

Committee	Dated:
Public Relations & Economic Development Sub-Committee	17 November 2020
Subject: IG monthly update – November	Public
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Summary

The following report provides Members with highlights of the key activity undertaken by the Innovation & Growth Directorate (IG) in September to October 2020. The activities covered documented in this report focus largely on those lead by the IG team. Activities undertaken in partnership with other teams and departments are also included and have been appropriately termed. Each area of activity is linked back to the objectives outlined in the IG Business Plan.

Recommendation

Members are asked to:

- Note the progress of IG workstreams.

Main Report

The highlights are structured around our four core objectives:

Innovative Ecosystem

1. The Trade & Investment and Innovation teams hosted a workshop with the UK-India Sustainable Finance Working Group to identify practical solutions to scale investment towards a green recovery in India. The findings of the workshop fed into the UK-India Economic and Financial Dialogue in October.
2. The Innovation Team met with the British Business Bank to discuss collaboration on supporting green economic growth throughout the UK. This forms part of programme of engagement around the findings of research commissioned by the Team ('Finance for Sustainable Growth') that explores this topic in detail and will continue for the remainder of the year.

World Class Business Environment

3. The Brussels Office hosted a webinar on 'Embracing Digital Regulation'. Panellists discussed how regulators can use modern technology to gather data, monitor risk and maintain a safe and effective financial system.

4. The Policy Chair co-chaired the IRSG Council which gathers senior financial and professional service industry representatives took place on Wednesday (23rd). It featured Paul Andrews, Secretary General of IOSCO and Elizabeth Corley, Chair of the Impact Investment Institute who discussed the respective approaches of their organisations in relation to Environmental Social Governance (ESG). The agenda included the exchange of views with officials from Treasury, the FCA and Bank of England which covered the forthcoming FS Bill and the Regulatory framework Review.
5. The City of London Corporation and EY launched our report on the UK's new immigration system due to start in January 2021. An audience of 130+ people joined the virtual launch event including keynote speaker Home Office Minister Kevin Foster MP, Professor Brian Bell (Chair of the Migration Advisory Committee) and Claire Tunley (CEO, Financial Services Skills Commission). The report is available to download [here](#).
6. The Policy Chair attended a Professional Business and Services Council meeting where the UK Skills review was discussed. This will be a joint project between the Financial Services Skills Commission and supported by City of London Corporation and PwC. The review will look to identify evidence and case for policy change and action across the UK.
7. The Regulatory Affairs Team and TheCityUK have produced a private paper to Government on tax policy for the recovery. Its recommendations include focussing on sustainable, long-term economic growth and calling for any new tax policies to be clear, simple and digital-forward. Some aspects of the paper were included in the City Corporation's Comprehensive Spending Review submission.

Access to Global Opportunities

8. The Regulatory Affairs Team has commissioned RegTech Associates as partners in developing a report on UK RegTech. The report will investigate the barriers to innovation, including regulatory barriers, international best practice for enhancing competitiveness and provide recommendations for policymakers and industry. It will be delivered in January 2021.
9. The Policy Chair led a virtual visit to Brussels. We would normally host our Annual Brussels Reception around this time, so a comprehensive engagement programme was organised in its place including two webinars. The programme included several meetings with MEPs, EU officials, third-country Ambassadors and EU Permanent Representatives. It was a good opportunity to strengthen our relationships with EU stakeholders and focus on the importance of the long-term UK-EU relationship.
10. The British American Finance Alliance (BAFA), a coalition of FPS trade associations from both the UK and US, has been launched with an associated paper. This underlines that UK-US FTA talks have potential to generate political alignment/momentum behind deeper UK-US regulatory cooperation. Most

existing FPS barriers to doing business are regulatory. BAFA is co-chaired by the Policy Chair.

Global Recognition of UK's FPS Offer

11. The Global City website has been updated with two new case studies. Daniel Grant Smith, Head of Engagement at Legatics, tells us about the benefits of being part of the UK's legaltech ecosystem and the company's ambitions for the future, and Charles Delingpole of ComplyAdvantage tells us why London is an excellent place to find investors. Read them both [here](#).
12. In November, Innovation & Growth will launch new work evidencing and promoting London's global competitive offer. The research benchmarks London and the UK's position relative to other global financial centres using more than 90 metrics across five key competitiveness dimensions: Reach of financial activity, regulatory environment, resilient business infrastructure, talent and skills, and innovation. Performing consistently well across all, we demonstrate the depth and breadth of London's offer while acknowledging the strengths of other centres. With both a standalone report and [The Global City](#) integration, the work provides an evidence base for the City Corporation and partners to promote the UK to investors and businesses. The research further highlights opportunities and areas where we can learn from other centres, supporting our wider policy engagement on UK competitiveness.
13. The Lord Mayor met with the Bank of Japan - introducing their new General Manager for Europe, Mr Tetsuro Hanajiri and saying farewell to Yuko Kawai. As well as discussions around economic recovery - digitalisation and a green led recovery, we discussed markets and competitiveness. A number of insights to share: the dollar swap arrangement has helped Tokyo during pandemic; low deaths in Japan so not as much transformation; resilience an issue including cyber security; and Tokyo needs to learn from our hybrid way of working.
14. The RMB Market Monitoring Working Group held its second virtual meeting this week. The meeting was co-chaired by Giles French and the Chief Representative for the People's Bank of China Representative Office for Europe, Madam Jin Mei. During the meeting members discussed the impact of Covid-19 on London's RMB trading flows and the long-term effects this can have on London as the largest RMB clearing centre outside of Greater China. Members also highlighted the opportunities that is there for London to support raising the profile of Chinese green bonds.
15. The Policy Chair and Lord Mayor undertook a virtual visit to Glasgow where they met with business, political, and public sector figures within the Financial & Professional Services Ecosystem. This was a two-and-a-half-day visit, focussing on the Green Finance and Fintech opportunities in Glasgow and wider Scotland. Some of the organisations we met with include a number of FinTech firms (ranging from Lawtech to Regtech) Scotland's FPS membership body SFE, the RBS Fintech Accelerator hub, Glasgow City Council's FDI agency Invest Glasgow, Scottish born legal services firm Burness Paull, and SNP Cabinet Secretary for Economy, Fair Work and Culture.

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