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The path towards building up a sound, resilient and harmonised financial ecosystem - DORA and NIS 2.0 - are we moving in the right direction?

The role of cloud infrastructures for financial institutions is vital. Currently, we have seen important developments in the regulatory area with the European Commission's proposals for a Regulation on digital operational resilience for financial services (DORA) and a revision of the Network and Information Systems Security Directive (NIS 2.0). The digitalisation of the financial sector clearly showed that all actors in the chain are interrelated and we have to look into the financial ecosystem as whole. This is what we have already tried to achieve with the GDPR, PSD2, e-IDAS and number of other initiatives that deem, among other things, to guarantee the resilience of the financial system.

While cybersecurity is essential and there is no discussion, whether we need more or less cybersecurity, we need to ensure that we put in place a **framework that is harmonised and in line with already existing rules** at both EU and global level.

As an example, we observe that even though the DORA proposal builds on the NIS Directive and the *lex specialis* rule apply, number of intersections between DORA and NIS 2.0 occur. According to the NIS 2.0 proposal cloud service providers should be from now on classified as "essential entities" and should thus be subject to both the requirements of DORA and NIS 2.0. We see no clear hierarchy between DORA and NIS 2.0 for that matter. This brings a clear issue of taxonomy in the incident reporting and overlaps in the requirements for the cloud service providers. The question here is whether this redundancy is intentional and the regulator sees the need for increased oversight on cloud providers or does it consist of unnecessary duplication? Would there be a coordination between the Lead Overseer introduced in DORA and the competent national authorities defined by NIS 2.0?

The COVID pandemic had imposed a different social behavior framework. The social distancing and the transition to a completely "virtual" life have changed consumers behavior and business strategies. Given the new circumstance, we acknowledge the merit of the introduction of sector specific regulations or a proper "update" of the existing regulatory framework. The importance of preserving the resilience of the financial sector is undoubtful but how can we argue that it is more critical (for instance than health or energy) to require more or complementary regulation?

Finally, the questions that come to mind in the current pandemic situation, and given the prioritisation of digitalisation in the recovery of our economy, is whether an additional regulatory burden is what the industry really needs? Would that bring an added value or support to start ups or small and medium enterprises? We look forward to provide the right solutions to those and many other concerns in the forthcoming months. True, it has been evident that the technological developments are more reactive and often move much faster than the regulators. Therefore, our goal must be to find the right balance in building up a sound and resilient financial ecosystem in a sound and timely manner.