



MINISTERIAL STATEMENT
TO THE HOUSE OF ASSEMBLY
BY THE HONOURABLE JASON P. HAYWARD, JP, MP
MINISTER OF ECONOMY AND LABOUR
FINTECH IN BERMUDA, A YEAR IN REVIEW
8th March 2024

Mr Speaker and Honourable Members,

I rise today to update this Honourable House on Bermuda's journey and achievements in the FinTech sector over the past year. Indeed, the vision we embarked upon in 2017 to position Bermuda as a global leader in financial technology is taking shape and flourishing.

Since 2017, and with oversight from the Bermuda Monetary Authority (the BMA), Bermuda has introduced robust legislation, including the Digital Asset Business Act (DABA) and the Innovative Insurer General Business license (IIGB). These initiatives have laid a solid foundation for well-regulated companies to join and strengthen Bermuda's FinTech ecosystem.

As a result, and as of the end of 2023, the Registrar of Companies listed 72 companies that engaged in activities related to Financial Technology (FinTech). Compare that to 53 such registrants in 2022, 36 in 2021, and 23 in 2020.

Beyond company registrations, it's noteworthy to consider a key economic indicator relevant to this industry: namely, the number of entities licensed by the BMA. Today, Bermuda is home to 28

licensed FinTech companies, 24 of which are licensed under DABA. Again, compare that to 16 DABA-licensed companies in 2022.

Regarding the companies licensed under the Innovative Insurer General Business license (IIGB), Bermuda now counts 4 such companies on its shores.

Bermuda is becoming a preferred destination for mature, well-capitalised companies seeking to leverage our innovative regulatory environment.

Mr Speaker, Bermuda's FinTech vision includes attracting top-tier companies and investors, creating job opportunities for Bermudians and preparing them for sustainable, gainful employment in this sector. This is because Bermuda's youth, professionals, and entrepreneurs must have a chance to be at the forefront of FinTech innovation and adoption right here in Bermuda.

This objective is compelling the Government to provide the Bermudian learner with access to business and educational opportunities related to FinTech. Therefore, in 2023, as it did in 2022, the Government of Bermuda made educational and training opportunities in FinTech accessible to all.

This training and educational effort includes the annual FinTech training programme, which provides Bermudians with an understanding of the possibilities and inner workings of FinTech. In addition to theoretical knowledge, this programme also introduces

participants to leaders in the local industry through seminars and webinars and with in-person meet-and-greet sessions.

Also, in 2023, as in prior years, the Government of Bermuda ran its annual Tech Education Day, attended by students from high schools across the Island. Every year, this event aims to make technology and FinTech relatable and familiar subject-matters for students to consider as they make future career decisions. To that end, the agenda of Tech Education Day is intentionally diverse and provides various opportunities to relate to, learn from, and question technology and FinTech.

Mr Speaker, It is worth noting that DABA and IIGB licensed companies have had a tangible impact on Bermuda's economy. Over the past few years, the number of individuals employed in the FinTech sector has risen, with a notable increase in Bermudian employment.

While in 2021 16 individuals (of which 12 were Bermudians) were working in FinTech, in 2022 total employment in FinTech rose to 28 persons, half of whom were Bermudians. As recently as 2023, preliminary numbers provided by the Department of Statistics list total employment in FinTech to be 35 persons, of which 20 were Bermudians or Spouses of Bermudians.

This trajectory highlights expanding opportunities for our workforce in the field.

Moreover, DABA-licensed companies in Bermuda have collectively raised over \$640 million, demonstrating the sector's attractiveness and growth potential. While most of these investments have been led by international venture capital groups, other investor classes - like family offices and sovereign wealth funds - are now actively deploying capital into the FinTech sector. These international investments are expected to invigorate our economy further, providing capital for DABA and IIGB companies to grow.

Mr Speaker, Let me reiterate that the Bermuda Government remains dedicated to providing Bermudians with robust and sustainable opportunities in the FinTech sector. We are not merely participants in the global FinTech revolution; we are leaders, innovators, and trailblazers. Together, we will continue to write this success story, a narrative in which every Bermudian can take pride.

As we look to the future, let us continue to embrace the spirit of innovation and commitment that has brought us this far. Together, we will continue to build a FinTech ecosystem that generates economic growth and creates sustainable and meaningful opportunities for Bermudians.

Thank you, **Mr Speaker.**