

## Anita Angelovska-Bezoska: Workshop on fintech - opening remarks

Opening remarks by Ms Anita Angelovska-Bezoska, Governor of the National Bank of the Republic of Macedonia, at the NBRM Workshop on Fintech, Skopje, 28 May 2018.

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Dear Mr. Jay Tikam,

Dear colleagues,

It is my great pleasure to open the NBRM workshop on a topic that has been attracting a rising interest by regulators, supervisors and central bankers, i.e. a workshop on fintech organizations that, by combining new business models and innovative technology, gradually change the shape of the financial services segment. The main idea of this workshop is to become better acquainted with this rather new but very important topic. It has been organized with the support of the European Fund for Southeast Europe, for which we are thankful.

Although in continental Europe, fintech companies account for just a small share of the markets for banking, payment services and asset management, still they are on the rise as they are rapidly entering the markets and competing with banks. According to Ernst&Young's Fintech Adoption Index, one-third of the consumers utilize at least two or more fintech services and they are increasingly aware of FinTech as part of their day-to-day activities. The FinTech Adoption Index for services offered by fintech organizations, divided into five broad categories – money transfers and payment services, financial planning tools, savings and investments, borrowing and insurance, indicates that money transfers and payment services are continuing to lead the fintech charge with adoption standing at 50% in 2017 and 88% of consumers anticipating of doing so in the future.

This rapid rise in fintech organizations has posed many dilemmas: What are the benefits that fintechs bring to the society, on the one hand, and what are the risks that they create, on the other? Is it the end of banking or are banks going to team up with the newcomers? One of the main concerns in this regard is that while fintech companies increase financial inclusion, facilitate the access to finance and lead to more competitive markets, they can also be conducive to cutting costs and rising risks in the traditional banking segment.

Against this background, the FinTech topic has received an increasing attention in the central banking community, including our central bank. We have been closely monitoring the fintech developments, evaluating the benefits and risks that they bring and trying to strike a right balance given the local context. An important step in this direction is the draft law on payments that is expected to provide impulse for new companies with innovative, but safe financial services.

This workshop is conceived as a platform for getting better insight in the fintech developments, exchanging opinions, sharing ideas with a view of drawing the outlines of our future FinTech Strategy. In this light, I am delighted to invite Mr. Tikam to share with us part of his rich experience and knowledge on this topic. Mr. Tikam is an experienced Executive Level Advisor with 26 years commercial experience, having played multifaceted roles, with the last 22 years in financial services. Having in mind Mr. Tikam's proficiency, I have no doubts that today we will have fruitful discussions and valuable exchange of experiences to the benefit of all participants.

Mr. Tikam, thank you for your efforts in making this workshop happen. The floor is yours.