



The following provides a collection of relevant publications regarding digitalization and financial innovation at both the global and jurisdictional level. To view previous versions since June 2022, please see the [newsletter's page](#) on the GFMA website.

## January 2024

### GFMA, AFME, ASIFMA, and SIFMA

#### [GFMA Joins Joint Response to BCBS on Prudential Treatment of Crypto \(January 31, 2024\)](#)

**GFMA**, with the Institute of International Finance (IIF), the International Swaps and Derivatives Association (ISDA), and the International Capital Markets Association (ICMA), submitted a joint response to the Basel Committee on Banking Supervision's (BCBS) [consultative document](#) on the "Disclosure of Cryptoasset Exposures."

#### [AFME Warns that Incoming DORA Requirements Risk Disruption Across Financial Services Supply Chains \(January 17, 2024\)](#)

**AFME** issued a press release noting that "incoming DORA requirements risk disruption across financial services supply chains." As part of the release, **AFME** suggest "applying the policy for ICT Suppliers on a forward-looking basis," "removing the overlap with existing EBA Outsourcing Guidelines," "embedding the proportionate approach to the Register of Information," and "safeguarding the harmonised Incident Reporting framework."

## GLOBAL

#### [BIS Publishes Paper on Public Information and Stablecoin Runs \(January 29, 2024\)](#)

As part of their working papers series, the Bank for International Settlements (BIS) published a paper on "Public information and stablecoin runs." The paper finds that "greater reserve transparency can increase run risk when stablecoin holders believe the quality of reserves backing the stablecoin is low or when transaction costs of conversions to fiat are low."

#### [IMF Explores if FinTech Increases Bank Risk Taking \(January 26, 2024\)](#)

The International Monetary Fund (IMF) published a report titled "Does FinTech Increase Bank Risk Taking?" The report finds that "there is suggestive evidence indicating that in certain cases, greater FinTech presence may be associated with less FI risk taking amid stronger domestic institutions."

### **[FSB Publishes 2024 Work Programme \(January 24, 2024\)](#)**

The Financial Stability Board (FSB) published their 2024 Work Programme. The programme includes a focus area on harnessing the benefits of digital innovation while containing risks and the FSB will also take forward implementation of its global regulatory and supervisory framework for crypto-asset activities.

### **[BIS IH Announces Six New Projects for 2024 \(January 23, 2024\)](#)**

The BIS Innovation Hub (BIS IH) announced six new projects for 2024 which include experiments on cyber security, fighting financial crime, central bank digital currencies (CBDCs), and green finance. For full details on the BIS IH's work programme and the new projects, please see the following [link](#).

### **[2023 IFC Annual Report Includes Updates on Digitalization \(January 12, 2024\)](#)**

The Bank for International Settlements (BIS) Irving Fisher Committee on Central Bank Statistics (IFC) published their 2023 Annual Report. The report includes a section on fintechs with details on cryptoassets, tokenization of financial instruments, and central bank digital currencies (CBDCs).

### **[BIS IH, SNB, and World Bank Launch Project to Test Tokenisation of Financial Instruments \(January 11, 2024\)](#)**

The BIS Innovation Hub (BIS IH), Swiss National Bank (SNB), and World Bank announced the launch of Project Promissa to test tokenization of financial instruments. The goal is to complete a proof of concept (PoC) and testing by early 2025.

## **NORTH AMERICA**

### **Canada**

#### **[CSA Seeks Feedback on Rules for Public Investment Funds Holding Crypto Assets \(January 18, 2024\)](#)**

The Canadian Securities Administrators (CSA) published for comment a set of proposed regulatory requirements for public investment funds that seek to invest in crypto assets. Comments are requested by 17 April 2024.

### **United States**

#### **[FINRA Publishes Crypto Asset Communications Sweep Update \(January 23, 2024\)](#)**

The Financial Industry Regulatory Authority (FINRA) published an update on their crypto asset communications sweep. Their findings show potential violations in 70% of materials reviewed.

## **[SEC Chair Delivers Statement on the Approval of Spot Bitcoin Exchange-Traded Product \(January 10, 2024\)](#)**

Gary Gensler, Chair of the Securities and Exchange Commission (SEC), delivered a “Statement on the Approval of Spot Bitcoin Exchange-Traded Products.” The statement notes that “While we approved the listing and trading of certain spot bitcoin ETP shares today, we did not approve or endorse bitcoin. Investors should remain cautious about the myriad risks associated with bitcoin and products whose value is tied to crypto.”

## **[CFTC TAC Publishes Decentralized Finance Report \(January 8, 2024\)](#)**

The Commodity Futures Trading Commission’s (CFTC) Digital Assets and Blockchain Technology Subcommittee of the Technology Advisory Committee (TAC) published a report entitled “Decentralized Finance.” The full text of the report is available [here](#).

## **EUROPE**

### **European Union**

#### **[ESMA Publishes Consultation Paper on the Conditions and Criteria for the Qualification of Crypto-assets as Financial Instruments \(January 29, 2024\)](#)**

The European Securities and Markets Authority (ESMA) published a consultation paper “on the draft guidelines on the conditions and criteria for the qualification of crypto-assets as financial instruments.” Comments are requested by 29 April 2024.

### **Italy**

#### **[Bank of Italy Governor Delivers Speech on the Role of the Euro \(January 26, 2024\)](#)**

Fabio Panetta, Governor of the Bank of Italy (BoI), delivered a speech titled “Beyond money – the euro’s role in Europe’s strategic future.” The speech provides an update on the digital euro project and potential future digitalization of the euro.

### **United Kingdom**

#### **[BoE and HMT Respond to Digital Pound Consultation \(January 25, 2024\)](#)**

The Bank of England (BoE) and HM Treasury (HMT) published their response to the consultation on a digital pound that was launched in February 2023. The response confirmed that neither the BoE nor Government would have access to users’ personal data and that the authorities are committed to maintaining access to cash for those who prefer it.

#### **[BoE Executive Director for Payments Delivers Speech on Innovation for the RTGS \(January 25, 2024\)](#)**

Victoria Cleland, Executive Director for Payments at the Bank of England (BoE), delivered a speech titled “The Real Time Gross Settlement service: an open platform to drive innovation.” The speech highlights the growth of digitalization in finance and potential related innovation for the real time gross settlement service (RTGS).

### **CMA Announces Approach to New Digital Markets Regime (January 11, 2024)**

The UK Competition and Markets Authority (CMA) issued a release setting out its approach to the new digital markets regime. The release includes a CMA overview [document](#) on how it intends to operate the new digital markets competition regime as currently proposed by the Digital Markets, Competition, and Consumers (DMCC) Bill.

## **APAC**

### **India**

#### **RBI Deputy Governor Delivers Speech on Harnessing Digital Technologies in Central Banks (January 17, 2024)**

Dr Michael Debabrata Patra, Deputy Governor of the Reserve Bank of India (RBI), delivered a speech on “Harnessing digital technologies in central banks - opportunities and challenges.” The speech highlights opportunities and risks from technologies including application programming interfaces (APIs), artificial intelligence (AI), biometric-based identification and authentication (biometrics), cloud computing (CC), and distributed ledger technology (DLT).

#### **RBI Governor Delivers Highlights Latest Updates on Fintech and the Payments Ecosystem (January 17, 2024)**

Shaktikanta Das, Governor of the Reserve Bank of India (RBI), delivered a speech on “India’s journey from crisis to confidence.” As part of the speech he highlighted updates regarding fintech and the payments ecosystem in India.

\*All information collected and provided for this report is publicly available.