

Jorgovanka Tabakovi: Payment services between the digital anvil and the regulatory hammer

Speech by Dr Jorgovanka Tabakovi, Governor of the National Bank of Serbia, at the Banking Law 2025 conference, organised by the Association for Banking Law, Belgrade, 17 November 2025.

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Dear guest speakers and dear participants from the region, welcome to Belgrade and to Serbia.

Esteemed colleagues, ladies and gentlemen, welcome to the second international conference *Banking Law 2025*.

A little over a year and a half ago, in the amphitheatre of the National Bank of Serbia, the formal founding assembly of the Association for Banking Law was held. Several professionals and enthusiasts in this field – among them professors from the Faculty of Law, in-house lawyers from banks, attorneys, as well as legal experts from the National Bank of Serbia – gathered with the idea that this Association would serve as a platform for sharing knowledge and experience in this highly dynamic branch of law. Conferences like this one are precisely the way to exchange that knowledge and establish connections that will make this exchange lasting. The Association held its first one-day conference last year, and today I have the honour and pleasure to open together with you the second conference, featuring 13 eminent speakers from all parts of the world.

The theme of this year's conference, which the organisers have vividly formulated as *Payment Services Between the Digital Anvil and the Regulatory Hammer*, indeed seems to reflect the situation we currently face in the area of modern payment operations. On the one hand, there is constant progress in digital services, driven by the need for ever faster transfers and improved user experience, and on the other hand, there are risks that these services inherently carry, which is the main reason why they must be regulated and supervised.

Behind the narrative of user experience and efficiency lies a deeper economic dynamic – the transformation of data into a new form of economic value. Every transaction, every use of a digital wallet or payment app, generates data that become part of vast "big data" systems. With the emergence of artificial (generative) intelligence, this economic dynamic grows even more complex and brings risks and challenges that are difficult to foresee.

Within the payment system, this dynamic takes on particular significance. On one side, we have banks – institutions that safeguard citizens' deposits and form the foundation of a country's financial stability; on the other side, we have BigTech companies that increasingly intermediate payment transactions, setting their own rules for data access and use. Banks, although strictly regulated and under continuous supervision, increasingly find themselves in a position where they must adapt to the technological standards, interfaces and business models of the BigTech companies – often

depending on infrastructure they cannot control. And it is precisely at this point – between innovation and sovereignty, between technological progress and regulatory responsibility – that the greatest challenge of our time lies.

In this context, the introduction of central bank digital currencies, as a public, regulated and supervised form of digital money that would allow citizens and states to retain sovereignty over the payment system and over the data generated within it, may indeed be one of the possible models for responding to this challenge.

In Serbia, thanks to the national Dina card scheme and the NBS Instant Payment System, we have managed to preserve that sovereignty in the domestic payment system to a significant extent – something that has proven to be extremely important in today's volatile and complex geopolitical environment.

The themes selected by the organisers and speakers for this conference address precisely these issues, and among the presenters we have representatives of all interested parties. Joining us are representatives of regulatory and supervisory authorities from the central banks of Brazil, Spain and Croatia, as well as from Japan's Financial Services Agency. On the other hand, we also welcome representatives of card schemes and AlyPay. In addition, again this year we are joined by lawyers from the United Kingdom, who can offer insight into how case law is adapting in this field. Conference participants will have the opportunity to hear what I am sure will be very engaging presentations, as well as take part in what I am certain will be an intense discussion during the panel titled: *When Banks Meet Big Tech: Who Owns the Customer in the Digital Wallet Era?*

And yet, there is much more to banking than payments. The protection of borrowers remains a challenge for regulators, and the greatest among those challenges is perhaps how to encourage consumers to act economically rationally – to compare and choose between offers, and to understand the financial consequences of borrowing. The conference will feature two very interesting presentations on this topic as well.

Finally, there is the always-relevant issue for prudential supervisors: corporate governance. Unlike the field of payment services, here there is no direct incursion of BigTech for now – unless, of course, members of the management board decide to delegate their governance to AI. However, the overall complexity of modern banking operations raises many new questions and keeps this topic consistently engaging and challenging. In addition to the lecture by our colleague from Armenia, at the end of the second day we will also have the opportunity to hear a panel whose participants will share their experiences and views on corporate governance in banks.

Dear conference participants, you have a great opportunity to attend and hear eminent and highly qualified speakers. Make the most of it – listen carefully, ask questions, exchange experiences.

I wish you successful and fruitful work, and a pleasant time together.