

PRESS RELEASE

Financial technology and sustainable development some of the biggest challenges for capital markets

The Cyprus Securities and Exchange Commission held a round table discussion with the Hellenic Securities and Exchange Commission to exchange views on upcoming legislative developments and challenges

Nicosia, February 28, 2024 - The Cyprus Securities and Exchange Commission (CySEC) and the Hellenic Capital Market Commission discussed the challenges facing the European markets in a round table discussion held in Nicosia.

The Chairman of the Cyprus Securities and Exchange Commission, Dr George Theocharides, emphasised the rapid technological development of capital markets and the demand for sustainable investments, which are significantly reshaping the global investment landscape and require close oversight. The two supervisors discussed the implementation of the Markets in Crypto-Assets Regulation (MiCA) before the end of the year and the adoption of the Digital Operational Resilience Act (DORA), which aim to strengthen the operational resilience of markets.

The discussion on 'The legislative framework under discussion in the EU and the impact of technology on the investment sector', with the Chair of the Hellenic Capital Market Commission, Dr Vassiliki Lazarakou, also touched on the opportunities and challenges associated with the adoption of financial technologies and new ESG investments, including greenwashing, and underlined the importance of the role of supervisory authorities in protecting investors.

Welcoming Dr Lazarakou to Cyprus, Dr Theocharides expressed the hope that this discussion would be the first of many with other supervisory authorities. "Significant changes in financial legislation, together with the risks arising from the rapid development of new technologies and the demand for more sustainable investment products, highlight the need for closer cooperation between supervisory authorities with a view towards strengthening their effectiveness in addressing common challenges", he added.

"Technological developments are drastically changing economic activity, particularly in the capital markets sector, and it is therefore necessary for supervisory authorities to adapt to a digital environment and to every aspect of the new situation in general so as to perform

their role with reliability and efficiency. Protecting investor interests and ensuring equal treatment of investors are and remain the key priority for capital markets authorities, which are now called upon to act in interconnected markets and therefore require a framework for cross-border cooperation between them. This ensures speed in the exchange of information and the management of supervisory issues, as is the case with the cooperation between the Hellenic Capital Market Commission and the Cyprus Securities and Exchange Commission”, said Dr Lazarakou.

The discussion, which was held at the Hilton Nicosia hotel, was attended, among others, by the Cypriot Minister of Finance, Makis Keravnos, the Deputy Minister to the President of Cyprus, Irene Piki, members of the Standing Committee on Financial and Budgetary Affairs of the House of Representatives of Cyprus, as well as other government officials and stakeholders.

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