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Towards a European framework on cloud for financial services

Banks are essential to our economies. Indeed, their continued strength together with the sovereignty of our financial infrastructures are essential for Europe's success. Who controls IT infrastructure today has become a major geostrategic question. At the same time, for the financial sector it has become key to have the ability to use massively the cloud to take advantage of greater efficiency, innovation and competitiveness.

Ongoing discussions on technological sovereignty over 5G infrastructures or on more localised production of pharmaceuticals, exacerbated by the Covid-19 emergency, remind us that the ability to control our critical infrastructure and supply chains is vital for the EU and our future.

This is why a Europe-wide framework applicable in all Member States is essential. This should first deal with the reversibility and portability of infrastructure and applications to allow a rapid change of provider and easy data portability. The freedom of the financial sector to leave cloud providers quickly and seamlessly, without harming production constraints, is a key element of this sovereignty.

Second, a European framework on cloud for financial services should encompass and make explicit the necessary privacy requirement under the GDPR, particular transparency in data storage and processing locations, to ensure we are working through shared European values.

Third, such a framework has to be future proof, ideally anticipating upcoming legislation of relevance, such as the EU's Revised Payment Services Directive and other European laws that affect the ability of the financial sector to develop new value-added services that benefit companies and citizens alike. For this to succeed, a collective effort and broad public consultation is necessary.

The association of Cloud Infrastructure Service Providers in Europe (CISPE) is already engaging beyond financial services with European and Member State authorities to address the above challenges and to create the right environment to support businesses and customers. For example, CISPE co-chaired, together with the European association of CIOs (EuroCIO), the Working Group on a Reversibility Code for Cloud infrastructure services, which the European Commission facilitated.

Since the financial sector is a regulated sector, co-ordinated efforts between cloud service providers, European banks and EU authorities are paramount to identify the right regulatory framework. This will, in turn, foster the much-needed developments in the cloud industry, AI and other enabling technologies that are required as we move forward.

Designing a robust time-to-market solution to deliver that new framework is of the utmost importance. This is why setting up a round

table between cloud service providers and European banks in close co-operation with EU authorities is very much needed to underpin the financial industry's resilience and enhance the growth potential of European economies. ●