



LIETUVOS BANKAS
EUROSISTEMA

Bank of Lithuania RegTech initiative

Ramūnas Baravykas
Advisor to Executive director

Why RegTech?

Post crisis increasing **accountability** requirements / higher regulatory **standards**

BoL is open and proactive in ensuring **competition** and promoting **innovations**

Employ technologies to meet regulatory requirements and reduce compliance costs

We feel **obliged** to take necessary steps **to help** with compliance challenge

Status quo

- Every financial institution (FI) has a reporting obligation to the Bank of Lithuania
- For each report to be generated, FI must design its own systems or even prepare reports manually
- The process is time-consuming, requires considerable resources and causes high costs
- The costs borne jointly by all financial market players fall on the shoulders of consumers



Solution

- to have a tool that would allow the Bank of Lithuania to access structured micro-level data from FI's and to automatically aggregate that data into the required reports
- FI's should only give the Bank of Lithuania access to the data in an agreed format or manner (eg. API) and update it at the agreed frequency
- The Bank of Lithuania should be able to read / download data, submit it to a new tool that processes the data, aggregates it according to the reporting requirements and makes such reports available to the responsible staff for further analysis



Benefits

- The FI's are relieved from the burden of adapting FI's systems to the reporting requirements or manually aggregating them as the reporting period approaches
- The Bank of Lithuania is able automatically extract the necessary data and generate the necessary reports itself, thus avoiding errors, different treatment of requirements and delays
- consumers of financial services receive lower in price and more competitive services

RegTech@lb.lt

