

The Central Bank of the United Arab Emirates and Abu Dhabi Global Market invite applications for the 2020 Innovation Challenge

Abu Dhabi, United Arab Emirates (UAE) – The Central Bank of the UAE (CBUAE) and Abu Dhabi Global Market (ADGM), are pleased to invite applications from local and international FinTechs to participate in the 2020 edition of the FinTech Abu Dhabi Innovation Challenge. The Innovation Challenge is one of the flagship initiatives held annually at the FinTech Abu Dhabi event to recruit innovative FinTech solutions that address specific challenges in the financial services sector, in an effort to foster a diverse, sustainable and competitive economy.

Based on a series of consultations and engagements with Corporate Champions from the financial, corporate and government sectors, the Innovation Challenge 2020 will focus on solutions to better serve the financing needs of small and medium-sized enterprises (SMEs), which are instrumental stakeholders in the UAE's plans for economic transformation and diversification. The Challenge will also seek to drive the adoption of RegTech solutions to improve compliance outcomes and enhance regulatory processes.

Benefits of Participation

Successful FinTech applicants will each receive a stipend of US\$20,000 to partner with a Corporate Champion and co-develop an innovative proof of concept (PoC) solution to a problem statement. Our Corporate Champions include First Abu Dhabi Bank, Abu Dhabi Islamic Bank, Anglo-Gulf Trade Bank and Etihad Credit Insurance. Successful PoCs will be showcased at MENA's largest FinTech Festival, FinTech Abu Dhabi 2020, which will be jointly held by the CBUAE and ADGM from 24-26 November 2020.

An additional funding grant of up to US\$40,000 will be provided to help finance the further development of the PoC solutions after the Challenge. The grant funding is intended to fast-track deployment of the PoC solutions within industry to improve SME financing and regulatory outcomes in the UAE.

Recruitment and Selection Process

Applications will be assessed against the key criteria of how well the solution addresses the problem statement, the maturity and scalability of the solution, and how the solution might be deployed in the UAE. Shortlisted FinTechs will then be invited to pitch their solutions to a panel of judges who will select the finalists. ADGM invites FinTechs to review the list of problem statements and apply with details of their solution and how it

will benefit the Corporate Champion and UAE financial services industry more broadly. The closing date for applications is 1 August 2020.

Developing and Testing FinTech Solutions via ADGM Digital Lab and CBUAE

The finalists and their respective Corporate Champions will showcase and develop the PoC solutions on ADGM's Digital Lab, with participation and guidance from CBUAE and the ADGM Financial Services Regulatory Authority (FSRA).

The Digital Lab is a digital sandbox and marketplace which enables open collaboration and innovation by bringing FinTechs, financial institutions and regulators together to drive digital transformation. Leveraging smart digital tools to generate synthetic data, simulating core banking / IT operating systems, and enabling "plug-and-play" with multiple participants, a financial institution, such as a bank, may replicate an innovation lab in the Digital Lab, and invite FinTechs and regulators to run and test PoCs that can meet regulatory requirements, and eventually be brought into production.

Dr. Sabri Al Azazi, Chief Operating Officer of the Central Bank of the UAE, said: "We are pleased to see banks actively participating in FinTech development and working closely with tech-firms to explore and identify innovative solutions to improve their customer experience and to address continuous challenges. The Innovation Challenge co-launched by CBUAE and ADGM comes at the most opportune timing and provides a unique platform to facilitate collaboration between banks and tech-firms to conduct more timely live tests under a controlled environment before the formal launch. Through the Digital Lab and the regulatory guidance provided by the CBUAE and ADGM, banks and tech-firms are able to gather real-life or close-to-real-life data to simulate the production environment and user feedback on their new FinTech products and services."

Mr Richard Teng, Chief Executive Officer of the Financial Services Regulatory Authority of ADGM, said: "The FSRA is excited to co-launch the Innovation Challenge with the CBUAE through the [ADGM Digital Lab](#) to overcome the pain points faced by the financial services sector in the UAE and the wider region. The problem statements reflect the imperatives brought about by the current pandemic, which has accelerated the need to strengthen financing mechanisms for SMEs and digital on boarding. A first-in-the-world infrastructure offered by a financial regulator, the ADGM Digital Lab represents the next generation of regulatory sandboxes built on platforms. We welcome financial institutions and FinTechs to make use of the Digital Lab as a trusted marketplace to imagine experiment and bring about the future of financial services."

For more information on the Innovation Challenge and FinTech Abu Dhabi, please visit [FinTech Abu Dhabi](#).

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