



FS Club



Smart Centres Index: The Environment For The Development Of New Technology

Thursday, 27 June 2019
Honourable Artillery Company,
City of London



Wi-Fi Username: HACGuest
Password: PrinceConsort1537



A Word From Our Chair



Michael Mainelli
Co-Chairman
FS Club



Established 2004

**Networking, debates and
speakers you don't usually
meet elsewhere**

Chatham House Rule

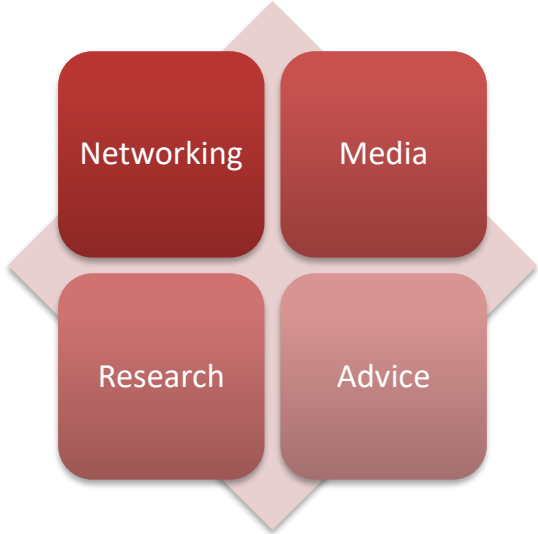
**www.thefinanser.com
www.fsclub.net**

What FS Club Does



Financial Services Club Meetings
Sponsored Events
Breakfast, Lunch
and Dinner
Roundtables

Daily Newsletter
Daily Blog
Social Media
White Papers
Speaking



Primary Research
Secondary Research
Quantitative and Qualitative

Workshops
Strategic Planning
Market and Business Development



CHRIS SKINNER'S BLOG



The Financial Services Club

The number ONE networking group for senior executives in financial services

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BREAKING NEWS Welcome to The Finanser by Chris Skinner from



2 weeks ago
The new FinTech bank



2 weeks ago
The Finanser's Week: 7th January - 12th January 2019



2 weeks ago
My view of 2019



3 weeks ago
Crypto Forecasts for 2019



3 weeks ago
FinTech Forecasts for 2019

FEATURED POST

Welcome to The Finanser by Chris Skinner



Welcome to The Finanser, the portal to the knowledge base of the Financial Services Club, chaired by Chris Skinner. To make an enquiry about a speaking engagement, just contact us and, if you are interested in Chris Skinner as a speaker, here's an illustration of his keynote presentations ...

[Read More](#)

Search

UK'S MOST INFLUENTIAL PERSON IN TECHNOLOGY



TOP FINANCIAL INFLUENCER OF 2018

Events: Focus

- in Share
- Twitter
- f Share

Dinner: Smart Centres Index: The Environment For The Development Of New Financial Services



Thursday, 27 June 2019 18:00

Speaker: Mike Wardle, Z/Yen & Apolline Blandin, (CCAF)

Honourable Artillery Company, City of London

Background:

How have different parts of the world been responding to the growth of distributed ledgers and smart technology? Is this reflected in their regulatory and legal systems? What are the implications for investors? The Smart Centres Index looks to score differing jurisdictions in terms of their readiness to engage with distributed ledger technology and applications, alongside their general competitiveness. It will be looking at identity, documentation and agreements, regulation, payments and currencies. A guide for both investment and regulatory decisions, the Index will provide a snapshot of developing trends in a space that affects everyone.

Mike Wardle worked as a Civil Servant for almost 20 years mostly within the field of education policy. He was then a director and then Chief Executive of the General Social Care Council establishing the regulation of social workers. Mike's career moved into consultancy, programme management and coaching and he has worked with Z/Yen for six years delivering programme management services to the Church of England, Unison and the Royal Marsden NHS Foundation Trust and Chelsea and Westminster NHS Foundation Trust. Mike currently works as Head of Indices for Z/Yen, managing its work on the development of the Global Financial Centres Index and the establishment of the new Global Green Finance Index.

Speaker: Apolline Blandin is a full-time researcher on Cryptocurrency and Blockchain and research manager at the Cambridge Centre for Alternative Finance (CCAF), Cambridge Judge Business School. Apolline's research focuses on the cryptoasset industry and cryptoasset regulation. She co-authored two reports on the cryptoasset ecosystem and its regulatory landscape.

The overall programme for this event is:
18.00 Registration and Reception
18.30 Speaker presentation and Q & A
19.45 Dinner
21.30 Close

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ALL PAST EVENTS

Events Calendar

2020

2019

- [October](#)
- [September](#)
- [July](#)
- [June](#)
- [May](#)
- [April](#)
- [March](#)
- [February](#)
- [January](#)

2018

2017

2016

2015




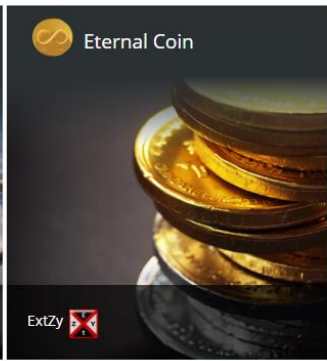
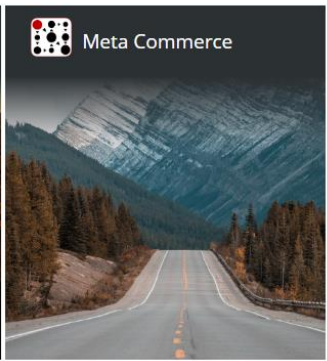
RECENT POSTS

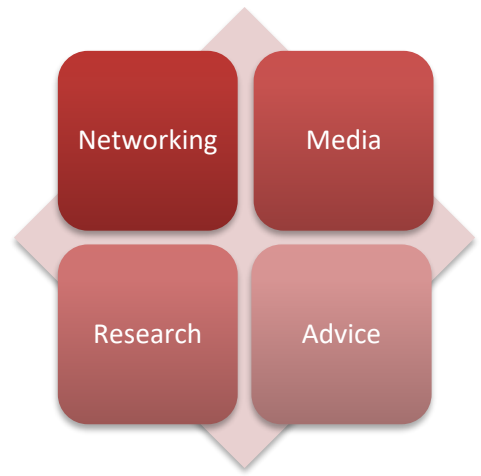
The Finanser's Week: 20th January - 27th January 2019

What Long Finance Does

“When would we know our financial system is working?”

This is the question underlying Long Finance’s goal to improve society’s understanding and use of finance over the long-term. In contrast to the short-termism that defines today’s economic views, the Long Finance time-frame is roughly 100 years.

 <p>Financial Centre Futures</p> <ul style="list-style-type: none"> Global Financial Centres Index Global Green Finance Index Smart Centres Index Vantage Financial Centres 	 <p>Sustainable Futures</p> <ul style="list-style-type: none"> Global Green Finance Index London Accord 	 <p>Distributed Futures</p> <ul style="list-style-type: none"> Smart Centres Index 	 <p>Eternal Coin</p> <ul style="list-style-type: none"> ExtZy 	 <p>Meta Commerce</p>
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Recent Research



The Global Green Finance Index 3
MARCH 2018

Amsterdam, London, Zurich, Paris, Frankfurt, Copenhagen

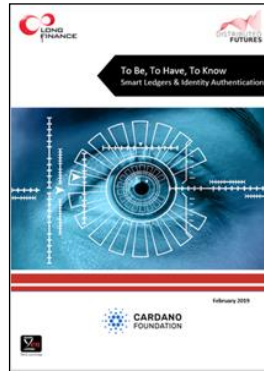
MAVA



The Global Financial Centres Index 25
MARCH 2018

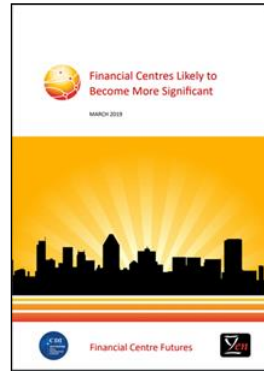
USA, UK, China, Singapore, Hong Kong, South Korea, Japan, Canada, Switzerland, Germany, Australia, UAE, India, Brazil, Russia, Mexico

Financial Centre Futures



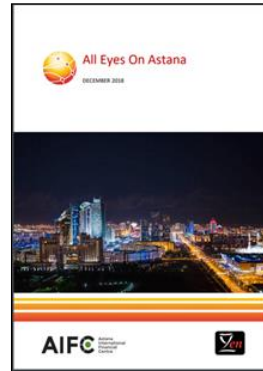
To Be, To Have, To Know
Smart Ledgers & Identity Authentication

CARDANO FOUNDATION



Financial Centres Likely to Become More Significant
MARCH 2018

Financial Centre Futures



All Eyes On Astana
OCTOBER 2018

AIFC



Information Rules: Smart Ledger Architectures & Distributed Permissions
DECEMBER 2018

PERMISSION REQUIRED, PERMISSION GRANTED

CARDANO FOUNDATION



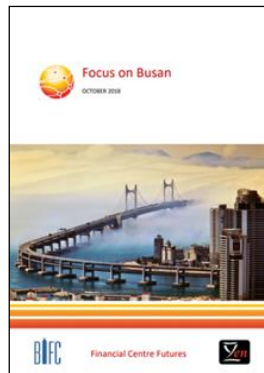
Smart Jurisdictions Index
NOVEMBER 2018

CARDANO FOUNDATION



Cyber-Catastrophe Insurance-Linked Securities On Smart Ledgers
NOVEMBER 2018

CARDANO FOUNDATION



Focus on Busan
OCTOBER 2018

BIFC



The Global Green Finance Index 2
SEPTEMBER 2018

MAVA



The Global Financial Centres Index 24
SEPTEMBER 2018

Financial Centre Futures

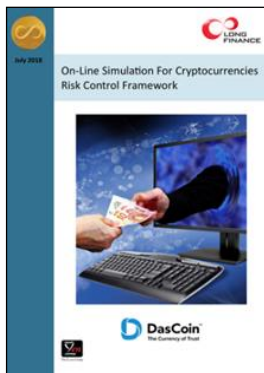


China's Financial Center Index (CFI CFI 10)
Shenzhen, China
2018



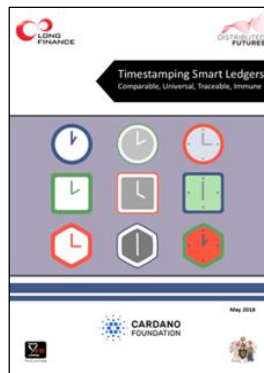
Smart Ledgers & Collective Defined Contribution Pensions
JULY 2018

CARDANO FOUNDATION



On-Line Simulation For Cryptocurrencies Risk Control Framework
JULY 2018

DasCoin



Timestamping Smart Ledgers
Comparative, Universal, Traceable, Immune

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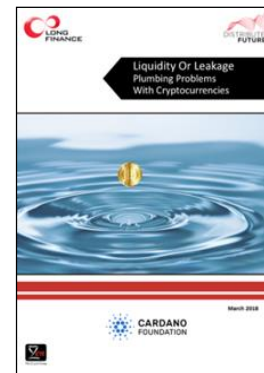
The Economic Impact Of Smart Ledgers On World Trade
APRIL 2018

CARDANO FOUNDATION



The Global Financial Centres Index 23
MARCH 2018

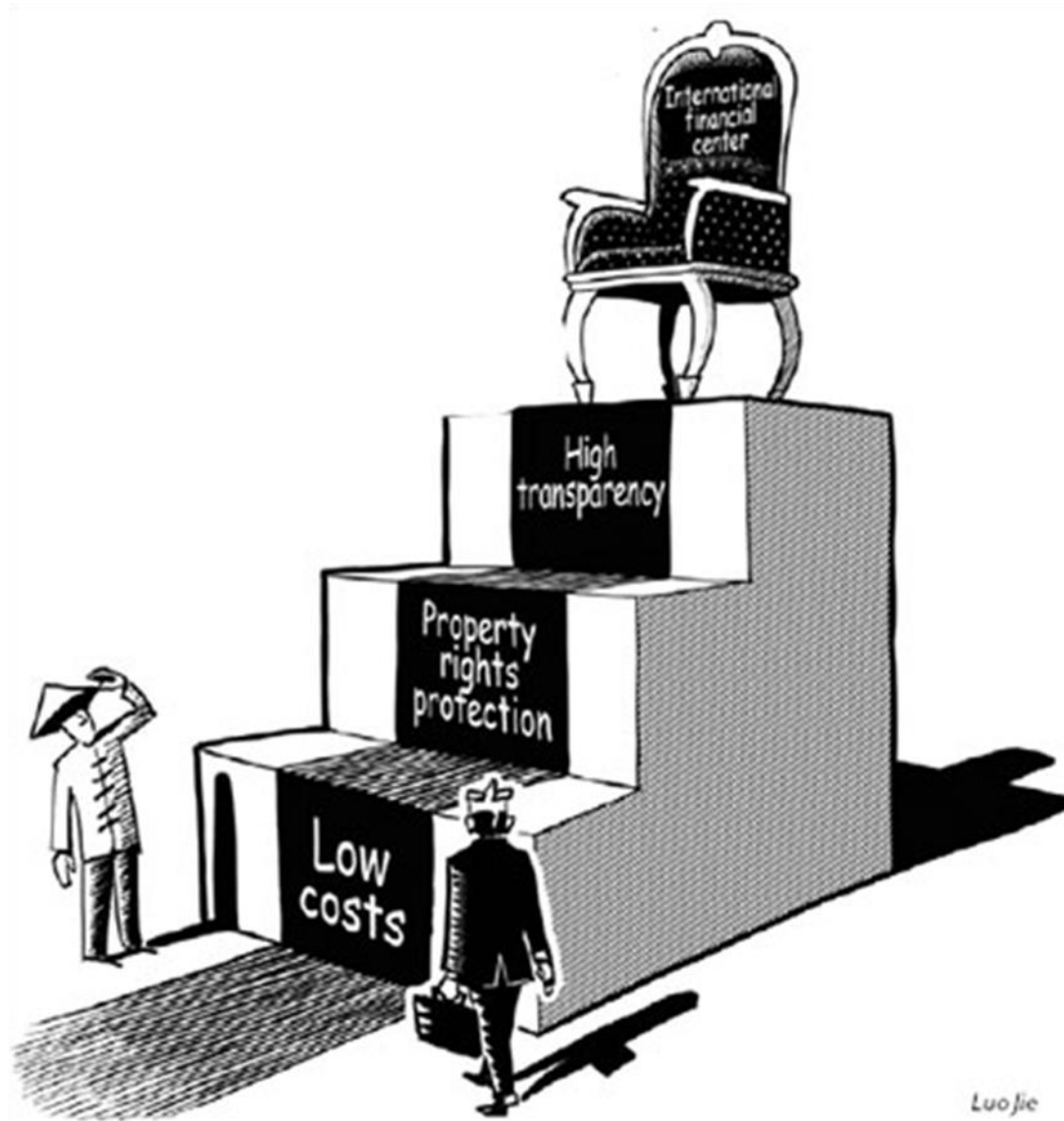
Financial Centre Futures



Liquidity Or Leakage Plumbing Problems With Cryptocurrencies
MARCH 2018

CARDANO FOUNDATION

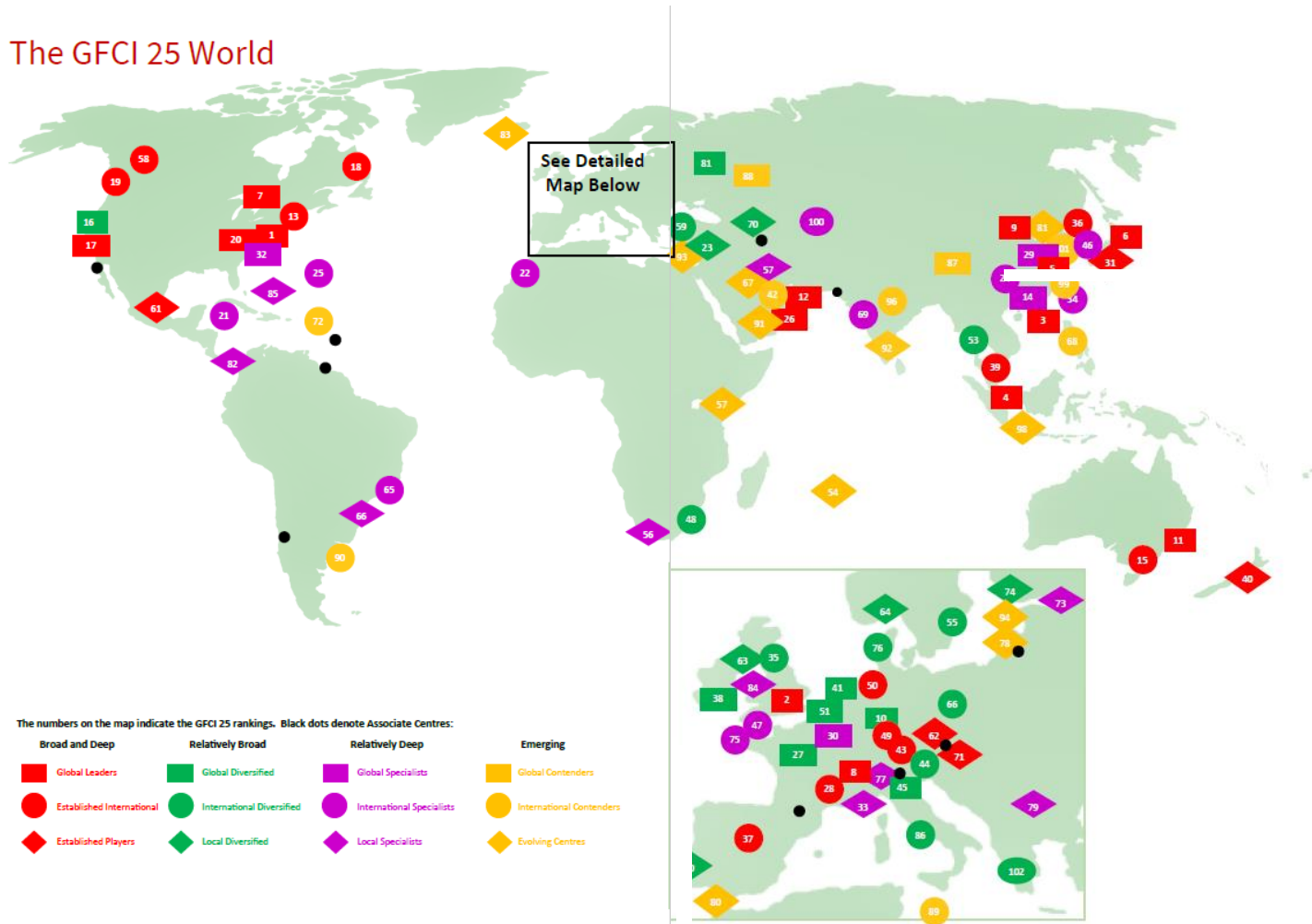
A Simple Climb?



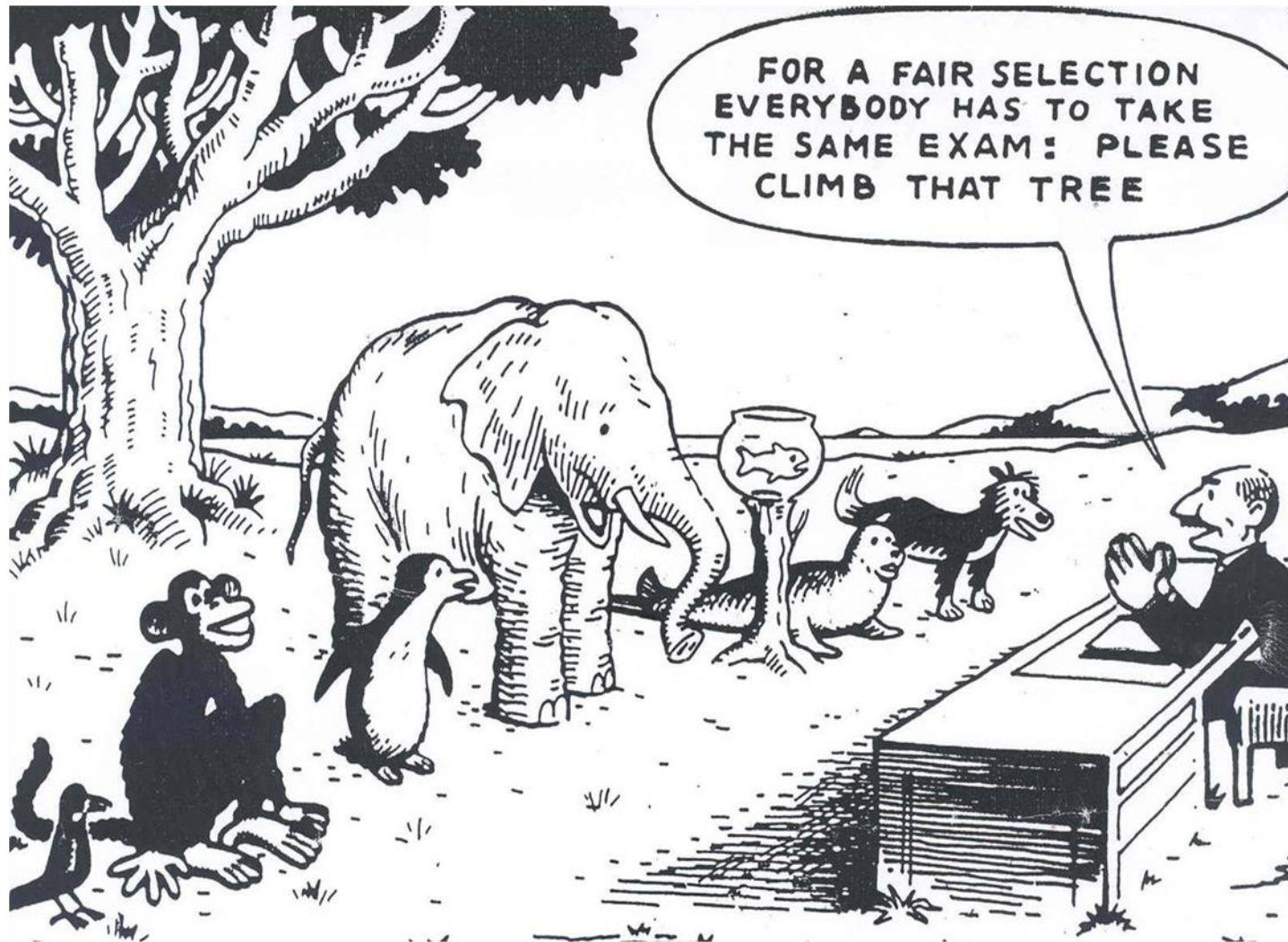
The GFCI World

102 Centres In GFCI 25 Plus 10 Associate Centres

The GFCI 25 World



One True Strategy For Success



“Treat All Comers Fairly”



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Smart Centres Index: The Environment For The Development Of New Technology



Apolline Blandin
Research Fellow
Cambridge Centre for
Alternative Finance



@FSClub



@ZYenResearch



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Cambridge Centre for Alternative Finance

Global Cryptoasset Regulatory Landscape Study

Apolline Blandin: Cryptocurrency and Blockchain Research Manager,
Cambridge Centre for Alternative Finance

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I. OVERVIEW

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Judge Business School



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The study in a nutshell

Objective: global empirical analysis of regulatory approaches and practices with regards to cryptoassets

Target audience: regulators and policymakers, industry actors, academics, trade associations, and other stakeholders

Contributors: 20+

Project duration: 10+ months

Methodology: desktop research & in-person interviews

Pages: 100+



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How to navigate the report: study structure



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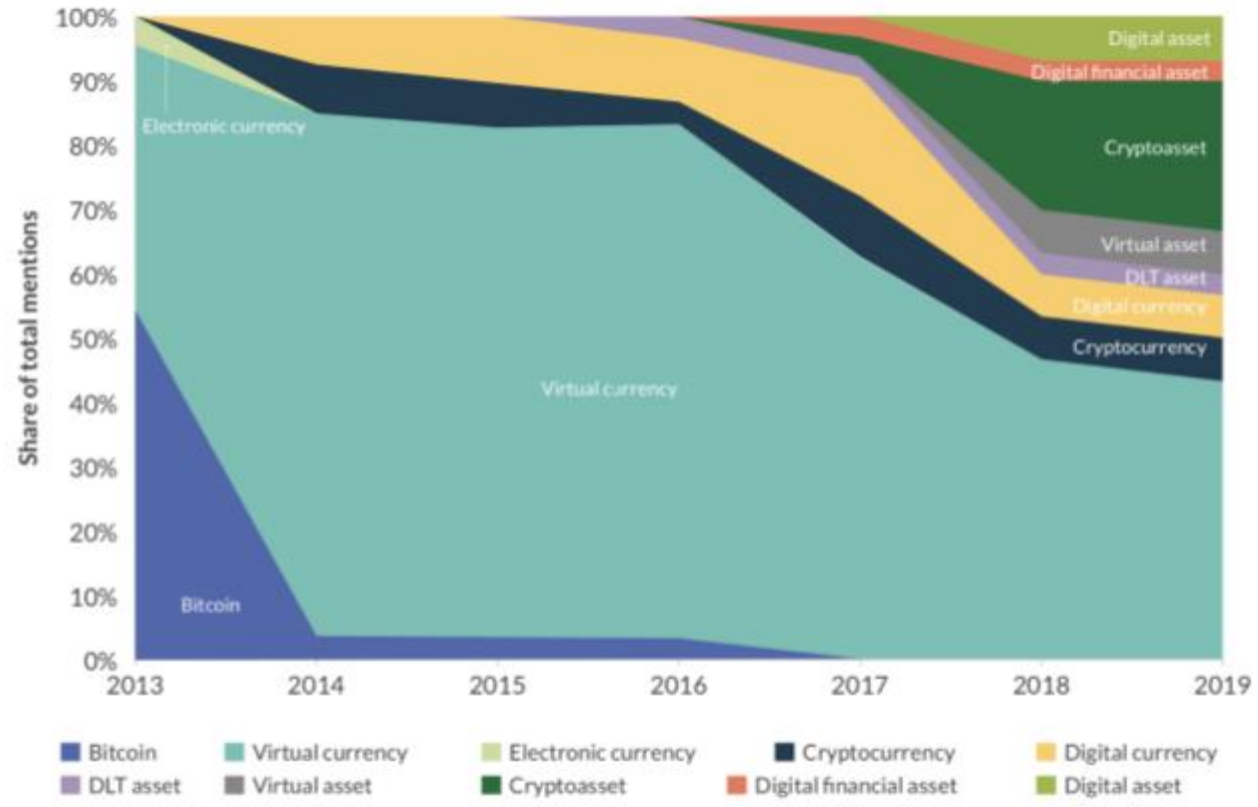


II. KEY FINDINGS

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No standard usage of terminology across regulators

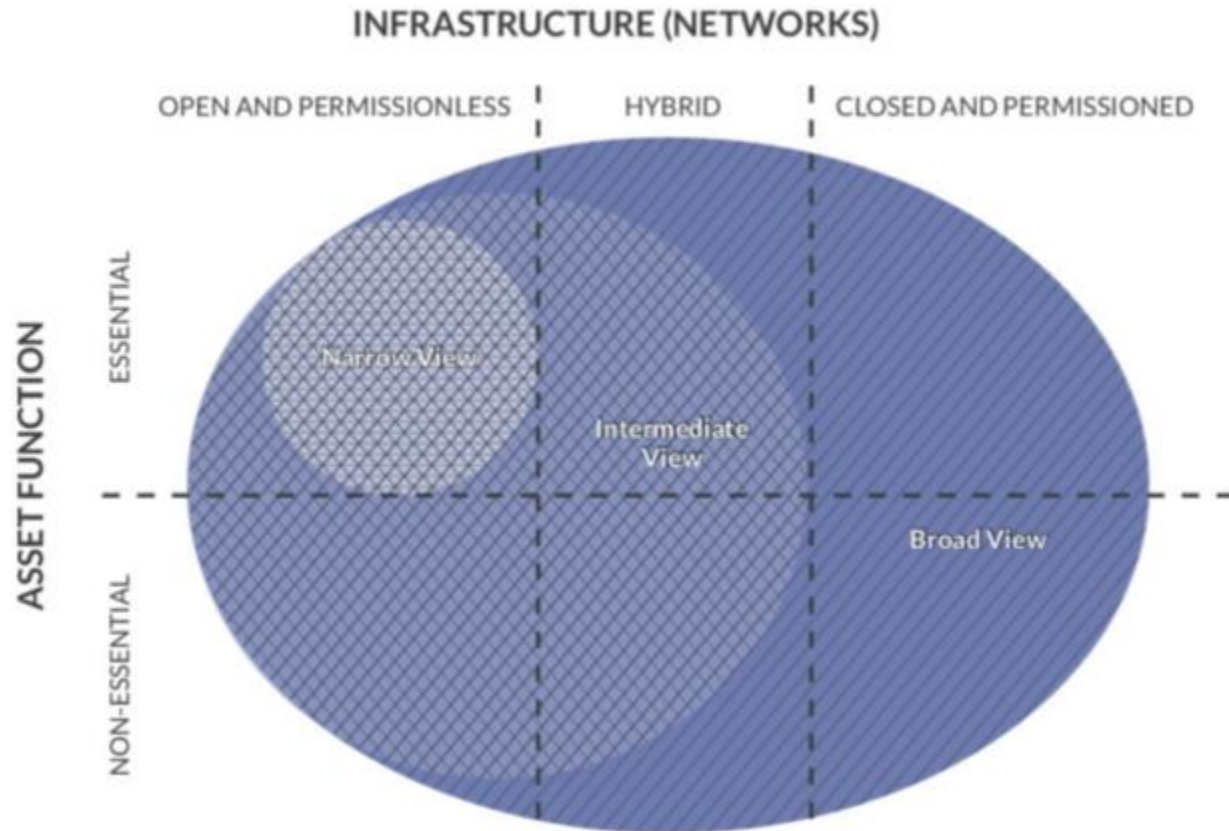




Determining the boundaries of the term “cryptoasset”

3 interpretations:

- a) Broad view
- b) Intermediate view
- c) Narrow view





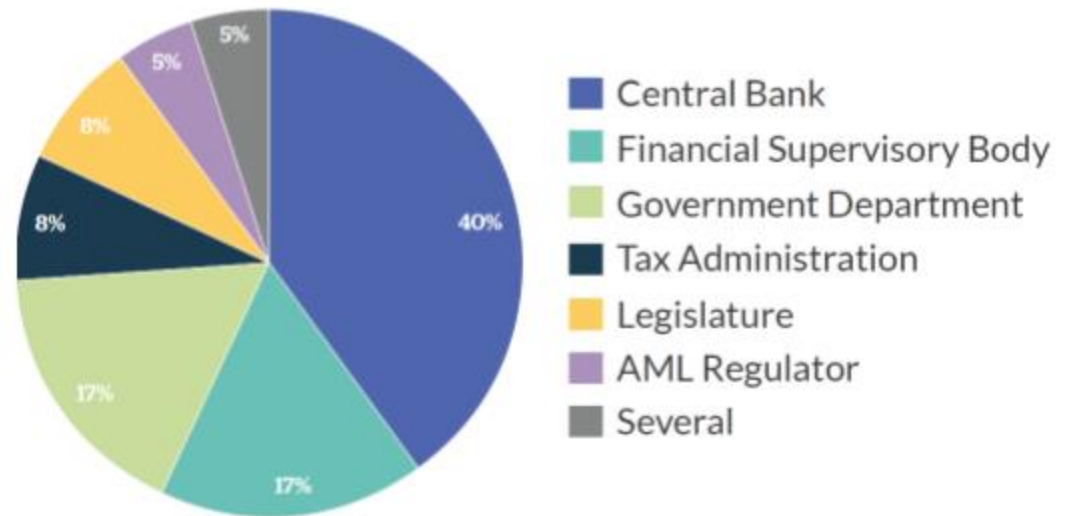
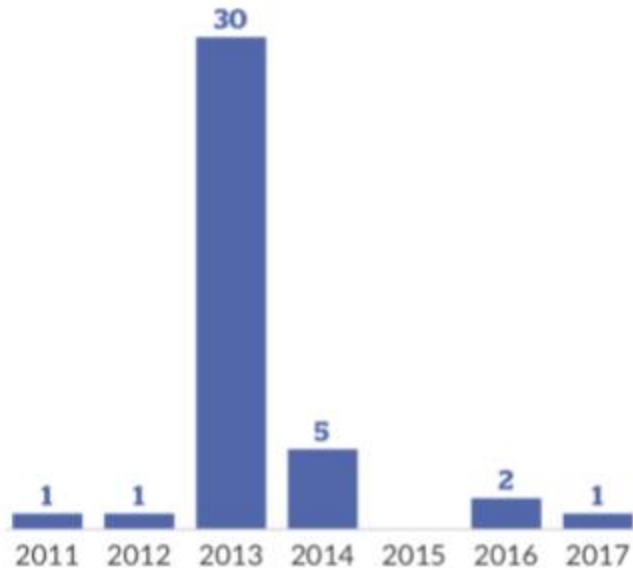
Blockchain & DLT: impact on asset form, nature, or both?

*DLT may change the **form** of an asset but not necessarily its **nature***

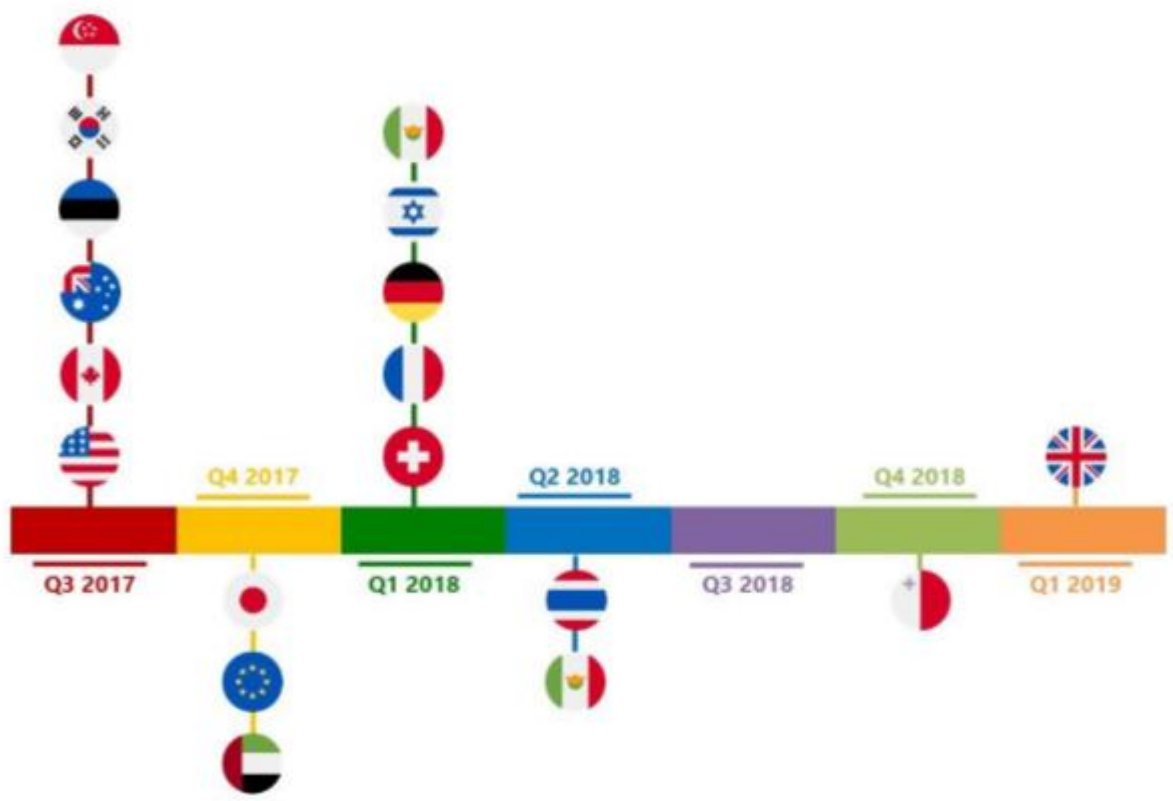
		ASSET NATURE			
		Conventional		New	
		Financial: Stocks, bonds, money, derivatives, depository receipts, private equity, private debt, etc.	Non-financial: Real estate, commodities, etc.	Cryptoassets ("narrow" view): Cryptocurrencies and utility tokens	Other: ¹³ Documents, media files, domain names, digital collectibles, etc.
FORM	Physical	Paper certificate or register: directly held by owner or custodian	Depends on asset nature: often physical possession and/or paper certificate or register	N/A	N/A
		<i>Gateways required to bridge the physical and the digital world (hybrid or exogenous)</i>		<i>No gateways required: purely endogenous</i>	<i>Gateways may be required</i>
	Electronic	Ownership registries: dematerialised asset held by CSD or custodian	N/A	Depository receipt: claim on custodial service provider	Internal enterprise registry system
	DLT-based token	a) Direct issuance ¹⁴ : natively digital b) Tokenised ¹⁵	Tokenised: cannot be natively digital	Primary issuance: endogenous to DLT system	Depends on the application type and underlying platform



Timeline of first official statements by authorities



Timeline of first guidance issuance: security or not?





Regulatory responses can be grouped into four categories

Existing regulation

Application of existing laws or regulations to cryptoasset activities



Bespoke regulatory regime

A distinct regulatory framework applied to a set of activities, of which cryptoasset activities are but one aspect



Retrofitted regulation

Amendment of existing laws or regulations to include one or more cryptoasset activities



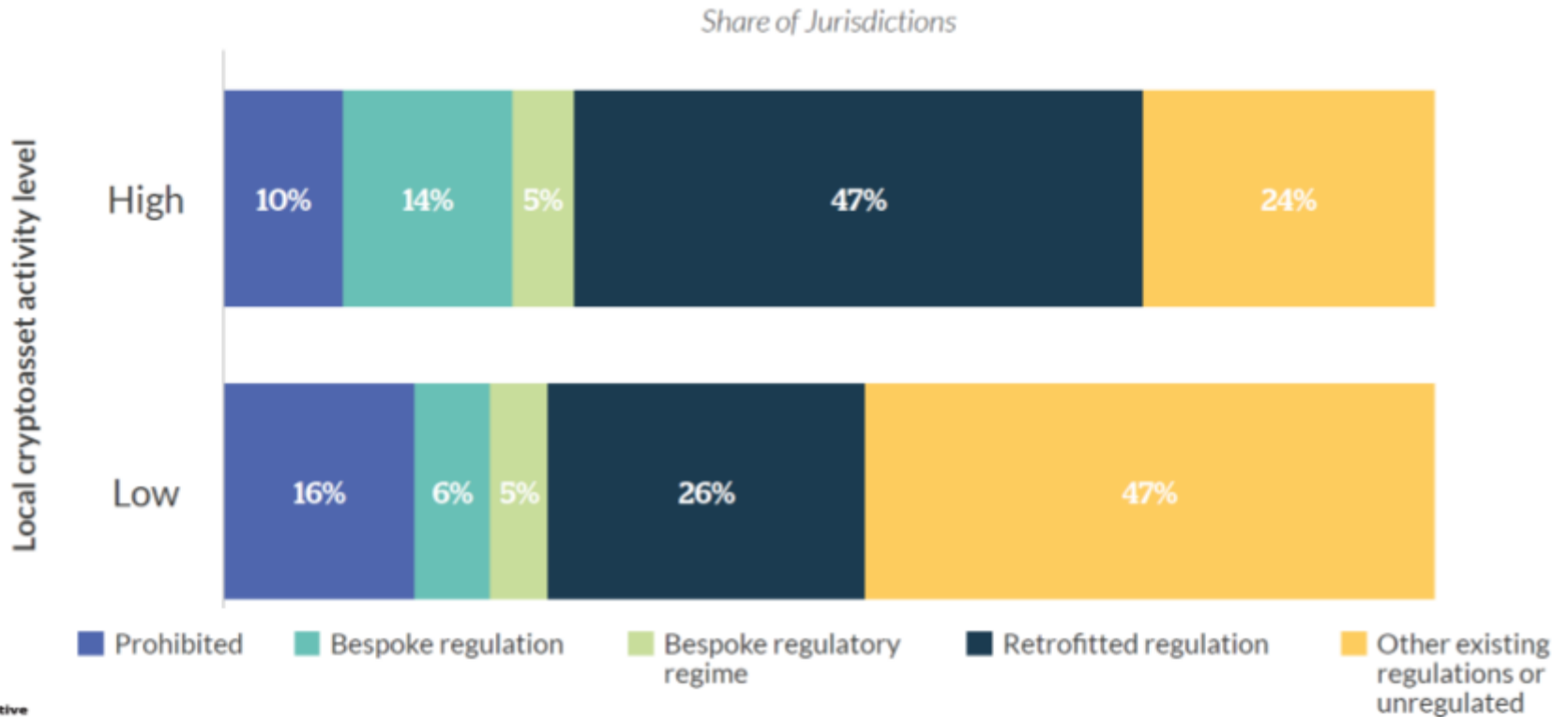
Bespoke regulation

New law or regulation enacted or issued specifically to regulate cryptoasset activities



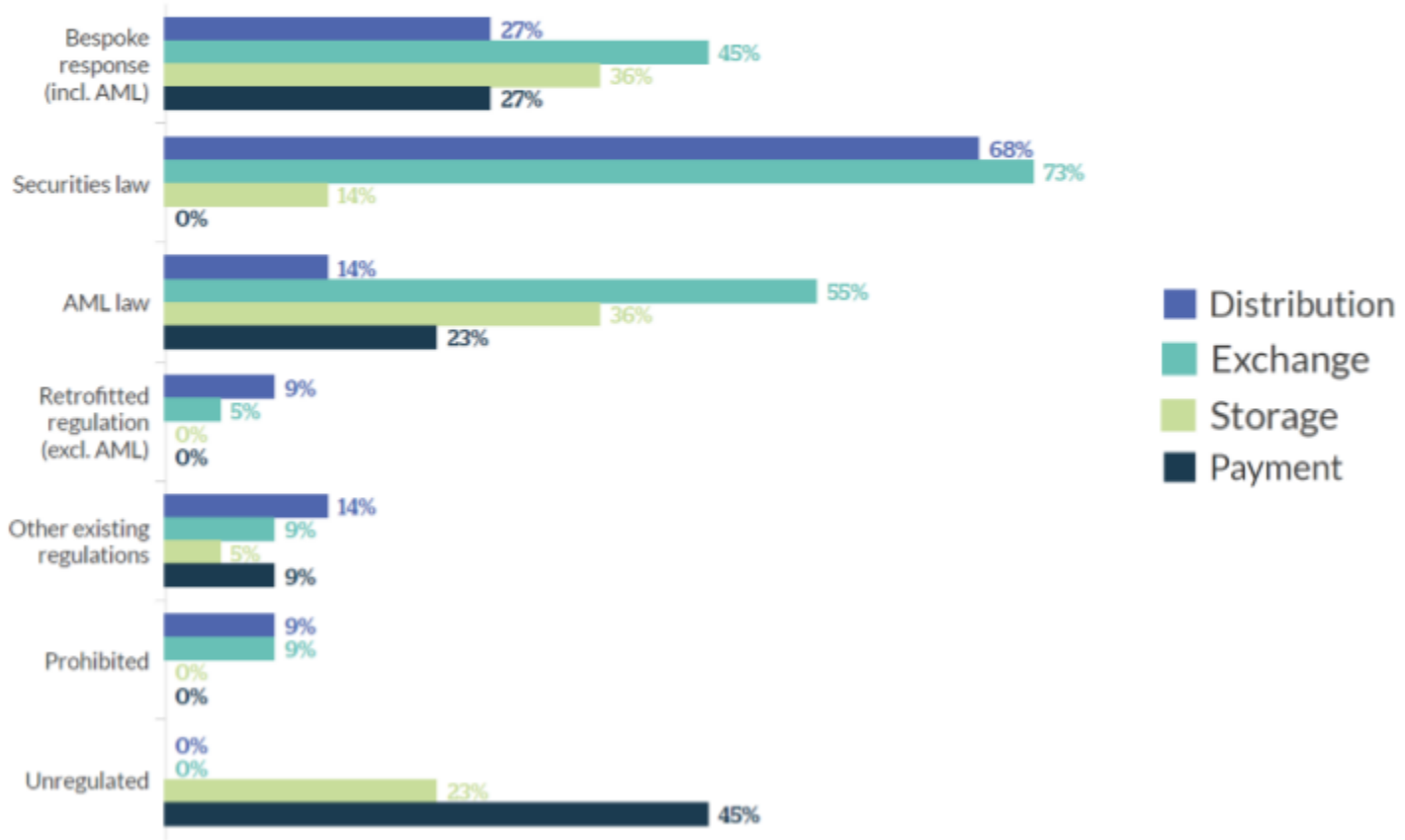


'Retrofitting' prevails when level of cryptoasset activity is high





ICOs and exchanges are the main focus of regulatory attention



Many regulatory challenges remain





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Smart Centres Index: The Environment For The Development Of New Technology



Mike Wardle
Head Of Indices
Z/Yen Group



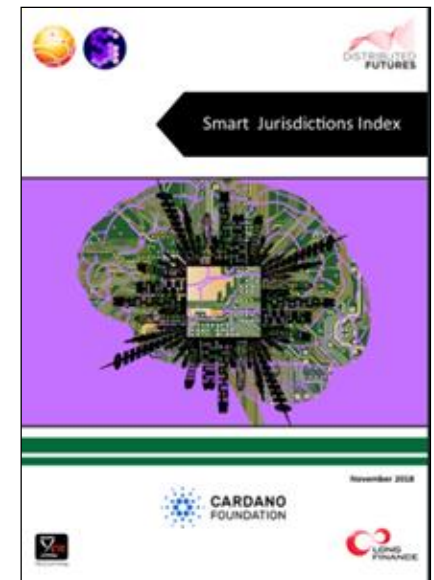
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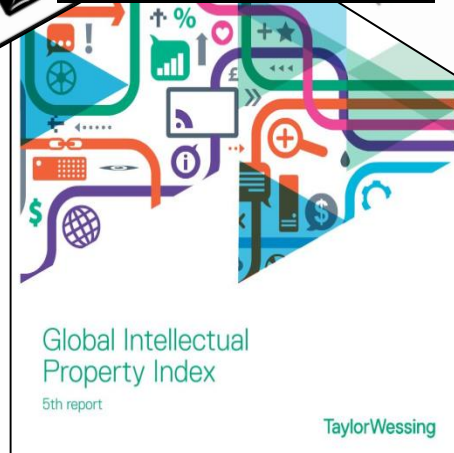
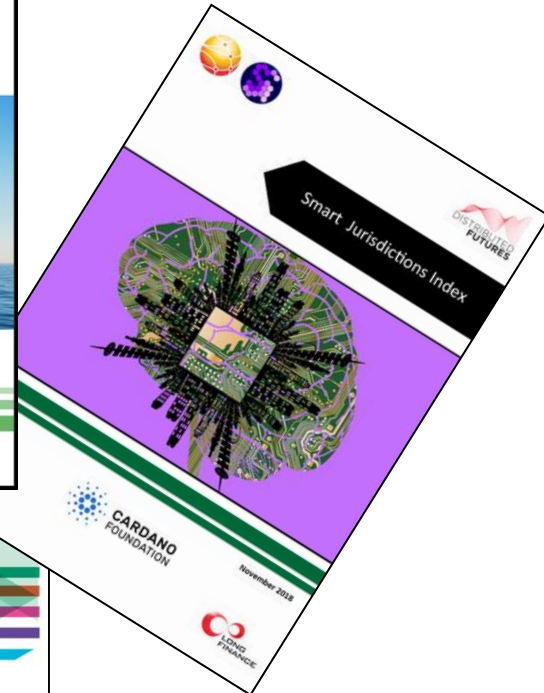
@ZYenResearch

The Smart Centres Index

- ◆ Published a report on a pilot Smart Jurisdictions Index in 2018
- ◆ Looked at countries and states and their response to new technology
- ◆ Feedback on the pilot made us look again
- ◆ Decision to focus on centres/cities, which are driving economic development and focus on the future
- ◆ And to broaden the scope from smart ledgers to a range of new technologies and science



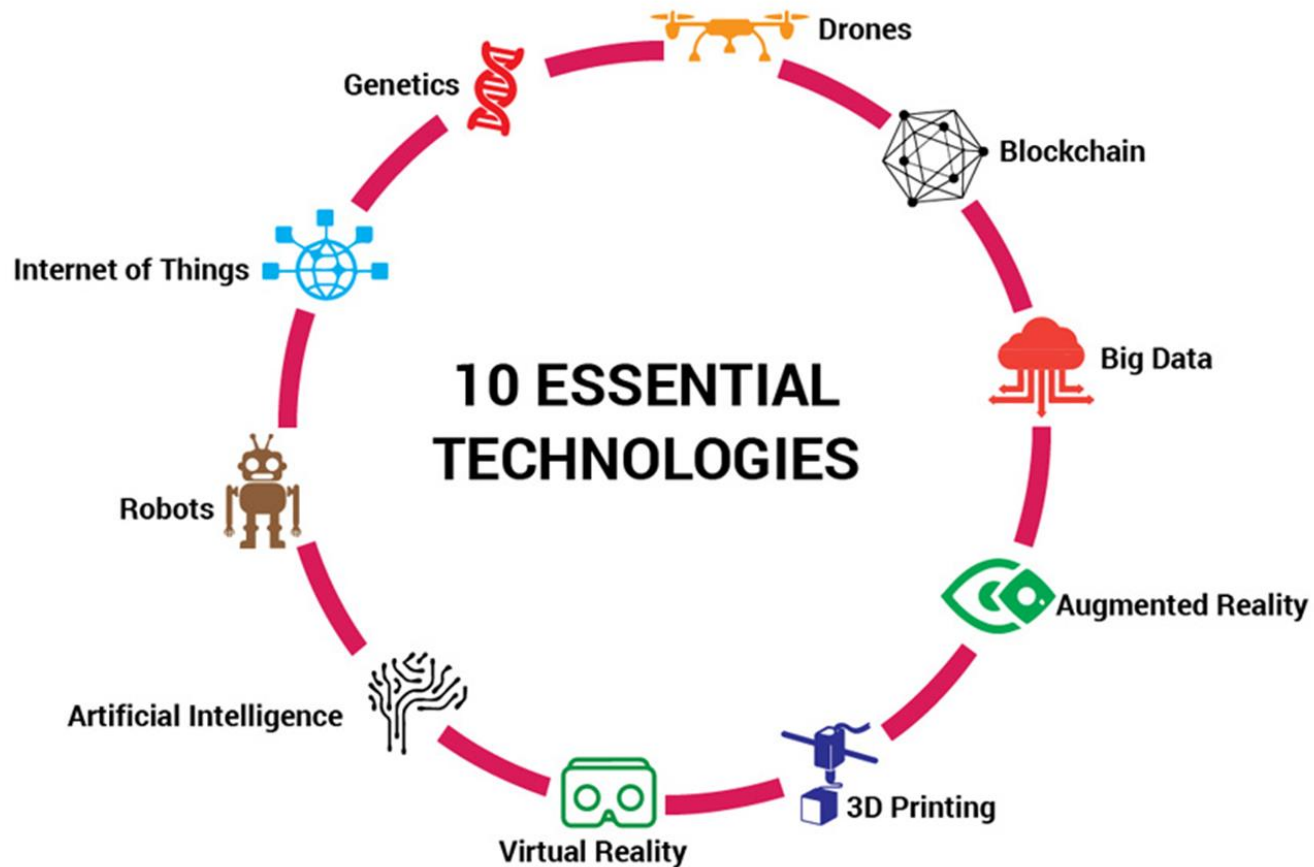
Z/Yen Indices



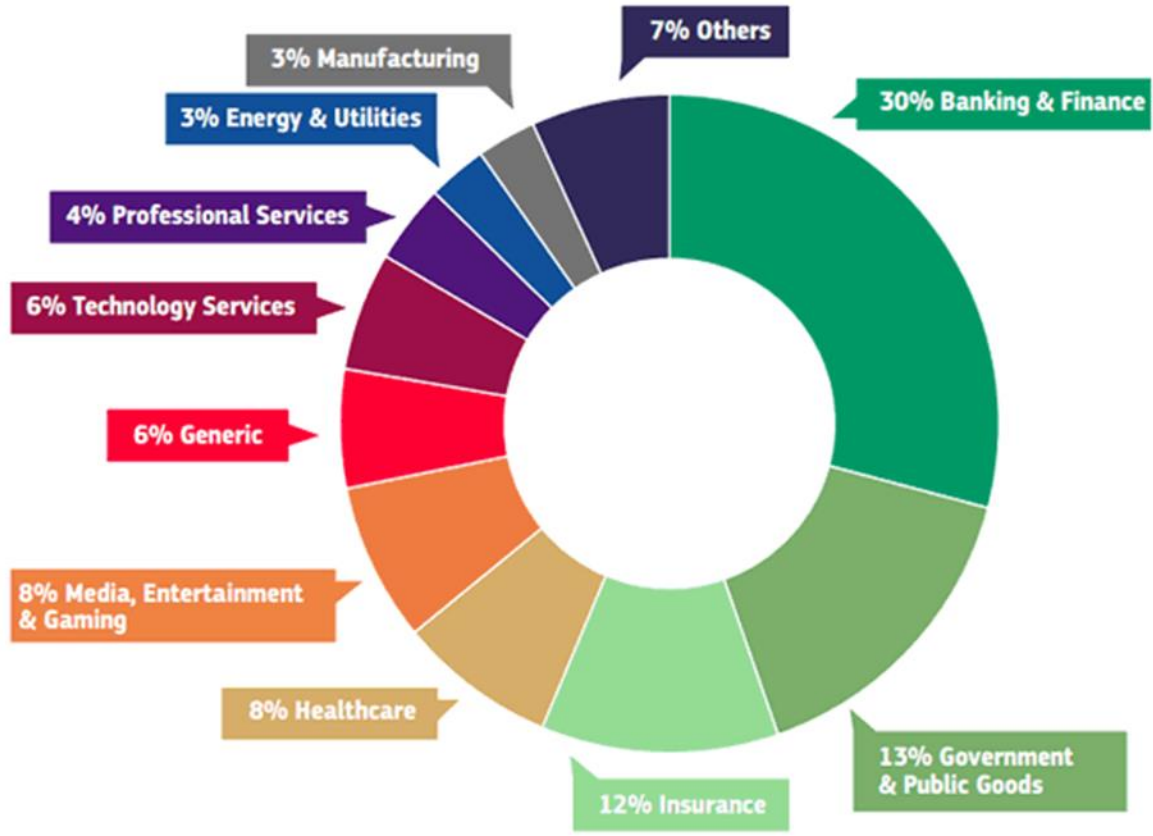
Why A Smart Centres Index?

- ◆ Commercial and financial centres focused on the fourth industrial revolution – the digital economy
- ◆ Looking for competitive advantage
- ◆ Exploring how best to exploit new technology
- ◆ Looking at how to promote and regulate growth

Technology Focus



Sectors Currently Using Distributed Ledger Technology

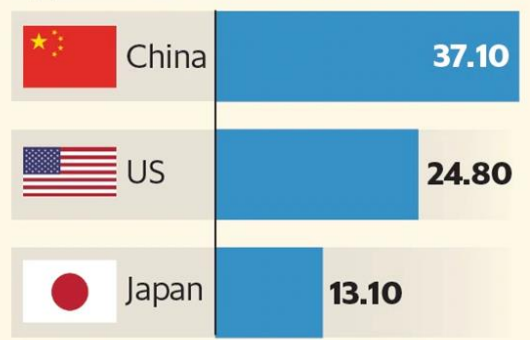


Source: www.jbs.cam.ac.uk/faculty-research/centres/alternative-finance/publications/global-blockchain/#.Wms8ZrPtypo

Leaders In AI

AI leaders across the world

Share of global AI patent applications from 1997-2017



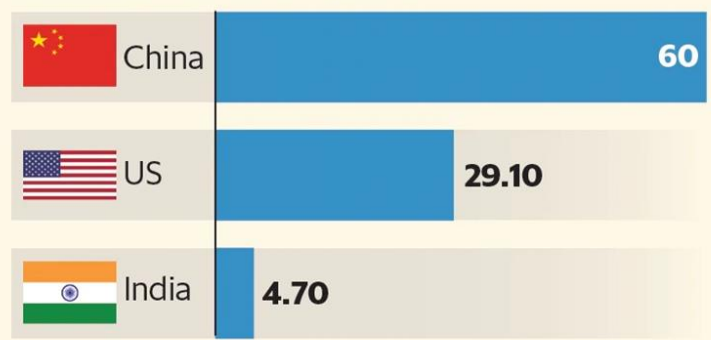
Share of AI experts/talents



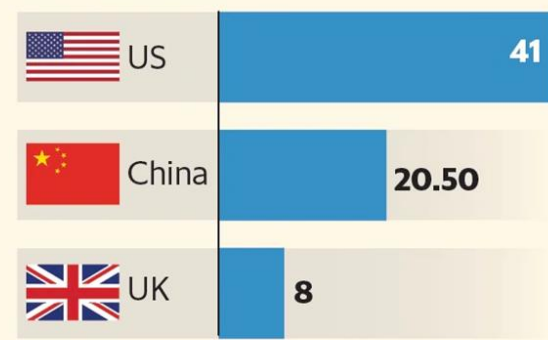
Share of papers published in the field of AI from 1997-2017



Share of global AI investment and financing from 2013- Q1 2018



Share of AI companies as of June 2018



All figures in %

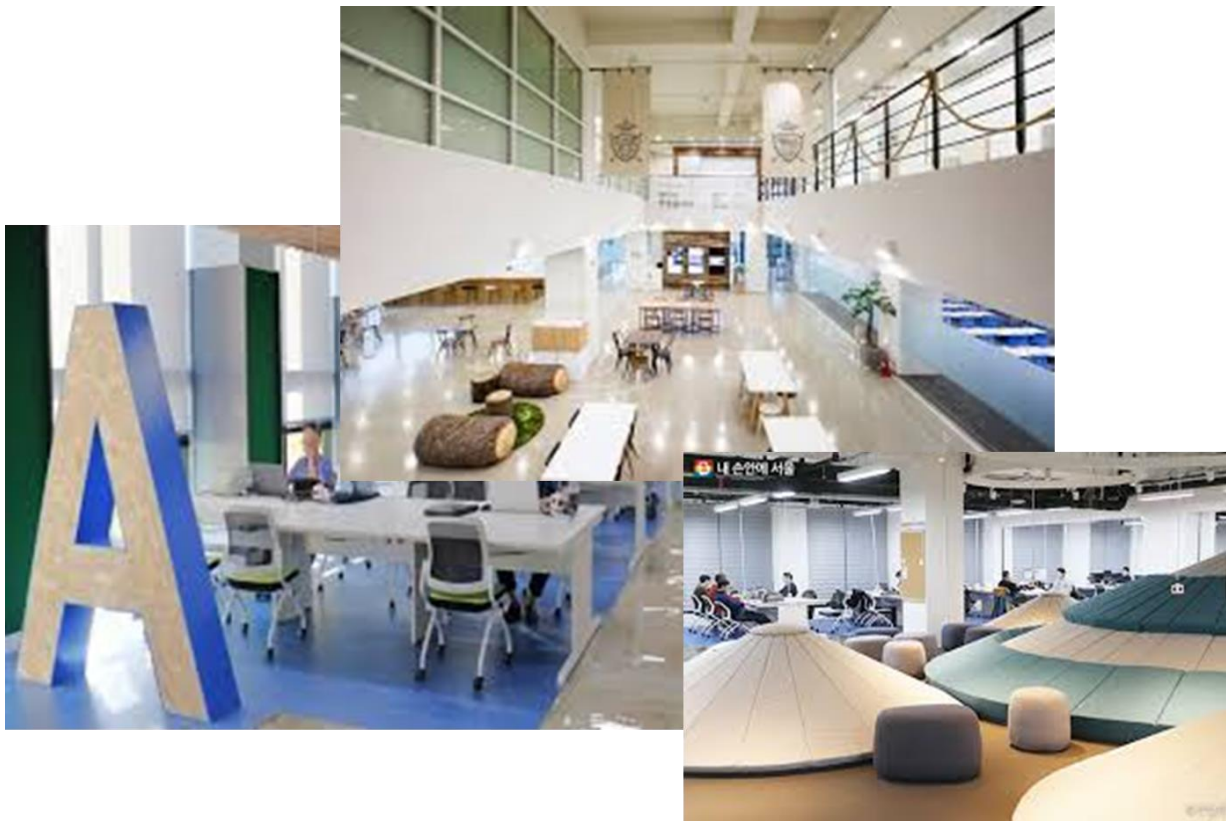
Source: Statista, published Dec 2018

Leaders In Education

Country	Number of Universities Featuring In Top 20 For Engineering & Technology, Computer Science, And Mathematics
USA	15
UK	4
China	3
Singapore	2
Switzerland	2
Canada	1
Japan	1
Italy	1
Netherlands	1
France	1

Smart Centres - Seoul

- ◆ Start up hub – free business accommodation
- ◆ Focus on digital and smart technology start ups



Smart Centres - Singapore

- ◆ Looking to build on success
- ◆ Focus on Fintech – but also looking at Healthtech



FINANCIAL SERVICES INDUSTRY TRANSFORMATION MAP





BUSINESS STRATEGIES

-  Leading international wealth management hub
-  Asian hub for fund management and domiciliation
-  Global forex price discovery and liquidity centre in the Asian time zone
-  Asian centre for capital raising and enterprise financing
-  Full service Asian infrastructure financing hub
-  Leading centre for Asian fixed income
-  Global capital for Asian insurance and risk transfer



INNOVATION & REGULATION

Regulation for Innovation with Soundness

- Facilitate innovative business models using regulatory sandbox
- Strengthen cyber resilience of financial institutions
- Adopt technology to simplify financial institutions' regulatory compliance



JOBS & SKILLS

- Expand talent pool and deepen specialist skillsets in areas like IT for both new entrants and mid-career PMETs
- Build pipeline of Singaporean finance leaders through international postings and flagship programmes
- Reskill and redeploy PMETs through professional conversion programmes
- Strengthen HR practices through an industry code on hiring and redeployment





The financial services ITM focuses on core financial services, which includes banks, capital market intermediaries, fund management companies, and insurance companies, and excludes holding companies (which is included in the national accounts classification of the financial services sector).

- ◆ Masschallenge Healthtech
- ◆ Partnership with Health Policy Commission

Overview of the HPC's Partnership with MCHT



In September 2018, the HPC entered a partnership with digital health accelerator, MassChallenge HealthTech (MCHT), with the goals of promoting community-based providers' access to digital health solutions and identifying digital health tools that may address high-priority policy areas

Funding

- 1 Year: ~\$170k commitment to support MCHT's operating costs and provide pilot funds to start-ups to test innovations in community-based provider systems

Collaboration areas

Source startups to address high-priority policy areas

Serve as a Champion in MCHT's Core Program, and issue challenge areas to source startups that are working to address them.



Promote partnerships with community-based providers

Promote partnerships between digital health startups and community-based providers through a scholarship program and through community-building events.

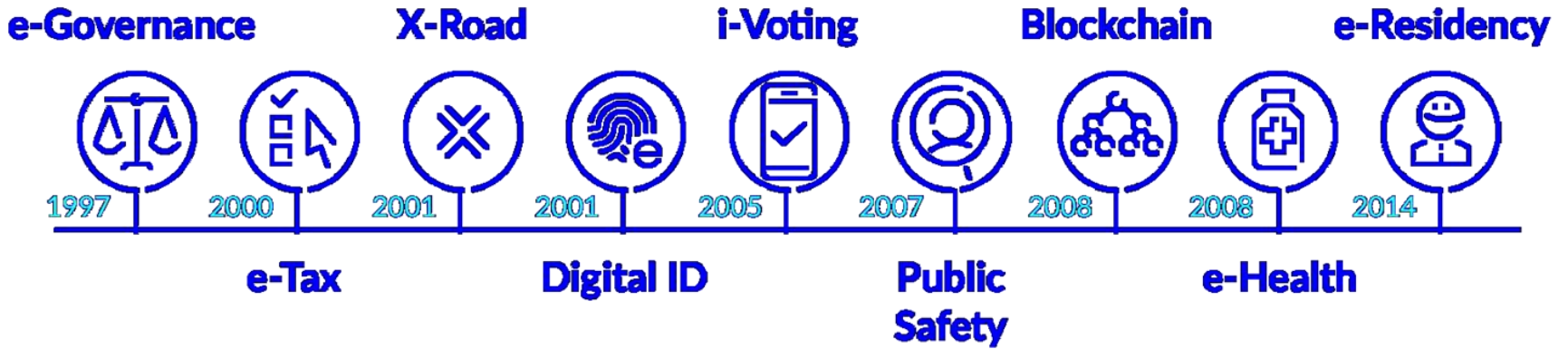


Develop marketplace resources

Co-author resource guides to the piloting and adoption of digital health solutions in a variety of provider settings in MA.



Smart Centres - Tallinn



- ◆ Digital economy strategy
- ◆ Includes capital, engagement, location, education, government services, regulation and law

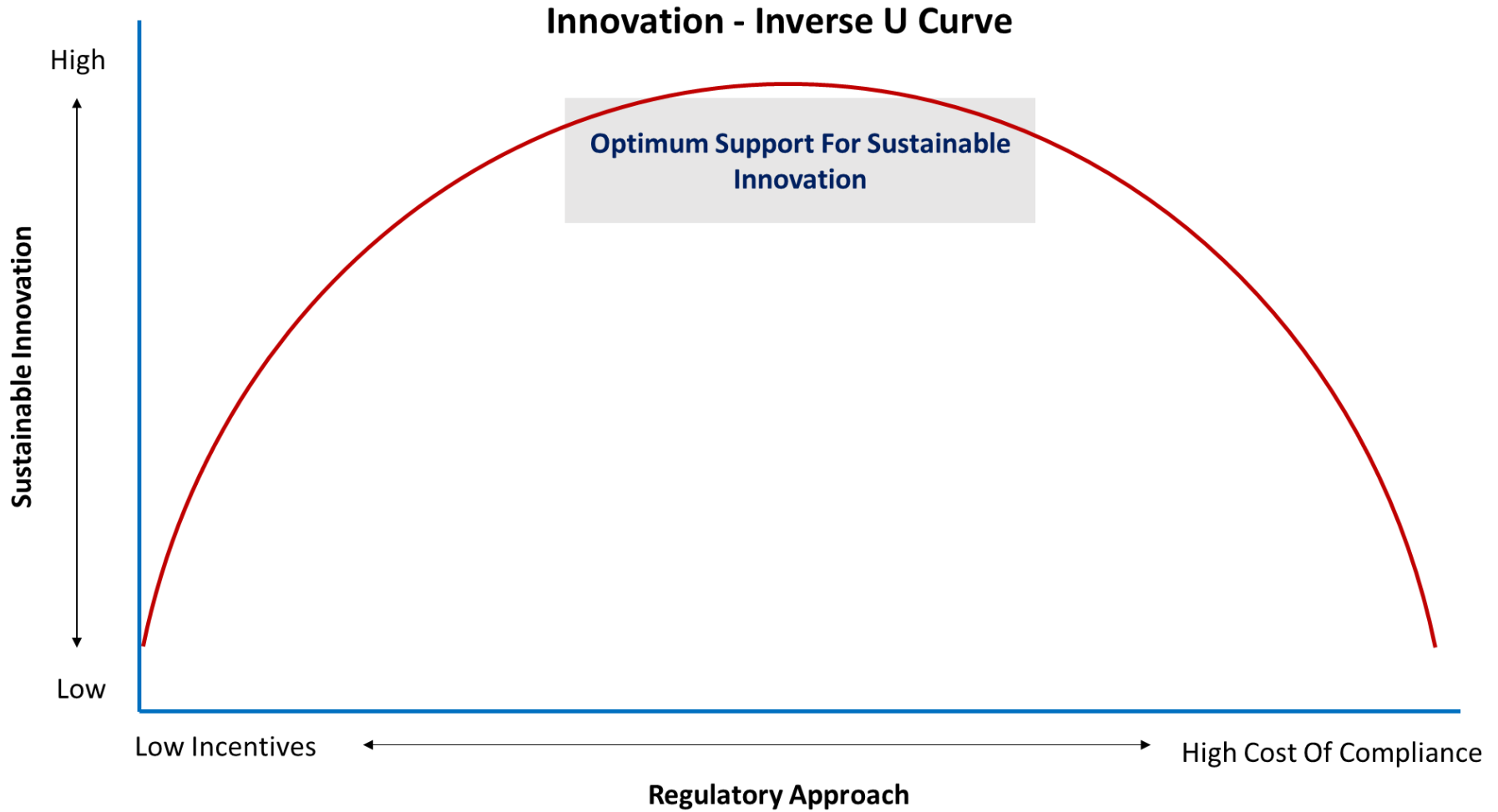
Digital Economy Activities

- Providing appropriate support for tech-industry incubators & engagement model for the City's direct role in facilitating seed funding for tech start-ups.
- Creating an enabling environment for the venture capital industry & enhancing the investment experience of magnet companies.
- Facilitating engagement between role-players in the ICT sector & Providing access to economic/market intelligence.
- Investigating the feasibility and potential benefits of a tech-precinct in the City of Cape Town. (Allocate Land)
- Partnering with tertiary institutions & private sector to grow the pool of ICT professionals in Cape Town.
- More government services online = Higher demand for internet services = Growing market = Business case for infrastructure and service expansion
- Create an enabling regulatory environment to promote economic activity – continue to cut red tape.
- Maintain the necessary responsiveness in City policy and by-laws to accommodate new ways of doing business.

- ◆ Fintech sector strategy with government support
- ◆ Crossover into Insurtech and Regtech
- ◆ Regulatory sandbox
- ◆ Promoting developments in Legaltech, smart ledgers, asset management
- ◆ Leading the policy debate

Potential Positive Effect On Innovation	Type Of Regulation	Potential Negative Effect On Innovation
Economic Regulation		
Increases incentives for investment in innovation	Competition Enhancing And Securing Regulation	Prohibits R&D co-operation
Reduces competition for incumbents	Market Entry Regulation	Prohibits market entry for innovative business
Allows competitors to enter the market	Antitrust Regulation	Dominant companies have limited incentives to invest in R&D
Allows efficient takeovers	Merger & Acquisitions	M&A restrictions limit incentive to innovate
Secures minimum turnovers and decreases risks	Price Regulation	Price caps reduce innovation incentives
Incentives to achieve progress in productivity	Regulation Of Natural Monopolies	High price pressure and low gains prohibit R&D
Social Regulation		
Promotes eco-friendly alternatives	Environmental Protection	Restricts innovation and creates compliance cost
Creates incentives for development of processes with higher workers' safety	Health & Safety Regulation	Restricts innovation and creates compliance cost
Increases acceptance of new products	Product & Consumer Safety	Restricts innovation and creates compliance costs
Institutional Regulation		
Increases acceptance of new products	Liability Requirements	Too high liability risk reduce incentive to innovate
Job Security	Employment Protection	Higher adjustment cost
Increased confidence for investment in innovation	Bankruptcy Laws	Can restrict availability of external finance
Incentives to invest in R&D	Intellectual Property Rights	Restriction in development of new technologies

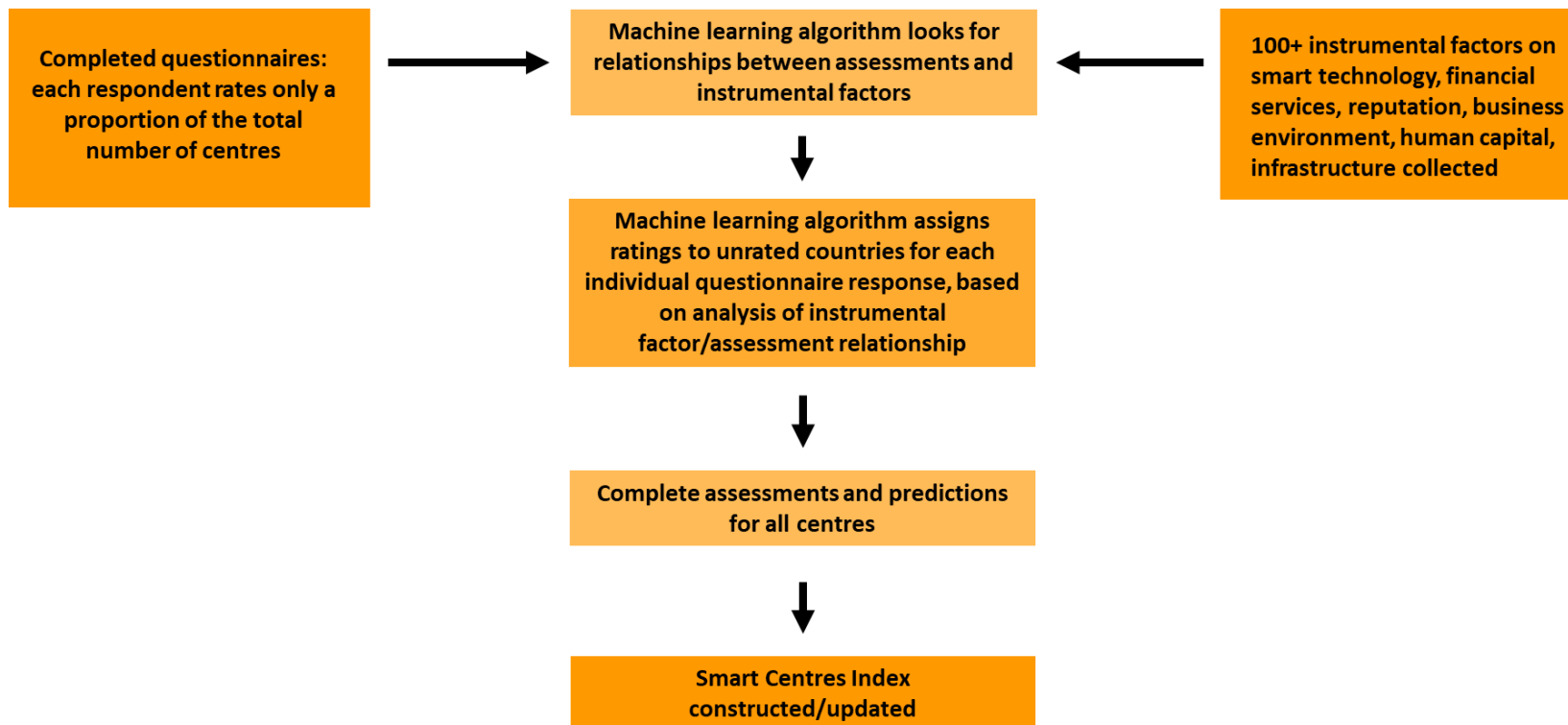
Regulatory Inverse U-Curve



- ◆ Factor assessment index
- ◆ Looks at places – cities and metropolitan areas which are hubs for new technology development
- ◆ Measure of development over time
- ◆ Aimed at centres that are looking to develop and investors wanting to know where to focus



Factor Assessment Index



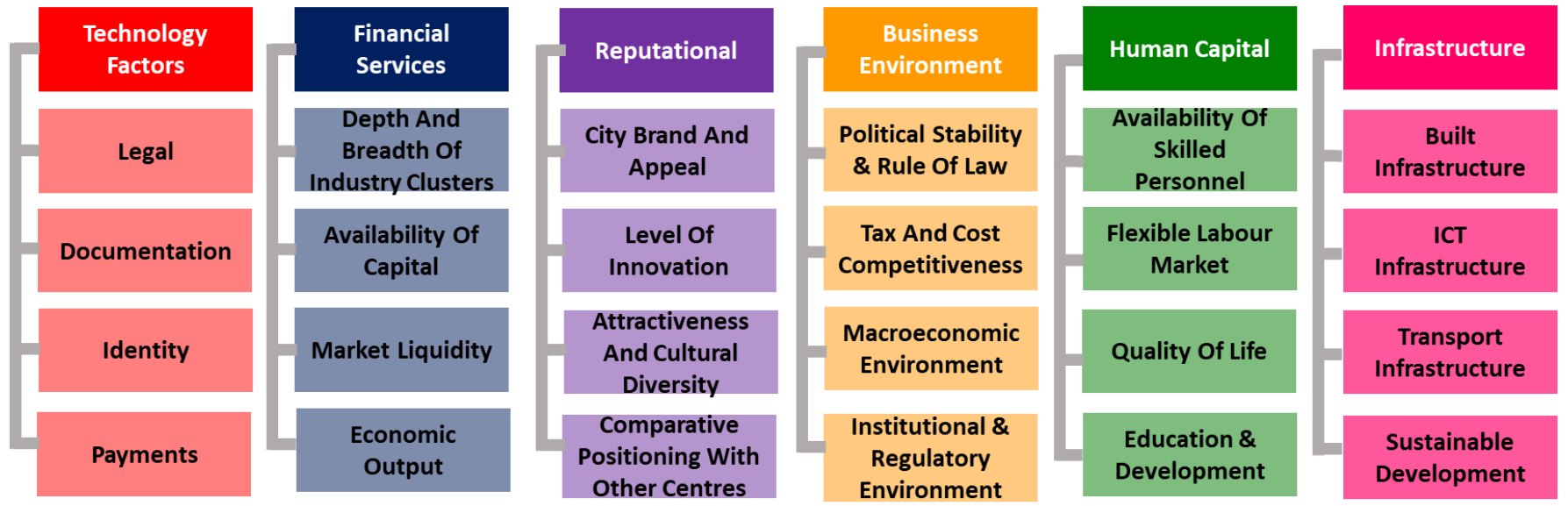


Machine Learning Algorithm

- ◆ No one respondent will know all centres' capabilities
- ◆ There is no model which would allow us to weight the quantitative factors accurately to demonstrate their importance
- ◆ We use a machine learning algorithm that learns from existing data (in this case quantitative measures and survey responses) to predict outcomes
- ◆ If a respondent has rated Singapore, Seoul, Tokyo, and Boston, the model predicts the probability of how that respondent would have rated all other centres based on the underlying data
- ◆ The model fills in gaps in the data to allow a more accurate assessment of capability and performance
- ◆ Enables “What if...” analysis

Smart Centres Index: Taxonomy Of Instrumental Factors

Areas of Competitiveness



- ◆ Survey live

- ◆ Seeks views on 125 centres in three areas:
 - Quality of regulatory systems for new technology

 - Depth to which new technology is embedded in economic activity and service delivery

 - Quality of new technology application and development in the centre

<https://smartcentresindex.net/survey/>

Preliminary Results

- ◆ Still gathering responses to the SCI survey though have run and initial analysis
- ◆ Top 21 centres – subject to change

North America	Asia/Pacific	Western Europe
New York	Singapore	London
Chicago	Hong Kong	Amsterdam
San Francisco	Tokyo	Geneva
Washington DC	Sydney	Frankfurt
Toronto	Shanghai	Paris
Boston		Dublin
Vancouver		Edinburgh
		Zurich
		Luxembourg

- ◆ Moscow leads Eastern Europe & Central Asia, while Dubai leads for the Middle East & Africa. The Cayman Islands features for Latin America & The Caribbean

Panel Session



Richard Hay
Partner
Stikeman Elliott



FS Club



Questions, Comments & Answers(?)



The Past & Future Of Pensions

Lesley Titcomb, Non-executive Director,
StepChange



📅 Wednesday, 10 July 2019 18:00

📍 **Pewterers' Hall**, The Worshipful Company of
Pewterers, Pewterers' Hall, Oat Lane, London



The Quantum Threat (& Opportunity) To Financial Services

Maury Shenk
Guest TBD



📅 Thursday, 18 July 2019 8:30

📍 **85 Gresham Street**, London



Corporate Actions: The Case Of The Missing Billions

Sander Eijkenduijn, CFO Scorpeo LLC



📅 Wednesday, 04 September 2019 18:00



Central Bank Independence & The Future Of The Euro

Professor Panicos Demetriades



📅 Thursday, 03 October 2019 18:00

📍 **Pewterers' Hall**, The Worshipful Company of
Pewterers, Pewterers' Hall, Oat Lane, London



Identity: What's Needed For The City?

Hugh Morris, CEO, ChainZy



📅 Thursday, 17 October 2019 18:00

📍 **Pewterers' Hall**, The Worshipful
Company of Pewterers, Pewterers' Hall, Oat Lane,
London



An Update On EU Financial Services Legislation & Associated Initiatives

Sir David Doyle



📅 Wednesday, 08 January 2020 18:00

📍 **Pewterers' Hall**, The Worshipful Company of
Pewterers, Pewterers' Hall, Oat Lane, London





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