EU Supervisory Digital Finance Academy

Context

Under the TSI 2022 round, the European Commission launched the **EU Supervisory Digital Finance Academy (EU-SDFA)**, a comprehensive, policy-oriented **training programme on Digital Finance**, open to the EU financial supervisory community.

The EU-SDFA contributes to foster a **common supervisory culture on digital finance**: participating authorities access a space to discuss openly and learn from each other's experiences and practices, improving own staff's skills and knowledge in an ever-evolving area.

Since 2022, the EU-SDFA has been gathering **37 national authorities from 26 Member States**, hosting more than 1,500 participants from across the EU: the format, structure, and offer of the Academy have been extensively **praised by financial sector stakeholders**, acknowledging its prominence in the current supervisory landscape.

Continued capacity building support for national financial supervisory authorities via initiatives such as the EU-SDFA remains instrumental to the successful implementation of the **Digital Finance framework:** indeed, **technological and policy developments** in this domain are still due to further evolve, leading to additional changes in the financial sector – as demonstrated by the deployment of generative artificial intelligence and the applications of decentralised finance.

> **"Digital Finance" brings huge benefits for financial market participants and users. It also raises new risks which must be mitigated, hence bringing new challenges for regulatory and supervisory authorities**

Objectives

Within the second edition of the EU-SDFA, DG REFORM will continue **supporting Member States**' financial supervisory authorities in strengthening their capacity in the area of digital finance supervision, offering a comprehensive capacity building programme aimed at enhancing supervisory staff's skills and knowledge.

The programme will be **designed and updated** in strict cooperation with the European Supervisory Authorities and DG FISMA, and with the direct involvement of the participating beneficiary authorities.

Indicative support measures

The **second edition of the EU-SDFA** will continue enhancing skills in the Digital Finance supervisory framework on an EU-wide scale, contributing to the dissemination of advanced, future-proof practices among national financial supervisory authorities, and the exchange of expertise both on a cross-sectoral and cross border basis.

In this regard, the EU-SDFA will keep contributing to enhanced **supervisory convergence** across the internal market, supporting the establishment of a competitive, digital-based EU financial sector, as well as the ongoing **implementation** of the Digital Finance regulatory framework.

The new edition will also aim at establishing a bridge between digitalisation and emerging financial sector **policy and supervisory priorities**, to best harness the potential of new technologies and promote **stronger cooperation** among EU national financial supervisory authorities.

EU Member States' financial supervisory authorities will have the opportunity to receive technical support by enrolling within a revised capacity building programme on Digital Finance, which will be built around the experience of the current EU-SDFA edition and be further updated and adapted depending on the forthcoming evolution of this policy area.

To this end, participation to the flagship will entail access to a series of activities organised over **three yearly academic cycles**. Support measures will entail access to :

- **Residential training weeks**, covering a wide range of Digital Finance foundational and advanced topics, and providing participants with hands-on experience on the risks and opportunities offered by advanced technologies.

- **Online learning modules and learning materials**, including a solid combination of off-line, self-paced learning classes and live classes, mostly focused on regulatory aspects related to Digital Finance, as well as supporting videos and learning contents.

- **Workshops and additional side events,** organised in cooperation with EU-SDFA partners and participating financial supervisory authorities, aimed at exploring emerging supervisory priorities at the forefront of Digital Finance, fostering dialogue between market stakeholders, supervisory authorities, and the academia, and facilitating high-level interactions on the risks and opportunities posed by Digital Finance.