



# The Disruptive Power of New Technologies in Finance

*Date: November 15th, 2019*  
*Venue: Kosovo Banking Association*

## COURSE OVERVIEW

---

Dr Jean Hilger will take you on a journey through the reality and future endeavors of the new technologies for the financial sector.

You will discuss its potential in terms of business opportunities and create together a vision for your own institution.

He will explore the potential of technology to help you see beyond the risks and fully understand its potential.

He will share his experience on PSD2 as he is one of the founders of LuxHub (<https://www.luxhub.com/>), the largest e-platform in Europe.

He will explore with you all about PSD2.

He will help you understand the potential of the new technology in terms of business opportunities.

## CONTEXT

---

FinTech is about disrupting traditional business models in the financial service industry while using the huge potential of new technologies. In the past, credit cards, ATMs, the internet, smart devices and the mobile technology have been defining moments in the evolution of financial services. The traditional finance institutes have been driving seat to structure and promote the new services build on these technologies. Initially FinTech technologies have not been powered by traditional institutions but by disrupters, start-up companies which challenge banks, insurance companies with innovative services.

## METHODOLOGY

---

After having exposed the current situation he will try, together with the participants, to find a model that responds to the Kosovo reality.

# The Disruptive Power of New Technologies in Finance

Date: November 15th, 2019

Venue: Kosovo Banking Association

## DAILY SCHEDULE

---

09:00 – 10:30	Training
10:30 – 10:45	Coffee break
10:45 – 12:00	Training
12:00 – 13:00	Lunch break
13:00 – 14:30	Training
14:30	End of day ☺

## TARGET GROUP

---

After having exposed the current situation, the trainer will try, together with the participants, to find a model that responds to the Kosovo reality. A good command of English is required.

## COURSE INSTRUCTOR

---

Dr Jean Hilger is currently CIO, responsible for the operations and strategic planning of the Luxembourg State Bank information system. In 2008 and 2010, he was awarded CIO of the Year by his peers. He is founding president of the Advisory Board ICT Spring Europe Conference. At the Luxembourg Bankers Association (ABBL), he chairs the cluster of members engaged in Fintech projects. He is the chairman of the Fintech company LUXHUB. Dr Jean Hilger holds master's degrees in economics and computer science, bachelor's degree in theology and a PhD in Management Sciences He is an Honorary Professor at the Interdisciplinary Center (SnT) of the University of Luxembourg. More details on his linkedin profile: <https://www.linkedin.com/in/jean-hilger-55a2454/?originalSubdomain=lu>

## CONTENT

---

### The Game Changers

This chapter gives a sense of the upcoming changes in banking, regulation methods, insurance and wealth management. What are the essentials of these changes, what do the buzzwords of the technology revolution have in common and how do we get prepared to master the most decisive skills required?

### Blockchain technologies

Blockchain technologies or DLT have been passionately discussed for some criminal aspects that came with the first cryptocurrencies. This discussion casts shadow on the powerful potential of DLT technologies to reshape the

# The Disruptive Power of New Technologies in Finance

*Date: November 15th, 2019*

*Venue: Kosovo Banking Association*

infrastructure of financial services well beyond virtual currencies. DLT technology has the power to redraw the finance industries schemes for settlement and clearing systems used by the securities or payment industry, it has the power to reshape the back offices of insurance companies handling claims, to threaten the very existence of the transfer agent in the fund industry, to raise money with ICOs or to handle contracts.

Why has DLT technology that potential? How does this technology work? What are the limitations? What does my company need to setup its own capabilities?

The disruptive model of DLT explained / Characteristics and strong points / Limitations / How Blockchain works? / Permissioned and non-permissioned DLT / Consensus algorithms in the context of the industry application / Special case of smart contracts and potential

Applications: KYC for financial services a new perspective, trusted documents a fundamental issue in finance, transfer agent an essential activity of fund industry threatened, insurance claims, payments, ICO's, ..., finally construct your own use case for your bank, country, company.

Discussions: Issues with privacy rights? / A solution to compliancy/regulatory issues / Central Banks and Regulators would need to redefine their position / cryptocurrencies: a solution a problem? / ICO's marginal and problematic / Market Offer: who is investing? / Research topics: it's far from being done yet!

What does it take to setup your own capabilities?

## **Artificial Intelligence**

Artificial intelligence (AI) has already a long history starting in the 1950s. For a long time, it failed to deliver on imitating or surpassing human intelligence. In recent years, investments in advanced data analytics have surged pushing those companies, which master the profiling of customers, the prediction of trends, the improvement of products by using large data set, to the very top of the list of the most valued companies. For a long time, the capacity to learn from data and to act accordingly in an autonomous way has been seen as unique to humans. A few prominent exceptions like chess or go games have been largely applauded. Today the capacity to learn and act has spilled over to domains that are not governed by simple rules, like games, but where knowledge is recorded with complex and maybe, not even well-structured experiences. The learning capacity starts being used effectively in medicine, law, car driving and military.

How can the financial service industry take advantage of data analytics and machine learning? To what extend the new momentum of AI is able to threaten the existing business models or create entirely new services cutting the traditional industry from their customers.

Traditional actors in finance industry own large sets of data but in general they limited themselves to classic statistics both for steering their company and for structuring their services.

The evolution of data analytics / What are the results that I may have in finance industry? / Need to understand how machine learning works with a simple example? / What are the skills I need to set up the required capacities in my company? / AI technical architecture / Tell me why I need AI in my financial institution: Used cases / A few thoughts about how AI is changing management and decision taking

## **Uberisation of finance**

Uber has no taxis and no employees. Uber connects offer and demand on a technical platform. Its success may not be limited to the invention of a new business model but essentially to making consumption a seamless process.

# The Disruptive Power of New Technologies in Finance

Date: November 15th, 2019

Venue: Kosovo Banking Association

What are other examples of collaborative platforms in finance? / Could traditional finance institutes profit by teaming up with competitors rather than fighting individually for customers?

## Open banking

Strangely enough Europe may have taken a lead in open banking by a regulation, the PSD2. PSD2 opens payments accounts in a bank to competitors and e-commerce and by doing so opens a fierce battle for direct customer relation and customer data. With PSD2 the payment is handled directly by the e-commerce company on behalf of the customer and by doing so the customers behavioral pattern becomes apparent to the merchant. Open banking at a much larger scale than payments asks the crucial question how banks will present and sell their products in the future and who will be owning the customer relationship.

How does PSD2 works? / What are the impacts on customer relationship? / how to position against competitors? / What are API's? are they future banking products? / Experiences from other industries / Used cases of open banking? / How to take advantage of this new business model / Analyse your strength to position yourself in the landscape of open banking.

## Fintech ecosystem

Fintech lives by the agility and capacity to innovate. Banks as many other traditional industries benefit from a lively innovative environment of startup companies.

How to setup an ecosystem? Stages of startup companies and related financing and coaching / collaboration models between FinTech and startups.

## REGISTRATION

---

Send your filled registration forms via email at KBA, or contact us at:

[kbatrainingcenter@bankassoc-kos.com](mailto:kbatrainingcenter@bankassoc-kos.com) or **038 246 171**