



MILANO HUB

Rules for the 2021 Call for Proposals

1. Introduction

Milano Hub is the Bank of Italy's new innovation centre for supporting the digital evolution of the Italian financial market and attracting talent and investment.

Milano Hub is the physical and virtual location in which the Bank of Italy – in full compliance with its institutional role – will assist the various operators, help to develop projects, and facilitate the quality and security assessment of specific innovations in the banking, financial and insurance sectors.

These Rules cover all aspects relative to applications and participation in Milano Hub for the 2021 Call for Proposals.

2. Objectives

Milano Hub pursues the following objectives:

- to support the uptake of digital technologies by the financial market;
- to facilitate the adoption of solutions capable of effectively monitoring the different types of risk;
- to strengthen the ability of intermediaries to respond to the challenges posed by digitalization.

Milano Hub operates according to a network logic, designed to enhance synergies with the entire Fintech ecosystem.

3. Activities

Milano Hub offers support for eligible projects covering one or more of the following areas:

- expertise in the banking, financial and insurance sectors and in other specific areas (e.g. IT, legal support and so on);
- clarification of regulations;
- organization of seminars, themed events and conferences for the applicants (hereinafter 'Participants'), institutions and academia.

This does not include:

- the provision of financial contributions, including the reimbursement of expenses, to the Participants;
- the purchase of goods or services by the Bank of Italy;
- the promotion of initiatives relating to individual Participants admitted to Milano Hub;
- the support of Milano Hub during the eventual marketing phase.

For each project admitted, a multidisciplinary support team will be set up in January 2022 to oversee the activities within Milano Hub. The members of the support team and their contact information will be communicated directly to individual Participants. For each project selected, **the support phase within Milano Hub will last 6 months**. The Bank of Italy reserves the right to:

- terminate the support activity in advance, if it deems that this no longer serves its own interest or that the initiative is no longer capable of benefiting from the support of Milano Hub. In this case, Participants will not be entitled to any indemnity, reimbursement of expenses or compensation;
- extend the support activity, in agreement with the Participant, for the time strictly necessary to finalize the project, provided that the extension does not exceed 6 months.

3.1 Exclusion of liability

Within the limits of these Rules, the team is exclusively dedicated to providing support and non-binding guidance to the Participants, who remain free to accept or reject any suggestions made or advice given. Accordingly, Participants remain solely responsible for the design and development of the initiative, as well as for its effectiveness or fitness for purpose.

The Bank of Italy assumes no responsibility for the support provided or suggestions made by Milano Hub and does not guarantee their effectiveness or suitability with regard to the objectives pursued by the Participants. Moreover, the Bank of Italy assumes no responsibility for decisions taken by the Participants on the development of projects, for outcomes, or for the effectiveness or suitability of same, including when Participants decide to adhere to the suggestions and guidance provided by Milano Hub. In particular, Participants explicitly accept that the support activities of Milano Hub do not give rise to any legally binding expectation in relation to any assessments that the Bank of Italy or other authorities, as part of their institutional functions, may be called upon to carry out in relation to the project or to subsequent versions thereof; these assessments may, therefore, diverge from the indications or suggestions provided by the support team in whole or in part.

Support activities are provided free of charge by Milano Hub; participants are not entitled to compensation or reimbursement of expenses, and the responsibility for project development costs remains theirs alone, as well as for costs relating to any activity required to enable them to benefit from the support of Milano Hub, including, but not limited to, travel costs, internet connection costs, prototypes, and so on.

4. Who can participate

The projects can be submitted to Milano Hub by three different categories of aspiring participant, Italian or foreign. Within Milano Hub there is a dedicated area of operations for each one:

- A) **Fintech Hub**: non-bank/financial undertakings (e.g. technology solution providers) or combinations thereof;
- B) **Innovation Hub**: banking, financial and insurance intermediaries or combinations thereof;
- C) **Research & Development Hub**: universities, research institutes, other bodies or combinations thereof.

Projects can also be submitted in group form by a number of entities belonging to more than one of the abovementioned categories, provided that the application formally identifies a single Applicant. Groups can only apply for admission to the area of operations that is most consistent with the nature of the named Applicant.

The Applicant is chosen from the group's Participants and is the entity responsible for formally submitting the application and sending all the necessary documentation on behalf of the group, in compliance with the requirements laid down in these Rules. The Applicant is the point of contact with Milano Hub and, if the application is successful, is responsible for coordinating the activities of the Participants relating to the realization of the project.

In order to be admitted to the project evaluation phase, at the time of submission, Participants must fulfil the following **subjective requirements**:

- a) belong to one of the categories identified above;
- b) meet the integrity requirements.

Regarding the integrity requirements (b), the entities referred to in this section must not have been the subject of preventive or security measures and must not have been sentenced, in a final judgment, including upon request of the parties, to a custodial sentence of more than six months for non-culpable offences, without prejudice to the effects of rehabilitation, the revocation of the judgment due to the abolition of the offence, or the declaration that the offence was expunged following conviction.

At the time of submission of the applications, the legal representative of each Participant must produce a self-declaration pursuant to Presidential Decree 445/2000, certifying that the contact person for the Project¹ and the following persons fulfil the integrity requirements: (i) for partnerships or cooperatives, a list of all the directors; (ii) for general partnerships and limited partnerships, respectively, all partners and general partners; (iii) for sole proprietorships, the owner; (iv) in all other cases, the person empowered to represent the institution. In the case of foreign Participants, equivalent positions to those outlined under (i), (ii), (iii) and (iv) shall be considered, in accordance with the law applicable to the Participant.

The project must also meet the following **objective requirements**:

- relevance: the proposed project must be related to the areas of interest of Milano Hub (banking, financial and insurance activities); it must be consistent with the objectives of Milano Hub and must be related to the theme of the '2021 Calls for Proposal', as specified below in Section 6 'Applications for admission';
- value of the participation; the services that Milano Hub makes available to the projects must contribute significantly to the development of the initiative.

Only initiatives relating to innovative projects for which the marketing phase has not begun may apply i.e. any activity involving the market placement and/or commercial exploitation of the product or service in question is inadmissible.

5. How to participate

The submission of applications is free of charge and reserved to persons meeting the participation requirements specified in Section 4 'Who can participate'.

The application must include all the documentation required in Section 6 'Applications for admission' **Late applications will be rejected. Applications must arrive within the mandatory time limit to the shared mailbox: application@milanohub.bancaditalia.it.**

The mailbox will send an automatic reply confirming receipt of the application. Any application received after the deadline will not be admitted.

Applications received via any other channel than the one specified or with partial and/or incomplete documentation will not be accepted. The Bank of Italy is not liable for any delays due to malfunctions or breakdowns of the IT and internet connections used by Participants, nor is it responsible for any technical difficulties encountered when submitting the application attributable to these systems.

¹ Each Participant shall identify within its organization a contact person responsible for the coordination and scientific supervision of the project and the interaction with Milano Hub and, for group projects, with the contact persons of the other Participants in relation to the technical and scientific aspects of the initiative. The contact person and the legal representative may be one and the same.

Participants are therefore invited to send in their applications **well in advance of the deadline**.

Each Participant guarantees that all the information provided is true and correct. The Bank of Italy reserves the right to verify each declaration and to request additional documentation to ascertain the veracity of the declarations made.

The Bank of Italy is not responsible for any failure to deliver the documentation required for the evaluation process, as specified in Section 6 below, 'Applications for admission', including cases of illegibility or of gaps in the data needed to perform the assessment.

Requests for clarification can be sent to the shared mailbox: info@milanohub.bancaditalia.it.

6. Applications for admission

The '2021 Calls for Proposal' is dedicated to the following theme:

'The contribution of artificial intelligence in improving the provision of banking, financial and payment services to businesses, households and the public administration, with a particular focus on financial inclusion, adequate consumer protection, and data security.'

Applications may be submitted from 3 p.m. CEST on 27 September and **no later than 3 p.m. CEST on 29 October 2021**.

Only one application per participant may be submitted. Participation in several group projects is allowed, provided that each entity plays the role of group Applicant in one project only and has not submitted an individual application for admission. All the participants involved in the development of the project must be indicated.

Applications must be made using the forms available on the Bank of Italy's website (<https://www.bancaditalia.it/focus/milano-hub/call-for-proposals/>).

To be eligible, the following documents must be completed and **signed digitally by the Applicant's legal representative or by the legal representatives of the group of participants**:

- application (Form A);
- general data and proof of fulfilment of the objective requirements (Form B);
- Declaration of fulfilment of the integrity requirements (Form C);
- project proposal; please note that a different form must be used for each of the three areas of Milano Hub (Forms D1, D2 and D3);
- Business Plan (Form E).

Applications submitted using forms or formats that do not comply with the requirements published on the Bank of Italy's website, or are incomplete, **will be excluded from the selection**.

The presentation and eventual admission of a project to Milano Hub does not give rise to any compensation and the related expenses will not be incurred and/or reimbursed by the Bank of Italy.

Participants may withdraw their application by sending a waiver letter signed digitally by the legal representative or by the legal representatives of the entities participating in group form, to info@milanohub.bancaditalia.it; if the waiver is received before the aforementioned closing date of the '2021 Call for Proposals', the project will not be evaluated.

Once the application phase has been completed, the evaluation of the projects received by the deadline will begin, in accordance with the provisions of Section 7 'Assessment and selection of projects'.

7. Evaluation and selection of projects

Applications will be evaluated by a collegiate panel to be appointed by the Bank of Italy after the deadline for submission of projects.

The list of the panel members who will evaluate the '2021 Call for Proposals' will be published on the Milano Hub web page.

A maximum of 10 projects will be eligible for support from the Hub and will be **divided among the three operational areas** as follows:

- **A maximum of 5** projects for the **Fintech Hub**;
- **A maximum of 3** projects for the **Innovation Hub**;
- **A maximum of 2** projects for the **Research and Development Hub**.

There are two main criteria for assessing the projects:

A) **VALUE**, which includes the following sub-criteria:

- *Systemic relevance and scalability*
The criterion assesses whether the objectives pursued by the scheme are relevant to the banking, financial and insurance system as a whole, to companies and customers – also from the point of view of financial inclusion – and to the public sector.
- *Innovative content*
The criterion verifies that the Fintech solution is innovative in relation to products/services/processes for banking, financial and insurance activities.
- *Completeness*
The criterion determines whether the project is generally well laid out as regards resources (financial, human, technological and logistical), how it is to be realized and the objectives to be achieved.
- *Sustainability*
The criterion evaluates how the project focuses on the issues of economic, social and environmental sustainability.

B) **VIABILITY**, which includes the following sub-criteria:

- *Feasibility*
The criterion assesses the adequacy and proportionality of the estimates of the necessary resources (financial, human, technological and logistical), in relation to the expected results.
- *Measurability*
The criterion determines whether the progress of the activities and the expected results are measurable, so as to be able to monitor the progress of the work and the achievement of the objectives.
- *Security*
The criterion determines whether the project proposal includes a reliable assessment of the possible exposure to cyber-attack risks, as well as of appropriate mitigation measures to ensure suitably high cyber security standards.

The two main criteria ‘Value’ and ‘Viability’, as well as the individual sub-criteria, help to establish the final score awarded to the project in a different way for each area of the Hub, as indicated below.

For the **Fintech Hub**, ‘Value’ and ‘Viability’ will be considered equally and the following sub-criteria will be evaluated, weighted as specified in the table below:

50%		50%	
VALUE		VIABILITY	
Systemic relevance and scalability	40%	Feasibility	35%
Completeness	15%	Measurability	35%
Sustainability	15%	Security	30%
Innovative content	30%		

In the **Innovation Hub**, Value will carry more weight than Viability , and the following sub-criteria will be evaluated, weighted as specified in the table below:

70%		30%	
VALUE		VIABILITY	
Systemic relevance and scalability	60%	Feasibility	35%
Innovative content	40%	Measurability	35%
		Security	30%

In the **Research and Development Hub**, Value will carry more weight than Viability and the following sub-criteria will be evaluated, weighted as specified in the table below:

70%		30%	
VALUE		VIABILITY	
Systemic relevance and scalability	70%	Feasibility	50%
Completeness	10%	Measurability	50%
Sustainability	10%		
Innovative content	10%		

For every project eligible for selection, and based on the documentation submitted, each member of the collegiate panel shall assign a score of 0 to 3 for each sub-criterion.

For each sub-criterion, the arithmetic average of the scores given by each member of the panel is calculated. The averages are then weighted as indicated above to establish the two scores for Value and Viability. The latter are further weighted as shown in the previous tables to calculate the overall score for the project and draw up the final ranking.

Regardless of the maximum number of projects for each operational area of the Milano Hub, as indicated in this section, **a final score equal to or greater than 1.50** shall in any case be required for projects to be selected. Consequently, projects with scores below this threshold will not be considered.

Unless extensions are communicated exclusively via a notification on the Bank of Italy's website, individual Participants will be informed by 13 December 2021 as to whether they have been selected or not for the Milano Hub, with an indication of the final score obtained and their ranking. The list of eligible projects, together with a brief description in compliance with Section 9, will be published on the Bank of Italy's website.

8. Participants' obligations and responsibilities

By accepting these Rules, each Participant undertakes to comply with their specifications in full and to conduct themselves fairly and in good faith. The Bank of Italy reserves the right to exclude any Participant from Milano Hub who does not comply with the provisions of these Rules during the selection or development phase. In the event of exclusion, the Participant shall not be entitled to any compensation or reimbursement of expenses.

Participants undertake to notify the Bank of Italy promptly of any change to or modification of the subjective requirements referred to in Section 4 'Who can participate'. Should Participants no longer possess these requirements during their participation in the Milano Hub, they will be excluded.

Participants undertake to participate in the initiative and to develop the projects selected in line with the objectives of the Milano Hub.

When presenting their designs, models or projects and in their preparation, Participants undertake not to infringe trademarks, patents or other intellectual and industrial property rights, and to respect the right to the protection of third parties' personal data.

Each Participant is solely responsible for the content of their own project, its development and any related activities carried out in connection with Milano Hub. The Bank of Italy is therefore not liable, either directly or indirectly, with regard to the content of the projects, their development and the related activities carried out therein. Each Participant undertakes to indemnify and protect the Bank of Italy from any claim, including for compensation, which may be made in relation to the project submitted or selected and, more generally, with respect to the development activities carried out within the framework of Milano Hub.

Participants also expressly undertake to comply with the following minimum standards of conduct:

- a. to respect the other Participants;
- b. not to use expressions that may incite violence, discrimination, obscenity and/or defamation, under any circumstances or in any context;
- c. to avoid any offensive, defamatory, vulgar, commercial, political/ideological, religious or privacy-infringing content, or any other content contrary to the law or to fairness and good faith.

By accepting these Rules and participating in Milano Hub, each Participant undertakes, with due care and diligence and for the entire duration of their participation, to use the information and any materials made available by the Bank of Italy in strict compliance with the established safety and conduct rules, as well as with the instructions given by the Bank.

9. Intellectual property

All names, trademarks, logos, graphic interfaces, texts, user interfaces, computer codes and any distinguishing features mentioned or reproduced in the Milano Hub section of the Bank of Italy's website are protected by copyright or other intellectual and/or industrial property rights, and therefore remain the exclusive property of their authors and right holders. Any full or partial reproduction and/or representation of the abovementioned items is strictly forbidden.

Each Participant expressly declares that every project, prototype, idea, proposal or element presented as part of Milano Hub in no way infringes, either wholly or partly, the intellectual property rights of third parties; to this end, each Participant undertakes to indemnify and protect the Bank of Italy from any claim that may be made by third parties in this respect.

Each Participant remains fully responsible for the protection of any innovative and/or original element of the project against misuse (applications for registration, patent applications and so on), through legal means, including the payment of any commission or costs incurred.

Intellectual property rights relating to projects submitted and later developed as part of the Hub initiative shall remain the sole property of the Participants. By accepting these Rules, the Participants authorize the Bank of Italy to publish the title of the projects selected for Milano Hub and to disseminate the project description provided when the application was submitted on the Bank of Italy's website and/or on other analogue, digital and paper-based communication channels, (e.g. Facebook, Instagram, Twitter, YouTube and LinkedIn). No additional information with respect to the above can be disclosed without the prior consent of the Participant.

Support team members and staff employed in the activities of Milano Hub are bound by professional secrecy with regard to the information and documents exchanged for participation in the initiative, subject to the limits required by law.

10. Privacy

Pursuant to Article 6(3), letter b) and to Regulation (EU) No. 679/2016 (the General Data Protection Regulation – GDPR), as well as to Articles 2-ter, paragraph 1 and 2-octies, and paragraphs 1 and 3, letter c) of Legislative Decree 196/2003, these Rules provide the following information on the processing of personal data carried out by the Bank of Italy as part of the activities relating to Milano Hub.

The data for each Participant will be collected by the Bank of Italy, in its role as Data Controller, to enable admission, participation and selection for Milano Hub's '2021 Call for Proposals', as well as related promotional initiatives conducted by Milano Hub within the limits established by these Rules. In carrying out the aforementioned activities, the data may be processed by Bank of Italy employees and/or consultants, as persons authorized to process data.

To be able to participate in the admission, participation and selection activities as outlined in these Rules, Participants are required to provide data relating to their legal representative and to the other persons indicated in Section 4 of these Rules, which are then collected and processed by the Bank of Italy based on the consent given via acceptance of these Rules.

In addition, in order to participate in Milano Hub, the integrity requirements must be satisfied, as laid down in Section 4 letter b) of these Rules. They are acquired by the Bank of Italy through the production of self-declarations made pursuant to Article 43 of Presidential Decree 445/2000 and verified by checking the criminal records. The processing of such data, which come under the category of data relating to criminal convictions and offences, as in Article 10 of the GDPR, is essential to ensuring the possession of reputational and morality requirements on the part of the persons for whom the Bank of Italy would provide some support, under the terms established in these Rules, pursuant to Article 2-octies, paragraphs 1 and 3, letter c) of Legislative Decree 196/2003.

The data will be processed both manually and with the help of IT tools, adopting the appropriate technical and organizational measures to guarantee the protection of the data from unlawful access and unauthorized use.

In compliance with the criteria of relevance, proportionality and minimization, only data essential for the purposes pursued by Milano Hub will be processed, and only authorized employees will have access to such data. Furthermore, these data will not be used in any way for carrying out activities other than those referred to in these Rules. Therefore, if, as part of the activities connected to Milano Hub, data come to light relating to criminal convictions and crimes that are not essential for the performance of these same activities, such data shall not be processed and may not be used in any way, except for the possible storage, pursuant to law, of the act or document that contains them. The data shall be processed for the time strictly necessary to achieve the purposes for which they were collected and in any case for a period not exceeding two years, without prejudice to the storage requirements provided for by the applicable legislation.

Interested parties have the right to withdraw their consent at any time, without prejudice to the lawfulness of the processing based on the consent given prior to the withdrawal.

The interested party may, at any time, exercise the rights set out in Articles 15 *et seq.* of the GDPR by sending a written request to the Bank of Italy, Organization Directorate, via Nazionale 91, 00184 ROME, e-mail address: org.privacy@bancaditalia.it. These rights include the right to access their personal data and the other rights granted by law, including that of obtaining the correction, integration, cancellation or anonymization of the data; the right to block the use of data used unlawfully; and the right to object wholly or partly, for legitimate reasons, to the processing of personal data.

For further information, please contact the Data Protection Officer for the Bank of Italy at Via Nazionale 91, 00184 ROME, or at the following email address: responsabile.protezione.dati@bancaditalia.it.

Interested parties also have the right to file a complaint with the Guarantor for the Protection of Personal Data if they believe that the processing of their personal data violates the current legal provisions.

11. Acceptance of the Milano Hub Rules

Applying to participate in Milano Hub implies that Participants fully and unreservedly accept these Rules, which fully govern the relations between the Bank of Italy and the Participants. Participation also implies acceptance of the privacy policy and consent by each interested party to the processing of their personal data under Section 10 'Privacy'.

Italian is the reference language for these Rules. Any other translation is provided for information purposes only and, in the event of any inconsistencies or discrepancies, only the Italian version will be considered valid.

These Rules are published on the Bank of Italy's website: <https://www.bancaditalia.it/focus/milano-hub/>.

12. (Applicable law)

The relations between the Participants and the Bank of Italy are governed by Italian law, according to which these Rules will be interpreted and applied.