



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.

July 2023

GFMA, AFME, ASIFMA, and SIFMA

[GFMA Submits Response to IOSCO Crypto and Digital Assets Recommendations \(July 31, 2023\)](#)

GFMA submitted a response to the International Organization of Securities Commissions (IOSCO) Crypto and Digital Asset Recommendations [consultation](#) (May 2023). The response was prepared with the support of legal counsel from Sullivan and Cromwell. The response includes six foundational pillars for consideration when finalizing the Recommendations.

[GFMA Publishes Statement Welcoming the FSB's Framework for Crypto and Digital Asset Activities \(July 17, 2023\)](#)

GFMA published a statement welcoming the FSB Framework for Crypto and Digital Asset Activities. For more details on the FSB's [Framework](#), see the global section below.

[AFME Publishes Decentralised Finance Paper on Principles for Building a Robust Digital Economy \(July 6, 2023\)](#)

AFME published a paper on "Decentralised Finance – Principles for building a robust digital economy." The paper includes three key principles, and it serves as "a foundational piece of work to further explore some of the technical issues posed by this new area of digital finance, as well as raise some initial proposals on how DeFi could be addressed from a regulatory standpoint."

GLOBAL

[BIS Publishes Working Paper on Trust Bridges and Money Flows \(July 25, 2023\)](#)

As part of their BIS Working Papers series, the Bank for International Settlements (BIS) published a paper on "Trust bridges and money flows." This paper provides details on a digital marketplace to improve cross-border payments.

[IMF Publishes Blog on the Need for Comprehensive Crypto Policies to Protect Economies and Investors \(July 18, 2023\)](#)

As part of their IMF Blog series, the IMF published a blog titled “Crypto Needs Comprehensive Policies to Protect Economies and Investors.” The blog includes a series of key policy recommendations and guidance to ensure effective implementation at the domestic and international levels.

[FSB Finalizes Global Regulatory Framework for Crypto-Asset Activities \(July 17, 2023\)](#)

The Financial Stability Board (FSB) published their finalized Global Regulatory Framework for Crypto-Asset Activities. The framework consists of two distinct sets of recommendations including “[High-level recommendations for the regulation, supervision and oversight of crypto-asset activities and markets](#)” and “[Revised high-level recommendations for the regulation, supervision, and oversight of ‘global stablecoin’ arrangements](#).” **GFMA** published a statement welcoming the framework that is available [here](#).

[FSB Highlights Policy Issues Concerning BigTech and FinTech \(July 14, 2023\)](#)

John Schindler, Secretary General of the Financial Stability Board (FSB), provided introductory remarks at the G20 Finance Ministers and Central Bank Deputies Meeting focused on “Policy issues concerning BigTech and FinTech, including the Third-Party Risk Management Framework.”

[FSB Chair’s Letter to G20 Highlights Efforts on Crypto \(July 12, 2023\)](#)

Klaas Knot, Chair of the Financial Stability Board (FSB), submitted a letter to the G20 Finance Ministers and Central Bank Governors. The letter highlighted the FSB’s latest efforts including those relating to crypto-asset markets and activities.

[BIS IH Submits Lessons on CBDCs to the G20 \(July 11, 2023\)](#)

The BIS Innovation Hub (BIS IH) submitted a report to the G20 Finance Ministers and Central Bank Governors on “Lessons learnt on CBDCs.” This report highlights key findings based upon 12 CBDC projects from the BIS IH.

[BIS IH Publishes Report to the G20 on the Crypto Ecosystem \(July 11, 2023\)](#)

The BIS Innovation Hub (BIS IH) submitted a report to the G20 Finance Ministers and Central Bank Governors on “The crypto ecosystem: key elements and risks.” The report finds that “due to economic incentives, the crypto ecosystem is characterised by congestion and high fees, which lead to fragmentation.” The report also finds that “despite an original ethos of decentralisation, crypto and decentralised finance (DeFi) often feature substantial de-facto centralisation, which introduces various risks” and that “while DeFi mostly replicates services offered by the traditional financial system, it amplifies known risks.”

[BIS Publishes Results of 2022 Survey on CBDCs and Crypto \(July 10, 2023\)](#)

The Bank for International Settlements (BIS) published the “Results of the 2022 BIS Survey on Central Bank Digital Currencies and Crypto.” The survey’s “responses from 86 central banks show that the proportion engaged in some form of CBDC work has risen to 93% and that the work on retail CBDC is more advanced than on wholesale CBDC.”

[BIS IH Publishes Update on Project Polaris \(July 7, 2023\)](#)

The BIS Innovation Hub (BIS IH) published an update on Project Polaris. Project Polaris focuses on “closing the CBDC cyber threat modeling gaps.” For more details, please find the project [website](#).

[BCBS Review of Revisions to the Core Principles Informed by Digitalisation of Finance \(July 6, 2023\)](#)

The Basel Committee on Banking Supervision (BCBS) announced a consult on revisions to their “Core principles for effective banking supervision.” It was noted that this review has been informed by several thematic topics including the digitalisation of finance.

[FSB Announces it will Explore the Impact of Digital Innovation on Resolution Preparedness \(July 6, 2023\)](#)

The Financial Stability Board (FSB) Plenary met in Frankfurt and discussed the latest workstreams. As part of the discussion, it was noted that they will be exploring “the impact of digital innovation on resolution preparedness” as part of a larger workstream reviewing “lessons learnt for the resolution of G-SIBs.”

NORTH AMERICA

Canada

[CSA Outlines Expectations for Investment Funds Holding Crypto Assets \(July 6, 2023\)](#)

The Canadian Securities Administrators (CSA) published guidance to help fund managers understand and comply with securities law requirements for public funds holding crypto assets.

United States

[NYIC Publishes Research Study Examining the Feasibility of Theoretical Payments System Designed to Facilitate and Settle Digital Asset Transactions \(July 6, 2023\)](#)

The Federal Reserve Bank of New York’s New York Innovation Center (NYIC) published a proof of concept (PoC) exploring “the feasibility of an interoperable network for wholesale payments operating on a shared multi-entity distributed ledger.” The project was done in collaboration with members of the US financial services sector. The project website is available [here](#).

[GAO Publishes Report on Blockchain in Finance \(June 22, 2023\)](#)

The US Government Accountability Office (GAO) published a report on “Blockchain in Finance: Legislative and Regulatory Actions Are Needed to Ensure Comprehensive Oversight of Crypto Assets.” The report includes a series of recommendations for Congress to consider.

EUROPE

European Union

[ESMA Publishes First Consultation Package on MiCA \(July 12, 2023\)](#)

The European Securities and Markets Authority (ESMA) published its first [consultation package](#) under the Markets in Crypto-Assets Regulation (MiCA). Responses are requested by 20 September 2023.

Cyprus

[Constantinos Herodotou Delivers Speech on How Banks and Fintechs Can Co-Exist \(July 4, 2023\)](#)

Constantinos Herodotou, Governor of the Central Bank of Cyprus delivered an introductory speech on “How can banks and fintechs co-exist” at a discussion with José Manuel Campa, Chairperson of the European Banking Authority (EBA).

France

[François Villeroy de Galhau Delivers Speech on Regulation and Innovation \(July 5, 2023\)](#)

François Villeroy de Galhau, Governor of the Banque de France, delivered a speech on “Regulation and innovation – the yin and yang of the financial sector.” The speech included a key section on “Digitalisation of currency and payments: illustration of innovation partnership approach.”

Germany

[Claudia Buch Delivers Speech on Banks and Society in a Changing Time \(July 5, 2023\)](#)

Claudia Buch, Vice President of the Deutsche Bundesbank delivered a speech on “Banks and society in a changing time - why we need broad dialogue.” The speech highlighted trends and impacts relating to digitalization.

[Burkhard Balz Speech Highlights Potential for Digital Euro \(July 5, 2023\)](#)

Burkhard Balz, Member of the Executive Board of the Deutsche Bundesbank, delivered a speech on “The digital euro – how CBDC can shape tomorrow’s payments landscape.”

[Burkhard Balz Delivers Speech on Overcoming the Remaining Hurdles in Cross-border Payments \(July 3, 2023\)](#)

Burkhard Balz, Member of the Executive Board of the Deutsche Bundesbank, delivered a speech on “Overcoming the remaining hurdles in cross-border payments.” The speech highlighted central bank digital currencies (CBDCs) as a possible solution for cross-border payments.

Italy

[Ignazio Visco Highlights Efforts on Financial Services Technology \(July 5, 2023\)](#)

Ignazio Visco, Governor of the Bank of Italy, delivered a speech at the Annual Meeting of the Italian Banking Association. The speech provided updates on financial services technology including the Bank's digitalization efforts.

Luxembourg

[CSSF Publishes Resource on MiCA \(July 6, 2023\)](#)

The Commission de Surveillance du Secteur Financier (CSSF) published a communique on "Regulation on Markets in Crypto-Assets (MiCA) and Regulation on information accompanying transfers of funds and certain crypto-assets." This resource provides background and guidance regarding implementation of MiCA.

Spain

[Bank of Spain Governor Highlights Importance of Efforts on Digitalisation and Tech \(July 18, 2023\)](#)

Pablo Hernández de Cos, Governor of the Bank of Spain, delivered a speech on "The Spanish banking industry – developments and challenges against a backdrop of uncertainty." In the speech he stressed the importance of prioritizing digitalisation and the growing competition from tech firms.

United Kingdom

[Victoria Cleland Speech Highlights ho the Move to ISO 20022 Can Provide Benefits for Wholesale Digital Money \(July 20, 2023\)](#)

Victoria Cleland, Executive Director for Banking, Payments, and Innovation at the Bank of England (BoE) delivered a speech on the benefits of the BoE's "ambitious multi-year programme to renew the Real-Time Gross Settlement (RTGS) system" and the BoE's move to the ISO 20022 global financial messaging standard. The speech highlights that these efforts will lead to enhanced digital money.

[Andrew Bailey Delivers Speech on New Prospects for Money \(July 10, 2023\)](#)

Andrew Bailey, Governor of the Bank of England (BoE), delivered a speech on "New prospects for money." The speech highlights the BoE's work to explore innovation in money while ensuring confidence in its value and settlement.

[PRA Annual Report Includes Updates on Digital Efforts \(July 6, 2023\)](#)

The UK Prudential Regulation Authority (PRA) published its Annual Report for 2022/23. The report highlighted efforts relating to the impacts of digitalisation, as well as updates on their digital skills strategy.

[Sheldon Mills Delivers Speech on How Innovation and Regulation can Drive the UK's Economic Growth \(June 29, 2023\)](#)

Sheldon Mills, Executive Director, Consumers and Competition at the UK Financial Conduct Authority (FCA), delivered a speech on “How innovation and regulation in financial services can drive the UK’s economic growth.” The speech highlighted the role the FCA plays in supporting innovation and growth, that the FCA stands ready to embrace new opportunities, the need for new metrics, and that growth should never be at the expense of the wider economy.

[Victoria Cleland Delivers Speech on Global Action to Enhance Cross-border Payments \(June 29, 2023\)](#)

Victoria Cleland, Executive Director for Banking, Payments, and Innovation at the Bank of England (BoE) delivered a speech on “Global action to enhance cross-border payments.” The speech noted efforts relating to central bank digital currencies (CBDCs) to enhance cross-border payments.

APAC

India

[T Rabi Sankar Delivers Speech on Fintech \(July 7, 2023\)](#)

T Rabi Sankar, Deputy Governor of the Reserve bank of India (RBI), delivered a keynote address on the “Reserve Bank of India and fintech – the road ahead.” The speech included background on the emergence of fintech and details on efforts relating to regulation of fintech.

Philippines

[Felipe M Medalla Highlights Efforts on Making the Payments System More Digital and Inclusive \(July 18, 2023\)](#)

Felipe M Medalla, Governor of Bangko Sentral ng Pilipinas (BSP, the central bank of the Philippines) delivered a speech on “Navigating the road ahead – looking back to look forward.” The speech included key updates on efforts to make the payments system more digital and inclusive.

Singapore

[MAS Publishes Investor Protection Measures for Digital Payment Token Services \(July 3, 2023\)](#)

The Monetary Authority of Singapore (MAS) published “new requirements for Digital Payment Token (DPT) service providers to safekeep customer assets under a statutory trust before the end of the year.” These measures were introduced following an October 2022 public consultation.