RegTech: A Central Bank View

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BANK OF ENGLAND

RegTech Overview

Major areas of application

Regulatory Reporting
- End-to-end automated reporting solution
- Auto-updates based on changing compliance needs
- Customizable, configurable document generation and submission in a standardized format

Compliance
- Regulatory intelligence: Identifying and keeping track of regulatory changes
- Machine-readable regulations and alerts on non-compliance
- Policy mapping and auditing

Governance
- Internal control and accountability for risk data
- Enhance board's effectiveness in compliance assessment
- Optimal integration, visualization and consolidation of dashboards
- Policy and procedure management

e-KYC/AML/CFT
- ID/document verification
- Digitized due dilligence and onboarding
- Transaction monitoring and authentication-based AML checks

Data Management
- Risk data cleansing and aggregation
- Data discovery and classification
- Data provenance and algorithmic transparency
- Reducing data silos and improving workflow
- Dynamic data minimization

Fraud Monitoring & Control
- End-to-end integrity validation
- Anti-fraud and market abuse identification systems
- Back-office automation (post-transaction settlement, closing procedures)
- Trade surveillance and conduct monitoring

Digital Identity
- Digital trust and multifactor authentication
- Cryptographic digital signature
- Digital locker, storage and encrypted documents

Risk Management
- Risk data generation & aggregation
- Stress testing
- Internal risk reporting
- Forecasting and scenario analysis
- Alert generation and automated triggers

Source: Medici

Our Supervisory Approach

The Prudential Regulation Authority's approach to banking supervision
October 2018

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The Prudential Regulation Authority's approach to insurance supervision
October 2018

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'To advance our objectives, our supervisory approach follows three key principles – it is:

i) judgement-based;

ii) forward-looking; and

iii) focused on key risks.

Across all of these principles, we are committed to applying the principle of proportionality in our supervision of firms'.

https://www.bankofengland.co.uk/prudential-regulation/publication/2018/pra-approach-documents-2018

Data Innovation

Explore how new technology can help make us more efficient and effective in our use of data over a longer-term time horizon.

Explore

Engage with a wide variety of internal and external stakeholders to gather information, conduct proofs of concept and delivery scaled solutions.
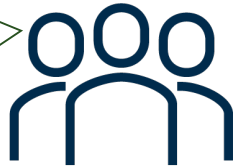
Engagement

Find and fix specific PRA data challenges faced by front-line staff today. Work with them on 3-6 month initiatives.

Find and Fix

Coordinate all PRA work on information management, GDPR and data ownership. Promote good data practices with all stakeholders

Data Governance

Encourage and promote an innovative data culture, building on the inquisitive style and wide ranging perspectives of BoE staff.

Culture

Questions