MEMORANDUM

**Spain Fintech Hub, a public-private initiative that seeks to position Spain as an international financial center**

* **The partner entities also drive all initiatives that achieve the technological development of financial services and improve the relationship with businesses and citizens.**
* **Spain provides an excellent context for the development of this sector as it is the European country with the highest penetration of "smart-phones" and "tablets" with an adoption rate of 66% and is the European leader in the technological training of their companies.**
* **SFH will support the use of technology to improve financial counseling, education and financial trading or tax planning.**
* **"Crowdfunding," mobile banking, accounts, loans and netting between people and companies, will be the aspects related to banking that their studies will focus on.**

***Madrid, March 4, 2014.*** Institute for Market Studies, Entrepreneurs Capital Partners, Tech Rules, Innovation Forum, Spain Financial Centre and Finnovista have decided to present the SPAIN FINTECH HUB (SFH) initiative, based on various existing initiatives, which have been demanding cohesion and the creation of a true digital finance ecosystem.

All these institutions share a common vision on possible actions aimed at creating a favorable environment for the establishment, investment, development and expansion of international institutions, start-ups and projects focused on the creation, implementation and development of digital technologies and concepts applicable to financial activity and to promote their deployment to businesses and citizens.

Innovation and investment in technology has become the main "transformation lever" of the global economic and financial sector.

Digital technologies have entered the financial sector and have digitized products and services, currently at a very low cost that makes them accessible to small businesses and start-ups.

The economic crisis has affected the confidence of the population in many financial institutions, and consumers are beginning to give credibility to technology companies to manage part of their financial activity; "digital" life style already puts needs ahead of the supply of financial services.

**An initiative to promote Spain as a modern international financial centre**

Spain provides an excellent context for the development of this sector as, with an adoption rate of 66%, it is the European country with the highest penetration of "smart-phones" and "tablets" and is the European leader in technological training in companies. [[1]](#endnote-1)

Furthermore, Spain’s more than 80 technology parks are home to more than 6,000 companies, and the information and communication technology sector has 30,000 companies totaling more than 440,000 employees. [[2]](#endnote-2)

With regard to financial services, Spain, owing to the leadership of its Banks, Insurance Companies and Securities Market, is recognized as a key financial centre in the world context, and particularly for being a bridge between the West and Latin America.

On a purely indicative basis, the areas in which SFH will deploy its activities include:

**Personal Finance:** Tracking of investment and positions, financial advice, financial education and negotiation, and tax planning.

**Banking and enterprise:** "Crowdfunding", mobile banking, accounting, loans and netting between people and companies.

**Data Analysis:** User behavior, credit monitoring, predictive analysis, modeling and forecasting systems, regulatory compliance, historical analysis.

**Capital markets:** Trading platforms, risk surveillance, electronic markets, financial services in the cloud, monitoring systems for clearing and settlement.

**Payments:** Interoperability of mobile payments, interpersonal payments, antifraud systems, no card payments, new currencies, wireless payments and identity.

**Protection** of entities, identities, digital operations, storage, etc.

SFH members commit to promoting initiatives aimed at generating confidence in financial services developed in digital environments, identifying and disseminating the competitive areas of the Spanish "fintech" sector, enhancing mutual understanding among the various stakeholders, guiding businesses and entrepreneurs to develop projects in this sector, monitor international initiatives, establish information and collaboration channels with public and private financial institutions, both domestic and international , in order to promote economic contributions to this sector, promote appropriate training of technicians and managers in "fintech", allowing them to manage the transformation of the sector and boost Spain’s image as an international financial technology training node, encourage the participation of companies and official institutions integrated into the cibersecurity sector, in the development and testing of the most advanced security requirements, and transfer issues or points of consensus to regulators, both domestic and European, and to the various financial associations to collaborate in the development of an efficient, modern competitive and flexible regulatory environment.

Paul Cousteau, Director of Specialized Programs at the IEB, said: *"It is a very important initiative for the IEB and it has our full support. We firmly believe that the greatest challenge of the financial industry in the coming years is definitely to adapt to the new technological environment, as efficiency and the ability to compete will depend on it, not only in Spain but outside our borders. In this sense, the IEB, as the leading centre for financial training, and as part of the core institutions that create and promote Spain Fintech Hub, is committed to providing an academic perspective through the provision of a newly created Executive Programme in this area, and the development of studies and reports on this subject that will be useful for the industry."*

Jaime Bolivar, CEO at TechRules, noted his company’s lifelong commitment to anything that involves an improvement of technological solutions for financial advice. “*Our intention in the set of institutions that Spain Fintech Hub creates and promotes is to promote best practices in the financial sector through technological innovation and help promote Spain as a brand to further the international expansion of companies in financial technology.”*

Javier Tordable, Partner of Entrepreneurs Capital Partners, said: *"It is our honor to be catalysts in the development of Spain FinTech Hub and promote technological innovation in financial services in Spain, as we believe that in recent years there has been an increase in the need to completely reinvent the interaction of society with the financial services and markets. ECP hopes to help identify and fund entrepreneurs and innovative and disruptive technology projects to provide not only added value but also new values ​​and ideas to the whole Spanish financial ecosystem."*

Martin Garcia Vaquero, Director General of the Innovation Forum, said: *"The interesting and necessary thing about the Spain FinTech Hub initiative is that it responds to a need of both the technological and financial players that are directly involved, such as end-users, the real catalysts in the sector. We believe on the other hand that enough factors coincide to make us think that the emerging models and business initiatives in this industry will drive new business opportunities from the business point of view as well as make a substantial improvement in the quality of service and customer experience. It is definitely a project of great interest which merits our utmost attention and support."*

Fermín Bueno, Finnovista Partner, said: *"At Finnovista we are convinced of the need for an initiative like Spain Fintech Hub to bring together all the players from the financial and entrepreneurial ecosystem, and promote the redefinition of the world of finance in the country from traditional utilities to new global technology leaders providing digital financial services."*

Pablo Rivera, Director of Spain Financial Centre, stressed the importance of projects like this in which the strengths of our financial system are identified and structured around key players in order to work together, build trust in the sector and benefit end users. Consequently, the profile of Spain as an international financial center rises.

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***The IEB (Institute for Market Studies)****, based in Madrid, is currently the leader in the field of financial education in Spain and Latin America, attached to the Complutense University and sponsored by the Madrid Stock Exchange. Ownership of the Study Centre, founded in 1989 , corresponds to an association formed by important Spanish political and economic personalities. The IEB has practical and quality vocation in all its programs, not only in its study methodology but also because of the small number of in each classroom and excellent teachers. Furthermore, the selection of students, based on good their academic record and access test, ensures a high quality of study and academic performance, allowing each student to forge an academic and professional project with the support, faculty and management of the Centre.*

*Furthermore, the IEB is the leader in financial training designed for companies. Its customers include major Spanish and Latin American financial institutions (banks, pension fund managers, broker-dealers, etc.). Regular technical training is also given to supervisors and agencies in the financial field.*

***Spain Financial Centre*** *is an initiative of national nature and international projection, driven by the private sector and linked to public administration, which is the representative of Spain in the European Financial Centers Roundtable and embraces Spain Fintech Hub, Council of Latin Finance and the Financial Forum, all them aim to strengthen the international presence of the Spanish financial sector , promoting investment flows, information and contacts on both sides of our borders, and especially focused in Europe, Latin America and USA.*

***TechRules*** *is a global company specializing in IT solutions for financial advice. It offers a complete range of front and middle office solutions for Private Banking, Personal Banking, Retail Banking, Family Offices, Brokers and Investment Managers. Our customers incorporate multifunctional, modular and multichannel tools giving them complete consultancy, improving customer relationships and meeting local regulations. At the same time they represent a considerable savings and help increase business.*

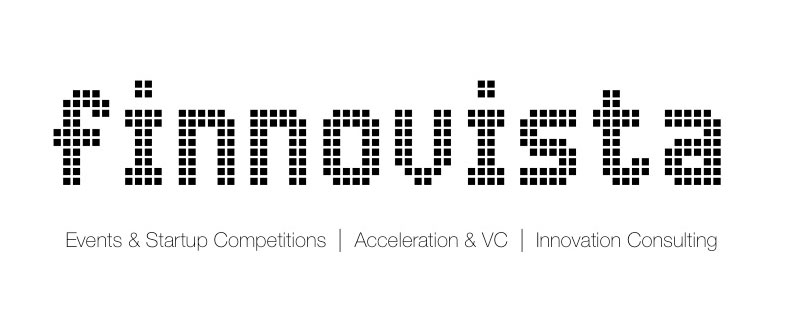
*Founded in 2000, TechRules can be found in over 15 countries and is headquartered in Madrid.*

***Foro de Innovación*** *is an association whose mission is to stimulate and help develop business and institutional players in the innovation ecosystem. It provides a range of technological solutions `to stimulate business, targeting the private and public sector through collaborative innovation, turning ideas into opportunities and sustainable global value. Its clients and projects include, among others, knowledge and technology-intensive businesses and sectors, entrepreneurs, financiers, universities and technology and research centers.*

***Entrepreneurs Capital Partners (ECP)*** *is a venture capital fund specializing in technology startups and innovative financial services (FinTech) whose mission is to provide not only funding but also capital and value added business intelligence, network resources and know-how when it comes to building innovative and disruptive businesses in financial services during all stages of the business life cycle.*

***Finnovista*** *is a platform for collaborative innovation that helps financial institutions, startups and companies in other sectors in the new digital environment that is transforming the financial services industry. Finnovista promotes, among other things, Next Bank events and Innotribe Disrupt in Spain, Europe and the Americas, a series of conferences on innovation, entrepreneurship and technologies for financial services. Finnovista offers 3 lines of specific services for this sector: Events and Competitions, Equity and Acceleration, and Innovation Consulting.*

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1. Source: EUROSTAT [↑](#endnote-ref-1)
2. Source: Observatorio Español para las Comunicaciones y la Sociedad de la Información. [↑](#endnote-ref-2)