1st Session of the EU Fintech Lab

Cloud Outsourcing

June 20, 2018

DG CONNECT, D-ROOM, Avenue de Beaulieu 25, BRUSSELS

09:00 – 09:30 Registrations & coffee

09.30 – 09.45 Welcome by DG CONNECT and DG FISMA
- **Gerard de Graaf,** Director, Digital Single Market, DG CONNECT
- **Pierre Chastanet,** Head of Unit, Cloud and Software, DG CONNECT
- **Kai Spitzer,** Deputy Head of Unit, DG FISMA

09:45 – 10:00 EBA recommendations: presentation by Slavka Eley, Head of Banking Markets, Innovation and Products Unit, EBA

10:00 – 12.30 Learning from practitioners and concrete use cases
Moderator: Misa Labarile, DG FISMA

How are the EBA recommendations actually met?
Some banks have good practices to share on the collaboration with their supervisors as regards outsourcing to cloud, and applying the EBA recommendations. Others must overcome challenges in combining supervisory requirements and outsourcing. There are also some financial institutions which are completely digitalised and whose entire set of activities is on the cloud.
- Presentation by **Silvia Senabre, Banco de España** on cloud outsourcing from a supervisory perspective
- Presentation by **Barte Theys, KBC** on a business model for cloud outsourcing
- Presentation by **Jaap Boersma, New10** on operating fully on cloud
- Presentation by **Laurence Trillig, Deutsche Börse Group** on the 'Collaborative cloud audit approach' project in cooperation with other financial institutions and Microsoft
- Short Q&A

12:30 – 13.30 Lunch

13:30 – 15:00 Security
Moderator: Peter Kerstens, DG FISMA

How is the cloud secured? Can cloud solutions deliver a higher level of security than on-premise datacentres? If so, which activities can be outsourced – or how should materiality assessments (EBA Recommendations) be shaped in response? How is the right to audit for supervisors guaranteed? Topics addressed in this session: security requirements, governance, right to audit, materiality of activities.

- Demonstration by **James Mulhern & Gerald Boyne, Amazon Web Services** on shared responsibility model
- Demonstration by **Mark Smitham & Tim Burell (remote), Microsoft** on policy & detection in the Azure Security Center.
- Presentation by **Helmut Fallmann**, cyber security expert and co-chair of the DSM cloud stakeholder self-regulatory Working Group on a candidate European cloud security certification scheme
- Short Q&A

15:00 – 15:30 Coffee break

15:30 – 17:00 The way forward: Enhancing legal certainty and supervisory convergence
Moderator: Witte Wijsmuller, DG CONNECT

Making the connection to the self-regulatory work of the DSM cloud stakeholder group: What role for the financial industry, the cloud service providers and the regulators? Would pre-approved contract clauses for SLAs be a possible solution? Would specialised providers be able to offer more tailored services? How is the issue dealt with outside of the EU?

- Update on the self-regulatory work in porting and switching by **Chris Francis (SAP) and Alban Schmutz (OVH)**, co-chairs of SWIPO: the DSM cloud stakeholder self-regulatory Working Group on developing Codes of Conduct on data porting and switching providers
- Demonstration by **Ben Goldin & Alexey Lapusta, Mambu** on cloud enhancing regulatory compliance for financial institutions
- Moderated discussion between national supervisors

17:00 – 17:30 Conclusions

17:30 – 18:00 The way forward for the EU Fintech lab moderated by **Pēteris Zilgalvis,** Head of Unit, Start-ups & Innovation, DG CONNECT *(in-camera session with European Commission, European Supervisory Authorities, European Central Bank, and national supervisors)*