

14 June 2021

## European Securities and Markets Authority ('ESMA') Launches Call for Evidence on Digital Finance

### Background

The [Digital Finance Strategy](#), adopted in September 2020, sets out the European Commission's ('EC' or 'Commission') intention and actions to review the existing financial services legislative frameworks, in order to protect consumers and safeguard financial stability, protect the integrity of the EU financial sectors and ensure a level playing field, within the context of digital finance developments.

In preparation, the Commission is requesting advice from the European Supervisory Authorities ('ESAs') on how to address the specific challenges of:

- i. the growing fragmentation of value chains in finance,
- ii. digital platforms, and
- iii. groups combining financial and non-financial activities.

On 2 February 2021, the European Commission published a [call for advice](#) to the ESAs regarding digital finance and related issues. It calls to provide advice on the regulation and supervision of more fragmented or non-integrated value chains, platforms and bundling of services, and risks of groups combining different activities.

### ESMA Call for Evidence

On 5 May 2021, ESMA [published](#) a call for evidence for its consideration in providing advice to the European Commission as to how to address the challenges posed by the digital financial services industry developments and the changing regulatory landscape.

ESMA is requesting information on three topics:

- i. 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;
- ii. digital platforms and bundling of financial services; and
- iii. mixed activity groups providing both financial and non-financial services.

The call for evidence is open until 1 August and seeks feedback from all interested stakeholders. You may wish to submit your feedback through the [online response form](#) by attaching the response form therein.

Please find the links to the relevant resources below:

- i. [Call for evidence](#)
- ii. [Call for evidence on digital finance – response form](#)

Any queries or feedback in relation to the above may be directed to [digital@mfsa.mt](mailto:digital@mfsa.mt), whilst updates and developments on FinTech related matters and initiatives may be found on the MFSA website at [mfsa.mt/fintech/](https://mfsa.mt/fintech/).