilitate enhanced supervisory exchanges, improved information-sharing, and bilateral engagement with BigTechs and financial institutions. EBA proposed further work both by reference to case studies and through horizontal actions enabling national authorities to exchange experience on issues spanning financial and non-financial sectors.

EBA noted the BigTech factsheet is expected to be published in October following Joint Committee approval.

Discussion:

EFIF members discussed the proposals, raising questions on interactions with DORA supervision, the AI Act and the periodic BigTech matrix, as well as the scope of groups covered. Members supported the next steps and emphasised that any new actions should help supervisors overcome practical obstacles to information sharing and gain insights into BigTechs more quickly, efficiently and collaboratively.

6. ESA exercise on EFIF strategy review

Presenter: ESMA

ESMA presented the ongoing work in EFIF to realign its activities with the ToR and mandate. The proposals, developed with the ESAs and with input from aa dedicated feedback session in EFIF in November 2024, will be presented to the Joint Committee in December. This recalibration exercise reflects how EFIF has evolved since 2019, driven by the growing number of national innovation facilitators. ESMA noted that EFIF has delivered strong results in data collection, stocktaking and sharing best practices, while progress on addressing innovation-scaling barriers and achieving regulatory convergence has been more limited. EBA outlined how the proposals will be operationalised in EFIF's 2026 work programme, focusing innovation monitoring, and value-chain developments (in particular regarding embedded finance, and BigTech), with planned outputs including a public-facing factsheet on innovation trends and areas of thematic focus from horizon-scanning insights.

Discussion:

EFIF members expressed support for the direction of the exercise and provided feedback to the proposals. ESMA announced that the ESAs would collect written comments and host a workshop session for those with an interest in providing additional inputs.

7. Nvidia's AI platform and sandbox applications

Presenter: NVIDIA

Nvidia presented their AI enterprise platform, which is a stakeholder-driven ecosystem. The platform capitalising on a 'new industrial revolution' built on "AI factories," defined as infrastructures capable of running foundational models, securing customer data and IP, and supporting both production applications and fine-tuning. In a discussion on how self-hosted open-source models should be a core element of EU tech sovereignty, Nvidia highlighted its support for European supercomputing centres and cloud providers developing sovereign AI infrastructure, including a banking-focused sovereign AI factory in Frankfurt.

The presentation also referenced how AI can be implemented in a "sandbox-as-a-service" model, where Nvidia's enterprise software provides the technical backbone for secure collaboration environments. Nvidia explained how in financial services, institutions may adopt varius deployment models, such as on-premises GPU infrastructure, public-cloud setups, or rented capacity from sovereign AI factories.

Discussion

EFIF members asked about developments in agentic AI including through API-based and open-source approaches.

8. Closing remarks

Presenter: ESMA

ESMA concluded the meeting thanking all members and speakers for their active engagement. The EFIF chairperson also reminded members that the next EFIF meeting will be held in person on 20 November at the ESMA premises in Paris.

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