

PRESS RELEASE

ESMA launches call for evidence on digital finance

The European Securities and Markets Authority (ESMA), the EU's securities markets regulator, today publishes a call for evidence on digital finance. The call for evidence aims to gather relevant information on particular issues including value chains, platforms and groups' provision of financial and non-financial services. The feedback will contribute to ESMA's technical advice to the European Commission.

Digital transformation and the application of innovative technologies in the EU financial sector bring a host of opportunities, including better financial services to a wider range of businesses and investors, possibly at a lower cost.

These changes are not free of risks, for example in relation to cyber security, data management, concentration risk and competition. They also raise specific regulatory and supervisory challenges, including because of their global and cross-sectoral nature. ESMA's advice to the European Commission (EC) will assist them to address these challenges and propose, where relevant, changes to the existing legislative framework by mid-2022.

ESMA is requesting information on three topics:

1. more fragmented or non-integrated value chains, arising as a result of financial firms increasingly relying on third parties for the delivery of their services and of technology companies entering financial services;
2. digital platforms and bundling of financial services; and
3. mixed activity groups providing both financial and non-financial services.

Next steps

The call for evidence is open until 1 August and seeks feedback from all interested stakeholders. In particular, the call for evidence is of interest to (i) financial firms relying on third-parties, in particular technology firms, to fulfil critical or important functions; (ii) third-parties, in particular technology firms, on which financial firms rely to fulfil critical or important



functions; (iii) technology firms providing financial services, either directly or through partnerships with financial firms; (iv) platforms marketing or providing access to different financial services; (v) mixed activity groups combining financial and non-financial activities; and (vi) investors.

ESMA will consider the information received through this call for evidence when drafting its advice to the EC. ESMA, together with the other European Supervisory Authorities, will deliver a report to the EC by 31 January 2022.



Notes for editors

1. The call for evidence follows on the [digital finance package](#) from the European Commission (EC) and [the request](#) to the European Supervisory Authorities (ESAs) to provide technical advice on necessary adaptations to the existing legislative framework with a view to embrace digital finance in the EU.
2. [Call for evidence on Digital Finance.](#)
3. ESMA is the European Union's securities markets regulator. Its mission is to enhance investor protection and promote stable and orderly financial markets.
4. It achieves these objectives through four activities:
 - a. assessing risks to investors, markets and financial stability;
 - b. completing a single rulebook for EU financial markets;
 - c. promoting supervisory convergence; and
 - d. directly supervising specific financial entities.
5. ESMA achieves its mission within the European System of Financial Supervision (ESFS) through active cooperation with the European Banking Authority (EBA), the European Insurance and Occupational Pensions Authority (EIOPA), the European Systemic Risk Board, and with national authorities with competencies in securities markets (NCAs).

Further information:

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