



Conversation with Mark Jopling

Mark Jopling - Head of Global Financial Services, EMEA & APJ, Amazon Web Services (AWS)

David Wright - President, EUROFI

David Wright

For our fourth distinguished guest this afternoon, I have with me Mark Jopling, head of global financial services, EMEA & APJ, for AWS. This is a conversation I always look forward to, Mark, because I learn more from you than almost anywhere else. You have been with AWS since January 2020, where you are the director for global financial services for those areas I mentioned. You were formerly CIO for customer and colleague technology at Lloyds. You have an engineering background, with a PhD and an MBA from the University of Warwick.

Mark, we always have a lot to talk about, but let us start by looking at, if I may, your impressions of how the EU financial sector is adopting all these new digital technologies – the cloud, and artificial intelligence (AI), maybe a bit later. How are we doing in Europe compared to elsewhere? Are we behind?

Mark Jopling

Thank you, David. Thank you for that introduction and thank you again for the opportunity to speak with you today and have this exchange of views. The European digital finance framework is trying to strike a balance between fostering innovation and ensuring resilience and security. Those things go hand in hand. They are not a trade-off. From our perspective at AWS, simplification, resilience, working through regulatory frictions and addressing them leads to a stronger, more dynamic and more resilient financial ecosystem.

In terms of adoption, European adoption is growing. I am going to give you some very recent statistics, if I

may, to highlight that point, because, as you say, AI is becoming the driver of innovation and a driver for the use of cloud technology.

We have now published our third annual report, called Unlocking Europe's AI potential. This gives some statistics as to how that adoption is, indeed, growing. Most of the signals are very positive – 54% of European businesses have adopted AI, and that is up from 33% two years ago, so we can see that the rate of adoption is growing.

Typically speaking, to drive value from AI, organisations, be they public-sector organisations or enterprises, choose to modernise some of their legacy infrastructure to the cloud as a way of accessing more AI technologies and driving more value from AI. When looking at adoption one area where there might be opportunity is the number of organisations that are using AI for advanced use cases that are fundamentally transforming those organisations, that is not growing as much. Within those numbers, we see 22% of businesses using AI in what we would call advanced use cases, and that has only moved up one or two points from last year.

Although the overall adoption has jumped by 21 points, from 33% to 54%, we are seeing, as is documented elsewhere, this focus now on the adoption of some of the cultural and regulatory barriers, as well as the technology. Organisations are understanding and experimenting with the technology, but the current challenge is, 'We have done the experiments. We have learned from those experiments. How do we scale the use of AI in cloud technologies?' I would say that that is the challenge for 2026.

David Wright

Is there a skills shortage in Europe? Do we lack the right type of people to go to the more sophisticated and what you call advanced AI?

Mark Jopling

It is a very good question. There is a skills shortage. It is not specific to Europe. In our most recent report, which is a deep piece of analysis with Strand Partners that covers a broader range of industries across Europe, that 39% of businesses citing a skills gap has gone up to 44%. Although organisations are investing in the skills gap – and organisations like AWS are supporting that and investing to help organisations improve their cloud and AI skills – the rate of change is such that the skills gap is currently getting wider.

I would say again that, in terms of an amber warning flag, one of the pieces of data that came out of the report was that up to 40% of start-ups would consider relocating because of skills gaps. The value proposition of AWS and others is that our services are available in our regions globally. The standard set of services that we build – cloud services, and AI services on top – are available whether you consume those services in our European regions or our regions in other parts of the world.

David Wright

Would you say – and we were talking about this – that regulatory complexity in Europe is emerging as a barrier to the take-up of these technologies? You have some interesting statistics here.

Mark Jopling

The headline for us is that regulatory simplification and resilience and innovation are not a trade off. I noted in the previous session, as I was tuning in to Commissioner Dombrovskis, he talked about this concept of 'regulatory cleaning', to eliminate outdated provisions, overlaps, inconsistencies and redundancies. That is not a phrase I had heard before, but I identify with his intent, which is that we want regulations to be simplified, both in terms of how they are constructed and in terms of how they are then deployed consistently across the region.

We have talked about the Digital Operational Resilience Act (DORA) in previous EUROFI. We were very active in the consultation process, and now DORA is real for ourselves and for the industry. We are working on how to make sure that regulatory

approaches across different countries and regimes is consistent. We try to help our customers understand what regulation means for them and how they meet both their regulatory and their internal risk requirements. We have a team of experts who advise our customers on those matters.

For sure, regulatory complexity is a barrier. One of the statistics that you are referring to and that we have picked up is that approximately 40% of IT budgets are spent on compliance. Uncertainty around compliance and the sheer cost of compliance can result in fewer funds being available for next-generation AI technologies and other forms of innovation.

In summary, we at AWS advise and work very hard with our customers to help them meet regulation and work with regulators to help to simplify regulation, but I would repeat that we very clearly believe that regulatory simplification, security and resilience are not trade-offs. They are all aligned in producing a stronger, more dynamic, more resilient financial ecosystem, and that itself will then support this wider community of fostering innovation and Europe's financial services being a hub of innovation. Of course, if financial services are innovative, they tend to be providing innovative services to fund innovation in other industries as well. Of course, access to capital and technology are both important for the industries which financial services organisations themselves are supporting in the wider economy.

David Wright

I think DORA needs some extra work. Does it need some more implementation and guidance? Are there other ambiguities in interpretation? Is that something that you are concerned about?

Mark Jopling

There are inconsistencies in interpretation – that is true – and that can happen at the country level. It can happen within the different organisations' interpretation. As I say, we provide expertise to organisations to help with those challenges. Through forums like Eurofi, we have a regular dialogue with regulators.

In conclusion, I would say that there is always a range of digital and data frameworks. There has to be. When you look at the AI Act and the encouraging signals around the digital omnibus package, and this idea of an AI continent, then there is an intent to move the current EU frameworks towards widespread AI deployment in financial services. The EU AI Act

is a good example of something which establishes important risk-based principles. It was relatively early compared to peers around the world. It was providing clarity when organisations were seeking it, so that was helpful.

The ongoing simplification efforts through the AI omnibus and other initiatives are welcomed by us, and we want to help translate them into reality for business and, ultimately, as I said, enable businesses to accelerate their deployment of modern technologies and, within that, cloud technologies, and generate value from AI and other forms of innovation for the benefit of Europe and its citizens.

David Wright

Mark, if we can finish on two points, I heard you quote, when we were talking earlier, some really huge potential possibilities for Europe. If AI is included more in firms, the potential for growth is trillions of euros. For that to happen, what risks should we be really concerned about? What is going to stop this growth? What worries you?

Mark Jopling

We have touched on them, but, to summarise, in terms of regulatory fragmentation and complexity, we have discussed simplifying regulation and working to reduce complexity and, ultimately, reduce costs and uncertainty. We have talked about the skills gap. Despite a lot of investment in the supply of digital skills, and particularly workforce readiness around AI, the opportunity and the rate of change from AI is such that the skills gap has got wider. That is despite the investment in the digital skills gap.

There is a question mark around access to funding. As I said, ultimately, to accelerate experimentation and create more start-ups or more expansion of existing organisations, funding pathways are important. These are, ultimately, factors for competitiveness for Europe. There are, clearly, strong foundations and steps in the right direction, but, as I said, it is a globally competitive market. The AWS services are available globally. As I said earlier, we have found that founders are willing to relocate their organisation if they need access to the things we have already talked about – a less complex regulatory environment, more skills that are not available, or funding. Four out of 10 founders have said they would be willing to relocate to close one of those gaps.

There are huge opportunities, again, AI would unlock €191 billion of gross value added (GVA) per year for Europe. Many studies project very large benefits from the

wide-scale deployment of artificial intelligence, and our research is another credible addition to that body of work.

David Wright

Mark, thank you. We could go on for a long time, because I am learning every time you speak. Your very positive take on Europe is very interesting. Things are moving forward, although not perfectly. The potential is massive, and we just have to get certain things right – get the incentives right, and get the regulation clear and applied. Thank you again for being with us. Thank you for supporting Eurofi. It is greatly appreciated. We would be delighted if you would give us an update in Dublin at our next meeting in September. We hope to see you there.

Mark Jopling

You will, David. Thank you, as always. To conclude, AWS has invested tens of billions of dollars in our European business. We are excited about the opportunity ahead of us, and we will work with you and with regulators in order to accelerate the delivery of the opportunity. Yes, indeed, see you in Dublin.

David Wright

Thank you so much.

Mark Jopling

Thank you very much.