



FCMC has developed SupTech strategy till year 2025

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The supervisory processes for the financial sector are developing along with trends in the financial markets and innovation in the area of information technology, therefore the Financial and Capital Market Commission (FCMC) has developed SupTech* strategy for the period till 2025 to implement effective and modern technology-based solutions.

The priorities of the strategy are the recognition and processing of the text using artificial intelligence capabilities, in-depth analysis and process automation. The application of new technologies will improve the effectiveness of supervisory processes by providing the market participants and the FCMC with appropriate and flexible solutions for information exchange and introduction of regulatory framework.

"Year by year, the FCMC is increasingly faced with significant growth in the volume and detail of surveillance data, which triggers a need to develop a business data analysis platform. The FCMC's day-to-day work requires more targeted technological tools for data processing to reduce systemic risks, as well as to improve supervisory process automation, internal processes and risk management. The challenge of new SupTech strategy is to ensure comfortable, high-complex analytical environment for the supervision of all market segments,"

Marine Krasovska, the Director of the Financial Innovation Department, stresses.

The strategy is based on the dynamics of systems' development, resulting from centralized decisions and supervisory models of the European Union. New technologies, in particular in processing non-structured data, will save time and expert resources. Exploration and use of artificial intelligence capabilities will provide for identifying such interconnection, risks and problems in the supervision and

regulation processes that would be difficult by using human research methods.

As part of the SupTech strategy, the FCMC is planning to improve supervisory processes already in 2021, by developing Network Analysis Technology in the field of the prevention of money laundering and terrorism and proliferation financing, enabling to develop network visualisation for interrelated events or objects by mathematical analysis. This will contribute to the value of data, enhancing their readability and interpretation. The Robotic Process Automation Technology, which runs the programmed automatically performed and repetitive operations in one or middleware environment, will be used in the supervision of financial markets and to improve accounts and reporting. Besides, it is planned to introduce and develop Predictive Analytics – a statistical modelling method to predict expected changes in indicators.

In order to promote the use and mastering of new technologies, the FCMC has also established a pilot laboratory for information technologies to implement projects that will enhance the supervisory process and the expertise of FCMC experts.

* SupTech – technologies used in supervisory work.

Further information:

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