



**BANCA D'ITALIA**  
EUROSISTEMA

## **Milano Hub – Results of 2021 Call for Proposals**

Speech by Alessandra Perrazzelli  
Deputy Governor of the Bank of Italy

28 February 2022

Welcome everyone. I am very pleased to be here today to present the results of Milano Hub's inaugural 2021 Call for Proposals on artificial intelligence and to announce the names of the 10 projects that - after a rigorous review process - will participate in the Bank of Italy's innovation centre.

### **How did we get here?**

We received 40 projects submitted by 62 different operators: financial intermediaries, start-ups, service providers, universities, industry associations, research centres, consulting firms and law firms (slide 1).

The call was answered by young start-ups (less than two years old) and by Italian and foreign banking, finance, insurance and commercial groups, including some listed companies.

Universities also feature prominently: 22 per cent of the projects submitted hail at least in part from the world of academia.

The response to the call for proposals has been very positive. It has served as a further source of stimulation for the Bank of Italy in helping the financial system to face the challenges posed by the technological innovation process.

The results of the call only go to show that innovation knows no boundaries, drawing together participants from across the financial ecosystem, regardless of size. This is also confirmed by the discussions we have had with the market through our other two innovation incubators: the FinTech Channel and the regulatory sandbox.

In 11 cases, the applications were submitted jointly by two or more applicants, often from different economic sectors (slide 2). These are projects that require the input of a variety of professionals, or that involve operators with traditional business models turning to Fintech companies or specialized service providers for their know-how to improve processes and to adapt products.

Breaking it down geographically (slide 3), 66 per cent of the projects come from the North of Italy, 18 per cent from the Centre, and 11 per cent from the South and the

Islands; the remaining 5 per cent were submitted by foreign applicants. Our interaction with these operators has shown that, while the distribution is uneven, nonetheless throughout the country there are plenty of even small entities with a significant wealth of knowledge and high-quality human capital that we should be tapping into increasingly.

The projects submitted (slide 4) stand out for their high quality and variety. This fully reflects the dynamism and complexity of the artificial intelligence sector, which is undergoing a period of strong expansion throughout the world.

The proposals received focus mainly on innovative payment methods, anti-money laundering regulations, asset management and tokenization of financial instruments. In addition, there are projects involving RegTech solutions and risk measurement and management tools, specifically for environmental, social, and governance (ESG) risk.

### **What awaits us?**

The Bank of Italy plans to form a group of experts to support each of the projects selected.

This represents a significant commitment on the Bank's part, offering the assistance of expert staff, usually for a period of six months, to help develop and design the solutions proposed.

Starting in March, the teams will begin their work of consulting with the applicants. To ensure transparency, the list of the 10 winning projects and a brief description of each project will be published on the Bank's website.

An ancient Chinese proverb states 'A journey of a thousand miles begins with a single step'. We have taken many steps these last few months. Today's event marks another stage in a journey that began some time ago, one that I won't pretend has been smooth sailing all the way but which I nonetheless believe opens up exciting new horizons.

So I have faith; we, along with our market operator partners, are searching for solutions that could have positive externalities, not just for the applicants, but for the entire system. The results of the 2021 Call for Proposals show that the path we have chosen is the right one. The collaboration between Milano Hub and the other two innovation incubators, the Fintech Channel and the regulatory sandbox, are sure to strengthen this process.

Finally, allow me to reiterate what the Governor stated at the start of today's event: I would like to thank all the members of the Project Evaluation Panel, the consultants and all the colleagues who, in various ways, have contributed to the success of this event.

I hope that the opening of the Milano Hub will prove to be another example of our country's ability to 'pull together'.

## MILANO HUB

Results of the 2021 Call for Proposals

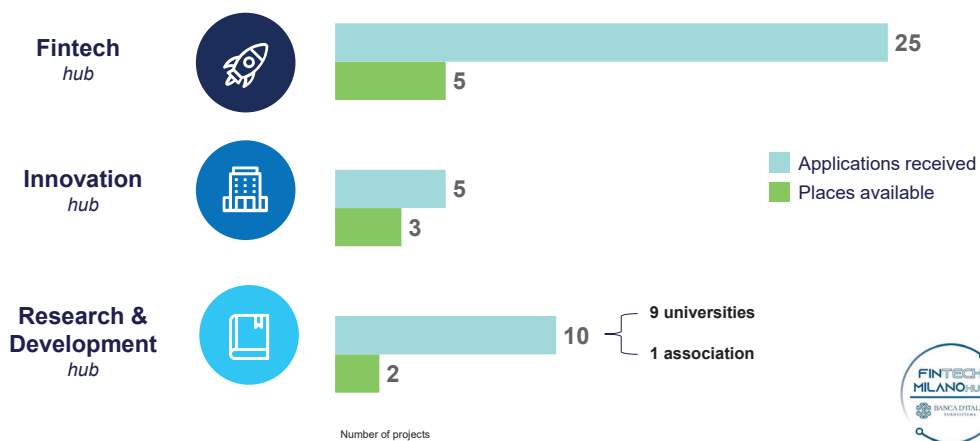
*Alessandra Perrazzelli*

28 February 2022



### The Hub's three areas of operation

40 projects submitted by a total of 62 entities (applicants + participants)



**SLIDE 1**

## Joint initiatives

11 joint applications



SLIDE 2

## Geographical distribution

Considering the registered office of the 62 entities (applicants + participants)

**North 66%**  
**Centre 18%**  
**South and Islands 11%**  
**Foreign 5%**

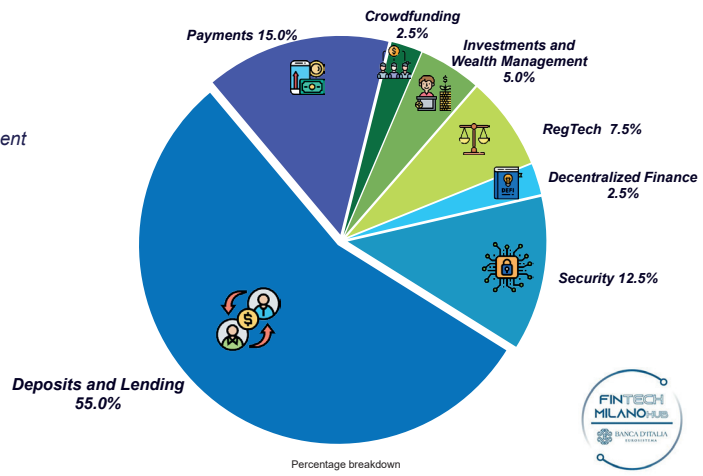


SLIDE 3

## Main reference area of the projects

Breakdown of the 40 projects

- 22 *Deposits and Lending*
- 6 *Payments*
- 5 *Security*
- 3 *RegTech*
- 2 *Investment and Wealth Management*
- 1 *Crowdfunding*
- 1 *Decentralized Finance*



SLIDE 4

