PORTUGAL FINLAB

WHERE REGULATION MEETS INNOVATION

PORTUGAL **FINLAB** REPORT

6th EDITION

ASF AUTORIDADE DE SUPERVISÃO DE SEGUROS E FUNDOS DE PENSÕES

BANCO DE PORTUGAL EUROSISTEMA

CMVM COMISSÃO DO MERCADO DE VALORES MOBILIÁRIOS

01.

PORTUGAL FINLAB
OVERVIEW

Portugal FinLab serves as a key communication channel between financial sector innovators, including start-ups and incumbent institutions, and Portugal's financial competent authorities (Authorities): Autoridade de Supervisão de Seguros e Fundos de Pensões (ASF), Banco de Portugal (BdP) and Comissão do Mercado de Valores Mobiliários (CMVM). By working together, the Authorities provide participants with a clear and integrated framework to operate within the Portuguese financial regulatory system. This initiative is designed to foster a more supportive environment for the inception, development, and growth of fintech businesses and projects, addressing the global expansion of the sector.

The 6th edition of Portugal FinLab occurred from January to September 2025. After the application period closed in February 2025, 12 projects were selected to participate in the "pitch days" in the following month. These pitch days provided candidates with the opportunity to present their projects to the Authorities and to raise any regulatory questions they wished to address. Following the pitch days, five projects were selected for an in-depth analysis of regulatory factors that could potentially impact or hinder their implementation. For these projects, the Authorities provided a comprehensive support through detailed reports, which were delivered to the participants in July. These reports offered non-binding opinions reflecting the Authorities' views on the regulatory challenges identified by the participants, highlighting any obstacles or critical points within the context of Portuguese law and regulations. The 6th edition concluded in September, with closing meetings held with the participants, giving the Authorities the opportunity, as usual, to gather feedback on the program, discuss the next steps for each project, and clarify any questions related to the interpretation of the report content. For the remaining projects, the pitch days either directly clarified their regulatory concerns, or led to bilateral discussions with the relevant Authorities.

The 6th edition reiterated the strength of this initiative, which remains true to its core mission of connecting financial authorities with technology-driven innovation in the financial sector. Since its launch in 2018, Portugal FinLab has received 139 applications across its six editions, highlighting the initiative's success and appeal within the fintech market.

The value of Portugal FinLab is reflected in the figures and the participants' testimonials found in this report, as well as in the reports from previous editions. In addition, the expertise gained by the Authorities through their direct engagement with participants is essential for deepening their knowledge in fintech matters and for the preparation for the various European legislative acts on digital finance, which will soon come into force.

02.

6TH EDITION
NUMBERS

TIMELINE

The 6th edition of Portugal FinLab was officially launched on January 13th, 2025, opening doors for innovative fintechs to engage directly with financial regulatory authorities.

Applications were open until February 14th and candidates were notified in the end of February, ahead of the pitch days held on March 18th and 19th, when they presented their projects to the Authorities.

Following the evaluation process, five participants were selected and announced in April. Each participant received a detailed feedback report from the Authorities, delivered in July, providing valuable regulatory insights and guidance for each project.

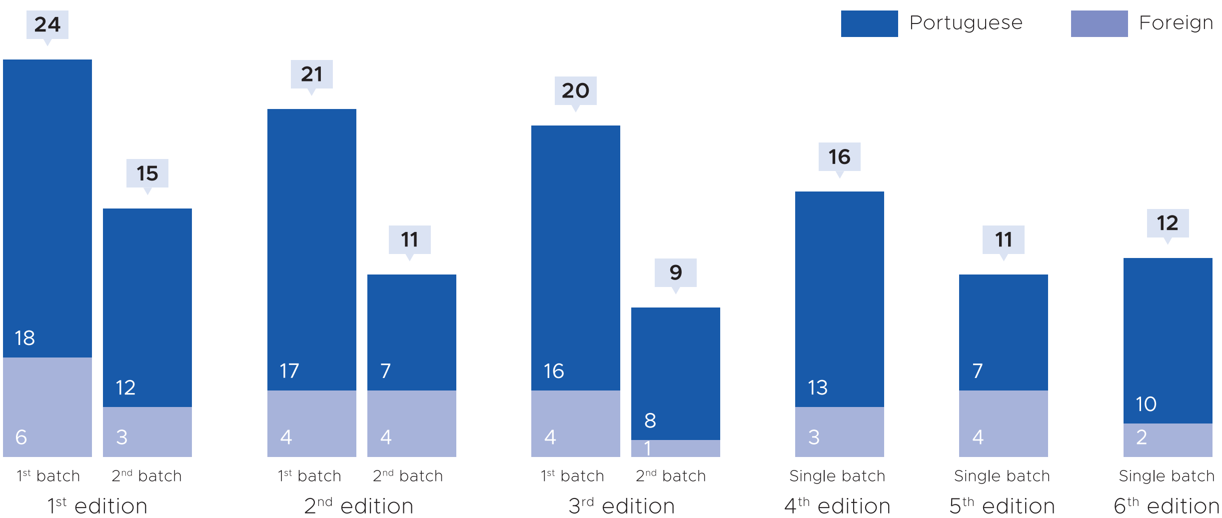
This edition was concluded in September with individual closing meetings involving all participants. These meetings provided an opportunity to address any remaining questions that the participants may had as well as to gather feedback regarding this initiative, reinforcing Portugal FinLab's mission to foster collaboration between innovators and regulators.

RELEVANT STATISTICS

The 6th edition attracted a total of 12 applications, reflecting a steady interest of fintechs in this collaboration with the authorities.

83% of applications came from Portuguese entities (10 out of 12), highlighting a rise in domestic participation, compared to 64% in the previous edition. It also demonstrates the strengthening role of national players in shaping the future of financial technology while maintaining an international perspective.

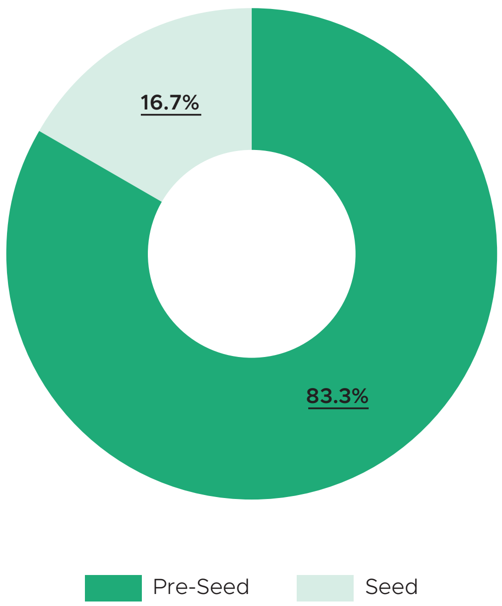
Number and origin of applications



Applications by stage of development

As usual, most of the candidates were in the earliest phases of development of its projects, with 10 out of 12 applications in the "Pre-seed" stage and the remaining (two applications) in the "Seed" stage.

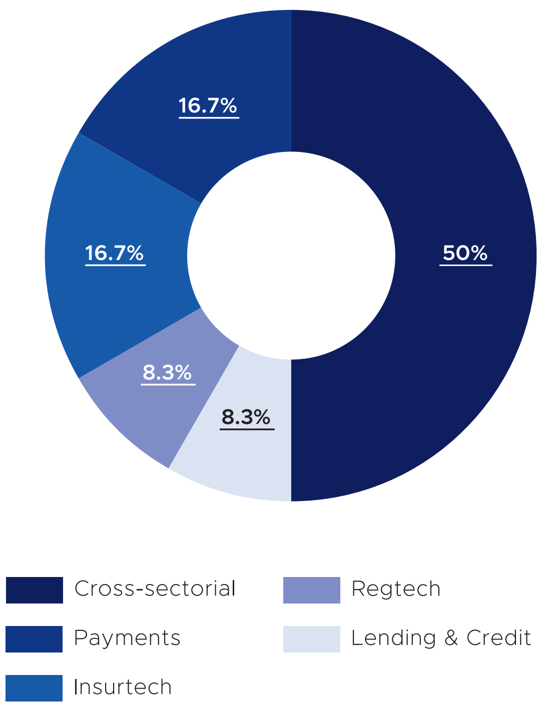
This confirms Portugal FinLab's role as a launchpad for emerging fintech ideas, supporting fintechs from their initial steps toward market readiness.



Applications by activity sector

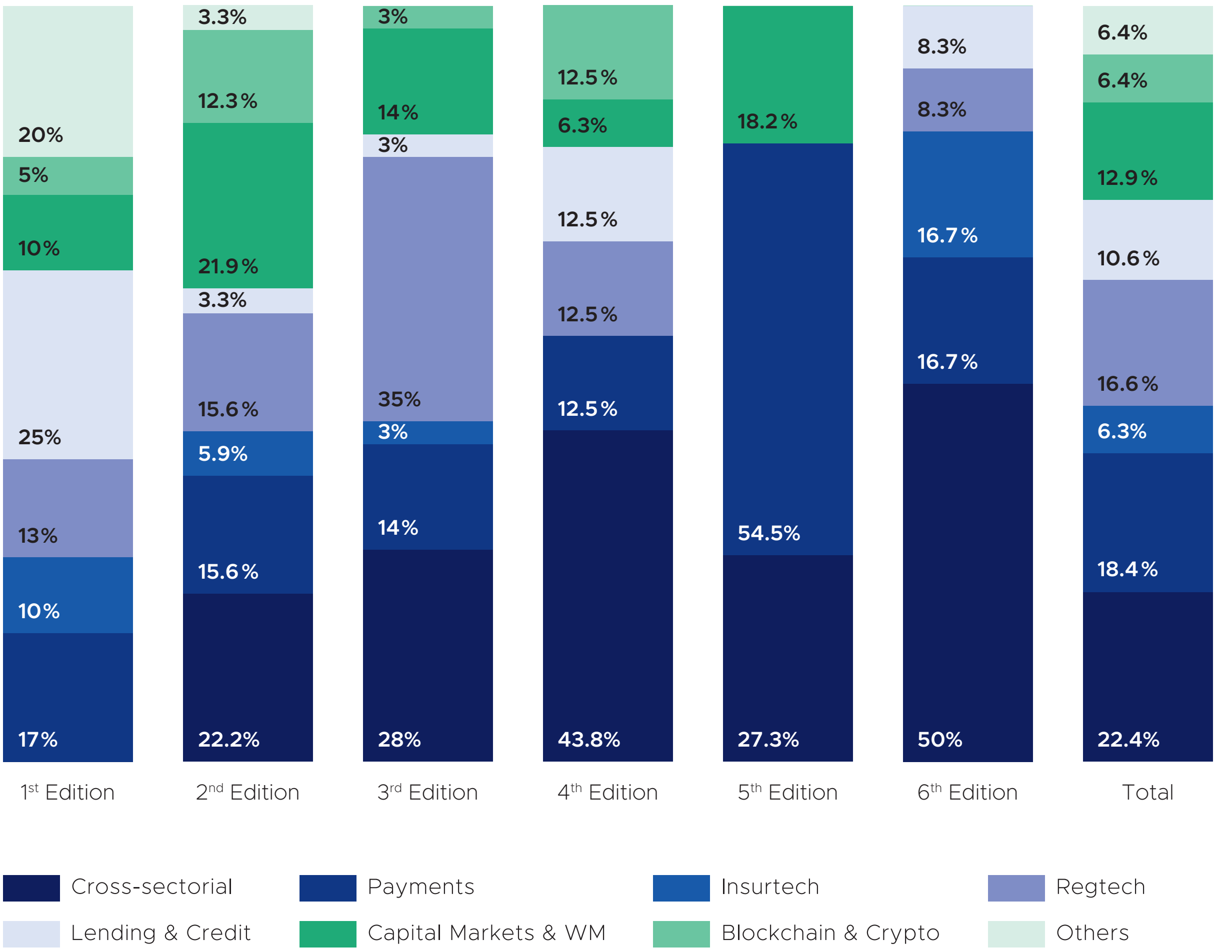
This edition evidences a strong focus on cross-sectorial innovation, with half of the candidates presenting transversal projects, i.e., projects that involve more than one of the three financial sub-sectors (banking, capital markets and insurance). Payments and Insurtech followed as second key areas of interest, represented by two projects each. The areas of Lending & Credit and Regtech completed the landscape, with a single project, respectively.

Compared with the previous edition, Cross-sectorial and Insurtech projects showed the most significant increases (23 p.p. and 17 p.p., respectively), while Payments and Capital Markets & Wealth Management (WM) projects presented a decline (38 p.p. and 18 p.p., respectively), which reveals a diversification of fintech innovation across editions and reflects broader market trends.

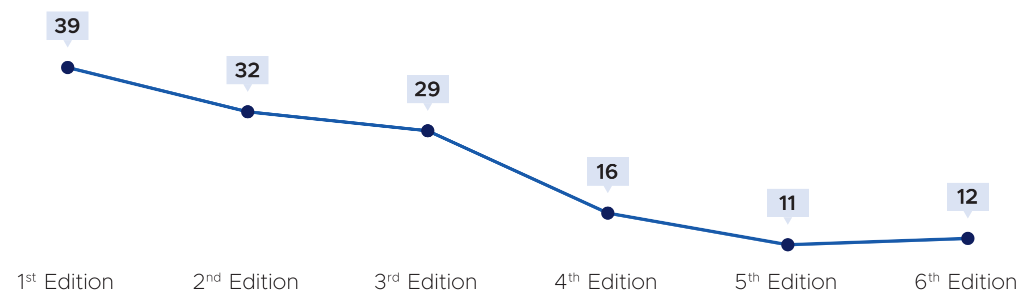


Looking at the overall trend across Portugal FinLab's editions, cross-sectorial projects dominate with 31 applications (out of a total of 139), reflecting a tendency towards integrated solutions across financial services. Payments follow as the second most relevant sector (26 applications).

Applications by activity sector

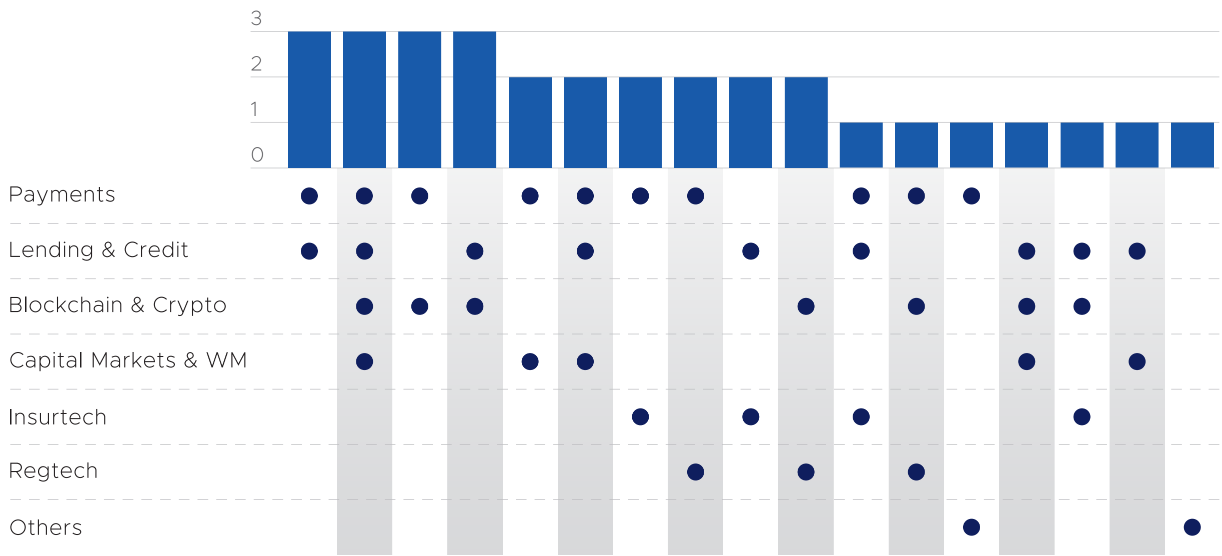


Applications



A close look at the cross-sectorial projects in each edition reveals that there has not been a proeminent combination of activity sectors. However, **Payments, Lending & Credit and Blockchain & Cripto stand out as the most frequent activity sectors within these projects.**

Cross-sectorial projects by activity sector



SELECTED PROJECTS

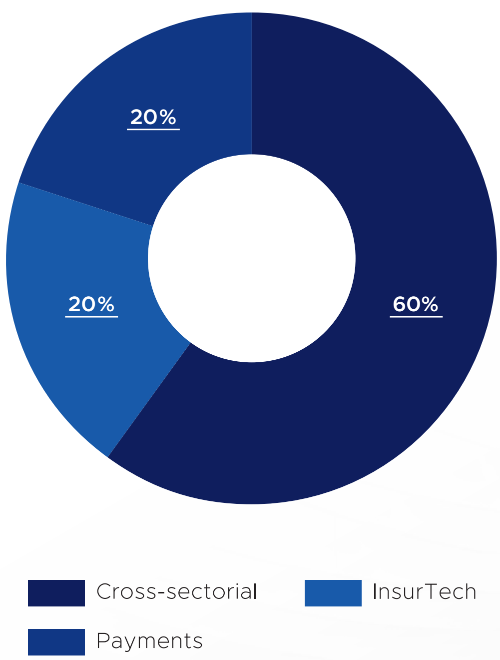
From the 12 applications received, the Authorities selected five projects for detailed analysis. Three of them were chosen from the most representative category, Cross-sectorial, while the other two were from the Insurtech and Payments areas.

Given the transversal scope of most of the projects selected, two of them were assessed jointly by BdP and ASF and one by BdP and CMVM, thus benefiting from the collaboration between Authorities. The remaining two projects were analysed by BdP and ASF.

The majority of the selected projects came from Portuguese entities (4 out of 5). The remaining project came from a Swiss entity.

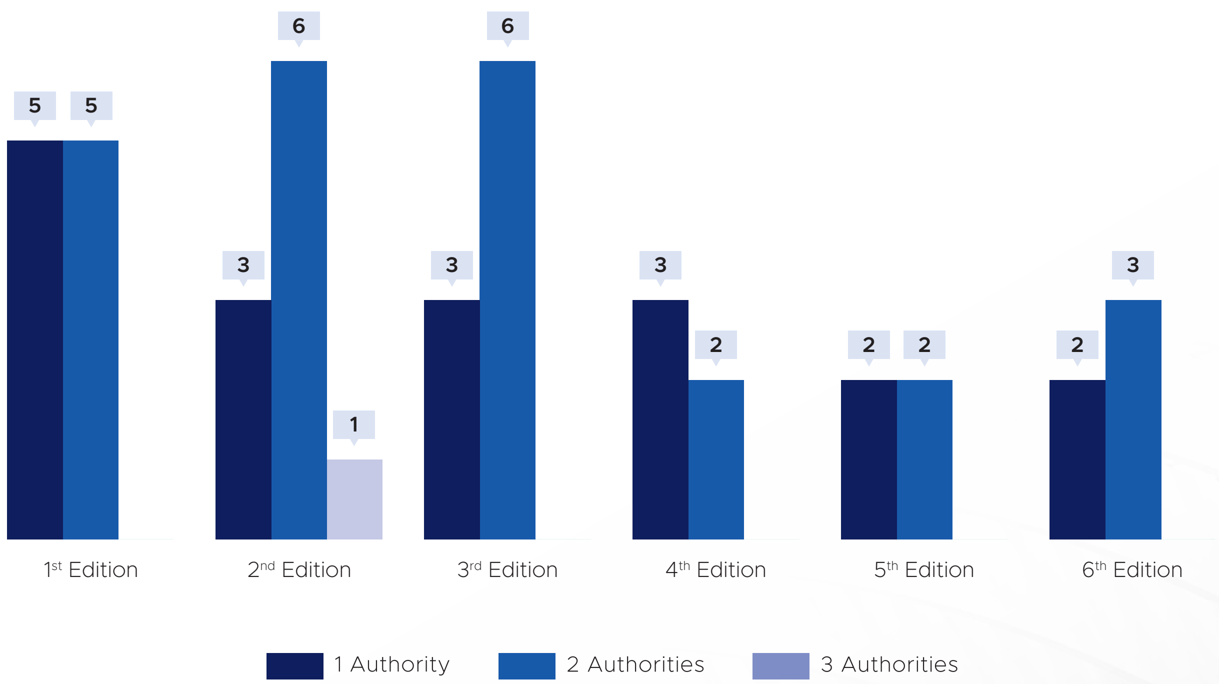
As a final note, there is a certain degree of geographic dispersion of projects, with some

Participants by activity sector



based in areas such as Lousã and Évora. This suggests that, despite the presence of central hubs in major Portuguese cities like Lisbon and Porto, activity within the ecosystem is not exclusively concentrated in these hubs.

Number of projects assessed by Authority (ASF · BdP · CMVM)



03.

PARTICIPANTS
FEEDBACK

COMUDEL

TOCHA SERRA

JOÃO REDOL

DESCRIPTION OF THE PROJECT

COMUDEL is a business operating system that centralizes and automates all small and medium-sized enterprises' company's bureaucracy, from accounting to legal procedures, which integrates a proprietary proactive and non-hallucinating artificial intelligence (AI) infrastructure.

PARTICIPATING IN PORTUGAL FINLAB

We decided to apply because we are building a proactive AI business operating system that needs to integrate deeply with Portugal's regulatory infrastructure.

Participating in Portugal FinLab gave us access to the right people and institutions early on. The feedback we received from regulators was instrumental in shaping key compliance components of our platform. It also helped validate that our proprietary non-hallucination AI approach could be trusted. More than anything, it saved us months of iteration. The openness and structure of the program made it one of the most productive initiatives we have been part of. For any founder navigating legal and financial systems (especially in AI), Portugal FinLab is a no-brainer.

Established
2024

Headquarters
Lisbon and Lousã

Target Clients
Small and medium-sized enterprises

Offices and Countries where operates
Portugal

Website
https://comudel.com/

CONDOROO

RODRIGO BOURBON

DESCRIPTION OF THE PROJECT

CONDOROO revolutionizes condominium management in Portugal and Europe. Through experienced managers, task automation and a building-specialised AI chatbot, Condoroo makes the homeowners' experience simpler and more efficient, and the 100% digital model ensures transparency, speed, and efficiency in condominium administration.

PARTICIPATING IN PORTUGAL FINLAB

We learned about Portugal FinLab through communications from Banco de Portugal and the partner regulatory authorities.

We decided to participate because we believed that collaborating with the Authorities would be key to understanding the regulatory framework for technological solutions applied to condominium management. The experience was highly positive and constructive – it allowed us to clarify legal aspects and identify opportunities to integrate insurance services safely and efficiently. The program was extremely useful for the development of our project and reinforced our confidence in expanding Condoroo within the Portuguese Proptech sector.

Established
2023

Headquarters
Évora

Target Clients
Condominium owners, property owners

Offices and Countries where operates
Portugal

Website
https://condoroo.ai/

FRANK

ANTONIO CASTRO

DESCRIPTION OF THE PROJECT

FRANK is an AI-powered operator built for insurance agents and brokers. It takes over the repetitive administrative, data entry, and follow-ups that consumes a lot of time and seamlessly streamlines workflows and operations. By freeing up hours, FRANK lets the agents focus on advising clients, delivering faster and more personalised service, expanding business potential.

PARTICIPATING IN PORTUGAL FINLAB

We have heard about this initiative from our main investor, Start Ventures. We decided to participate because having in our brand-new project validation from an entity like Portugal FinLab brings for one side security and for other learning, in order to validate with certainty our products. We feel that with Portugal FinLab, our startup can become even more serious, credible and valuable. It also helped us to identify possible constrains or red flags.

Our participation in Portugal FinLab was extremely positive, it gave us clear, formal and actionable guidance, improved our compliance and regulatory roadmap and strengthened our go-to-market challenges.

This experience was really useful for our project development and launch. It gave us early regulatory feedback and guidelines that helped to shape our product features. Also obligated to step-up deeply on our compliance procedures.

Established
2024

Headquarters
Lisbon

Target Clients
Both micro and large brokerage firms, with heavy administrative burden or some digital but fragmented workflows that consume a lot of time, and are looking for technology to automate repetitive processes to gain free time for client acquisition and retention

Offices and Countries where operates
Portugal

Website
https://meet-frank.com/pt

IMPACTE

LUIS LOPES

PANAJOT BAKA

PHILIP KRIEKHAUS

DESCRIPTION OF THE PROJECT

IMPACTE is a sustainable fintech platform that connects users' existing bank accounts to impact investment opportunities. Through automated micro-investments - daily, weekly, or via transaction round-ups - users can easily invest in projects aligned with their personal, social and environmental values. The mission is to democratise access to sustainable finance and make every transaction an opportunity for positive impact.

PARTICIPATING IN PORTUGAL FINLAB

We first heard about Portugal FinLab through the fintech ecosystem and recommendations from other startups. We decided to participate because we recognised Portugal FinLab as a unique opportunity to engage directly with regulators and better understand the compliance landscape for our model.
Our experience was extremely valuable, Portugal FinLab provided clear guidance, access to expert feedback, and an open channel with regulatory authorities. This collaboration helped us refine our business model and ensure regulatory readiness before launch. This program was instrumental in strengthening our foundations for sustainable growth and innovation in the financial sector.

Established
2024

Headquarters
Porto

Target Clients
Young adults and impact-driven individuals seeking to align their finances with their values

Offices and Countries where operates
Portugal

Website
https://impacte.world/

SKYLINE DIGITAL

Skyline Digital

SEBASTIÃO MELLO

DESCRIPTION OF THE PROJECT

SKYLINE DIGITAL AG is a licensed Swiss financial intermediary built to facilitate secure and compliant payments for the digital asset world. Positioned at the intersection of Decentralised Finance (DeFi) and Tradicional Finance (TradFi), the license enables to provide both payment services and digital asset services. It serves businesses and high-net-worth individuals who need reliable infrastructure to move funds seamlessly between crypto and fiat economies. The platform simplifies complexity, allowing clients to perform real-time transactions involving digital assets and fiat currencies. The service is fully non-custodial: clients transact directly from their own wallets, maintaining complete control over their funds. It combines the security and trust of a regulated Swiss financial intermediary with the flexibility of self-custody, delivering a solution that is both compliant and client-controlled.

PARTICIPATING IN PORTUGAL FINLAB

We first heard about Portugal FinLab through Banco de Portugal's innovation channels and local fintech networks. We decided to participate to better understand the Portuguese regulatory landscape and explore potential licensing options for EU operations. It was particularly important for us to liaise directly with the regulator to understand supervisory expectations and their view of the evolving digital-asset industry.

Our participation met the expectations: the access to regulators and structured feedback was highly valuable. It clarified how our business model fits under the regulatory framework (mainly the revised Payment Services Directive) and helped us to refine our compliance architecture accordingly. The final report provided a structured and comprehensive assessment of our business case, serving as a solid reference for our next steps in Portugal and Europe.

Established
2022

Headquarters
Zug

Target Clients
High-net-worth individuals

Offices and Countries where operates
Switzerland and Portugal

Website
www.skylinedigital.xyz

04.

ORGANISERS
INSIGHTS

DIOGO ALARCÃO
Board Member of ASF

MICAR: TRANSFORMING INSURANCE AND PENSION REGULATION IN THE AGE OF CRYPTO-ASSETS

The **Markets in Crypto-Assets Regulation (MiCAR)**, which became fully applicable in December 2024, represents a landmark in the European Union's (EU) approach to digital finance. By creating a harmonised framework for crypto-assets, MiCAR seeks to foster innovation while ensuring financial stability and consumer protection.

MiCAR introduces a **single EU-wide regulatory regime** for crypto-assets not covered by existing European legislation relating to the financial sector.

With relevance to the insurance and pension funds sectors, MiCAR is not applicable to the following: (i) non-life or life insurance products falling within the classes of insurance listed in Annexes I and II of the Solvency II Directive, (ii) pension products whose main purpose is to provide benefits and income upon retirement; (iii) occupational pension schemes under the Institutions for Occupational Retirement Provision (IORP II) Directive and the Solvency II

Directive; (iv) individual pension products that provide for a financial contribution from the employer in accordance with national legislation and in which the employer or employee has no choice regarding the pension product or provider; as well as (v) pan-European pension products, as defined in the pan-European Personal Pension Product (PEPP) Regulation.

This Regulation also sets out licensing requirements for **Crypto-Asset Service Providers (CASPs)**, transparency obligations for issuers, and a market abuse framework to prevent manipulation. MiCAR makes a distinction between three categories of crypto-assets, which can be provided by CASPs:

› **Asset-Referenced Tokens (ARTs)** – linked to multiple assets, including currencies or commodities;

› **Electronic Money Tokens (EMTs)** – pegged to a single official currency, similar to stablecoins;

› **Utility Tokens** – granting access to a product or service on a blockchain platform.

In this context, it is essential for national competent authorities to cooperate, namely regarding the classification of crypto-assets under MiCAR, to ensure convergence and the consistent application of the Regulation.

The insurance industry faces heightened scrutiny under MiCAR. While crypto-assets promise diversification and potential returns, their volatility poses significant solvency risks. In March 2025, the **European Insurance and Occupational Pensions Authority (EIOPA) recommended a 100% capital requirement** for all crypto holdings by EU (re)insurers, effectively treating them as fully risky assets. This conservative stance reflects concerns over valuation uncertainty, liquidity constraints, and operational vulnerabilities.

For insurers offering unit-linked products or investment options tied to crypto-assets, sectorial legislation will still apply.

Occupational pension schemes traditionally prioritize long-term stability, making crypto-assets a controversial addition. However, since MiCAR does not apply to pension products, sectorial rules will apply in case such situations occur.

Globally, the result is a cautious approach where capital requirement and prudency aim to prevent systemic vulnerabilities.

Crypto-assets offer opportunities for portfolio diversification, tokenization of traditional assets and cost-efficient transactions. For insurers and pension funds, blockchain-based solutions could streamline settlement processes and enhance transparency.

Yet, risks remain high:

› **Price volatility** can erode solvency margins;

› **Cybersecurity** threats expose firms to operational risk;

› **Regulatory uncertainty** persists as global frameworks evolve.

MiCAR mitigates some risks through licensing, governance and disclosure requirements. However, prudential measures like the 100% capital charge underscore regulators' caution.

This Regulation also clarifies definitions and imposes uniform standards, which reduces regulatory fragmentation and strengthens investor confidence. For insurers and pension funds, this means clearer rules when considering crypto exposure.

MiCAR represents a milestone in Europe's digital finance strategy, shaping how insurers and pension funds engage with crypto-assets. While stringent capital requirements limit immediate exposure, the regulation lays the groundwork for a secure, innovative financial ecosystem—where traditional and digital assets coexist under robust supervisory standards. The potential benefits of open insurance are significant. For consumers, it offers greater transparency and convenience. By allowing consumers to access and share their insurance data, open insurance can facilitate easier.

LUÍS MORAIS SARMENTO

Board Member of Banco de Portugal

MICAR – CHALLENGE OR OPPORTUNITY?

The Markets in Crypto-Assets Regulation (MiCAR) marks a milestone in the European Union's (EU) effort to establish a coherent regulatory framework for crypto-assets. For a central bank, whether in the domains of monetary policy, financial stability, supervision, or payment infrastructures, MiCAR represents both a challenge and an opportunity. This article outlines its main implications across five key dimensions: regulatory framework, financial stability, monetary policy, payment infrastructures, and the relationship with the digital euro project.

REGULATORY FRAMEWORK AND THE ROLE OF THE CENTRAL BANK

MiCAR introduces a harmonised set of rules for issuers of crypto-assets and crypto-asset service providers (CASPs) across the EU. For central banks, crypto assets implies the emergence of new supervisory risks, given that crypto-assets that were previously outside traditional regulation now fall within their regulatory remit. It also calls for closer cooperation among central banks, supervisory bodies, and market authorities, ensuring that issuers of so called "stablecoins", meaning asset-referenced tokens (ARTs) and e-money tokens (EMTs), comply with solvency, reserve, and transparency requirements.

FINANCIAL STABILITY

Safeguarding financial stability lies at the core of every central bank's mission. MiCAR contributes to this mandate in several ways. The use of ARTs and EMTs, if widely adopted, could impact the markets of the assets used as collateral with impacts to the whole financial system. Specially if these assets are widely used as a means of payment or a store of value, any operational disruption may negatively impact financial and economic activities and thus be a source of financial stability risk. To mitigate these risks, MiCAR imposes strict prudential and governance requirements on their issuers. In addition, the risk of banking sector disintermediation remains if households shift deposits from banks to "stablecoins", potentially weakening banks' role and financing structure which, depending on the banks' reaction, could entail several risks. Central banks must thus remain vigilant to the possibility of contagion from crypto-asset platforms to traditional finance, through several channels like those just mentioned, which demands enhanced monitoring and robust stress-testing frameworks.

Overall, MiCAR strengthens market safeguards but simultaneously requires central banks to integrate crypto-assets data and analytical indicators into their risk assessment framework.

As regards the prudential treatment of crypto-asset exposures held by credit institutions, a transitional treatment is in place since July 2024 in accordance with Regulation (EU) No. 575/2013 (Capital Requirements Regulation - CRR), following the adoption and publication of Regulation (EU) 2024/1623 (also known as CRR3), with risk weights varying depending on the type of exposure. The total value of crypto-asset exposures attracting the highest risk weight is also subject to an overall limit of 1% of a credit institution Tier 1 capital. In August 2025 the European Banking Authority published its draft Regulatory Technical Standards (RTS) specifying technical elements in relation to the prudential treatment of such exposures. The draft RTS awaits adoption by the European Commission.

MONETARY POLICY AND MONETARY SOVEREIGNTY

Although MiCAR's primary aim is to enhance consumer protection and market integrity, its indirect consequences for monetary policy are substantial. Should privately issued "stablecoins" become a common medium for payments or savings, the central bank's control over the money supply could erode, echoing the "dollarization" dynamics seen in other economies. MiCAR mitigates this by imposing capital, governance, and reserve requirements that constrain the unregulated expansion of private monetary instruments. Even so, central banks will need to adapt their analytical frameworks to capture the effects of regulated digital instruments on money aggregates, liquidity, and transmission mechanisms.

In this sense, MiCAR provides greater transparency and predictability for monetary authorities, but it also compels them to evolve their operational models to preserve monetary sovereignty in an increasingly digital financial system.

PAYMENT INFRASTRUCTURES AND INNOVATION

Payment systems represent a core function of central banks, and MiCAR's influence in this area is significant. By enhancing trust and transparency in crypto-based payments, the regulation may foster innovation and legitimate adoption of blockchain-based payment services. At the same time, it challenges central banks to ensure interoperability between traditional and emerging infrastructures, whether through regulatory coordination or technological integration.

MiCAR sets clear standards for private participants and encourages a progressive convergence between conventional payment systems and blockchain-based platforms. In this hybrid ecosystem, the central bank remains a key actor, ensuring that innovation develops within a framework of stability and public trust.

RELATIONSHIP WITH THE DIGITAL EURO PROJECT

MiCAR and the digital euro initiative constitute two complementary pillars of Europe's evolving digital finance architecture. MiCAR provides a harmonised regulatory framework for private crypto-assets, while the digital euro project seeks to establish a public, risk-free digital means of payment issued by the Eurosystem central banks.

MiCAR establishes the guardrails for private digital money, while the digital euro ensures the continuity and trustworthiness of the public currency. Far from being in competition, the two frameworks reinforce each other: MiCAR aims to clarify the rules for private innovation, and the digital euro guarantees access to central bank money in digital form, ensuring interoperability and confidence across payment systems.

INÊS DRUMOND

Vice Chair of the Board of CMVM

CONDUCT REQUIREMENTS UNDER MICAR AND THE NEED FOR AN EFFECTIVE COOPERATION ACROSS SUPERVISORS

Having in place robust standards that are applied in a consistent and harmonised way across EU Member States is at the heart of efforts to develop a robust Digital Single Market for Europe. The Markets in Crypto-Assets Regulation (MiCAR) is clearly part of this effort and intends to address some of the key risks which have emerged in the crypto-asset market. However, the way MiCAR is implemented will be crucial to attain the objectives that it was set out to achieve.

At the centre of MiCAR are the crypto-asset service providers (CASPs), whose business is the provision of crypto-asset services to clients on a professional basis. These services include custody and administration of crypto-assets on behalf of clients; operation of crypto-asset trading platforms; exchange of crypto-assets for funds or for other crypto-assets; placing of crypto-assets; reception, transmission and execution of orders for crypto-assets on behalf of clients; providing advice on crypto-assets; providing portfolio management on crypto-assets; and providing transfer services for crypto-assets on behalf of clients. To provide these services CASPs need to be authorised and to fulfil a predefined set of prudential, conduct and anti-money-laundering (AML) requirements. CASPs will be allowed to provide crypto-asset services in host Member States under the EU passport provided for under MiCAR.

As many of the aforementioned services are considered by MiCAR to be equivalent to the existing Markets in Financial Instruments Directive (MiFID) investment services, many of the conduct requirement that CASPs need to fulfil reflect a significant portion of the MiFID rules applicable to investment firms. Against this background, MiCAR imposes a set of **conduct duties** on CASPs, with the aim of ensuring market integrity, consumer protection and financial stability.

Of particular note is the general duty incumbent upon CASPs to act honestly, fairly and professionally, **in the best interest of their clients**. The requirements that constitute the backbone of this duty play a central role in what concerns crypto-asset market integrity and consumer protection, as they set the basis for preventing inadequate procedures, market abuse and conflicts of interest.

CASPs are also subject to rules on **transparency** and must provide their clients with accurate, clear and non-misleading information, including in communications with a commercial nature. CASPs may not mislead clients regarding the characteristics of any crypto-assets. CASPs must also provide information about their cost and fees policies in a prominent place on their website, as well as alert clients to the risks inherent in crypto-asset transactions.

CASPs must implement a set of policies and procedures for handling **client complaints** (enabling prompt, fair and consistent treatment) and to identify, prevent, manage and disclose **conflicts of interest**. The information to be provided should include the general nature and sources of (potential/existing) conflicts of interest and the measures taken to address them.

Another important requirement concerns **the knowledge and skills of CASPs' staff**. CASPs operating in Europe need to guarantee adequate training for their staff to ensure that those responsible for providing advice, information and other services on crypto-assets have the necessary knowledge and skills to do so.

Last, but not least, CASPs are subject to particular duties, for some specific services, aimed at establishing a clear relationship of "cause and effect" between investment objectives and risk tolerance levels of their clients and their investment profile, through a **suitability assessment**. In particular, when advising on crypto-assets or managing crypto-asset portfolios, CASPs need to collect information on the knowledge and experience, investment objectives and financial situation of their clients for assessing the suitability of crypto-assets to their clients' profile. In addition, when providing custody services, they must have adequate mechanisms in place to safeguard clients' ownership rights, particularly in the event of the insolvency of the CASP, and to prevent clients' crypto-assets from being used for their own account.

On this note, it is important to bear in mind that, in contrast with some investment services, there is no Compensation Scheme in Europe which consumers can resort to in the event of firm failure.

Complying with the comprehensive set of conduct, prudential and AML requirements established under MiCAR is an essential precondition for the framework to meet its goals of promoting market integrity, financial stability and consumer protection. However, compliance alone will not be enough.

The crypto-asset market is inherently cross-border, with activities and service providers often operating across multiple jurisdictions. This creates potential risks of regulatory arbitrage and inconsistent supervision if supervisors act in isolation. To prevent such fragmentation, close cooperation among national supervisors and effective coordination by the European Supervisory Authorities will be crucial. Their joint efforts can help ensure uniform interpretation, consistent application and high supervisory standards across the EU.

Ultimately, MiCAR's success in fostering trust and confidence in the digital-asset ecosystem will hinge not only on the robustness of its rules, but also on their consistent enforcement and the integrity of those applying them. Strong governance within firms, rigorous conduct standards, and proactive collaboration among supervisors will together determine whether MiCAR delivers on its promise of a safe, transparent and innovation-friendly European crypto-market.

05.

ANI
FROM LAB TO FAB: HOW TECHNOLOGY FREE ZONES HELP SCALE INNOVATION

JOÃO RIBAU
Head of the National Strategic Initiatives Unit of ANI

Portugal has been consolidating an innovation path that deserves to be highlighted, despite the major challenges we still face: in 2025, the country rose to 16th place in the European Innovation Scoreboard and remains in the category of "Moderate Innovator", evidence of continuous progress and a solid foundation upon which we can further build value creation from knowledge. The existence of various research and development funding instruments and an attractive and dynamic scientific ecosystem makes us stand out positively from the European average.

We have clear advantages — a growing scientific output, stronger links between universities and businesses, and advances in digitalisation — but we also recognise that turning knowledge into market results requires practical and concerted solutions.

At the same time, disruptive technologies pose legitimate challenges — from licensing processes that can be time-consuming to gaps in the regulatory framework. However, these constraints are not inevitable: if anticipated and addressed in a structured way, they can become opportunities to clarify rules, reduce uncertainty, and accelerate the adoption of innovative solutions.

A preliminary regulatory analysis is therefore essential. Similarly, a solid strategy for the exploitation of results — including the creation and protection of intellectual property — substantially increases the credibility of proposals in the eyes of investors and partners.

In a more traditional sense, the persistent fear surrounding collaboration and knowledge sharing between the scientific and business ecosystems continues to hinder risk-sharing. Also, the limited dissemination of best practices, the inherent difficulty of producing comprehensive business plans for emerging technologies, and the reduced opportunities for experimentation of innovative approaches, are also challenges to consider.

Consequently, a gap in the innovation chain is born. The well-known "valley of death" in innovation, where emerging or early-stage technologies face financing difficulties due to a lack of evidence of technical, functional, financial, or even regulatory feasibility, represents a high risk for potential investors. This challenge can be mitigated through the existence of a convergent point:

› at the **institutional level** — enabling risk-sharing and promoting collaboration among entities during technological development, addressing regulatory frameworks and market vision; and

› at the **infrastructure level** — allowing technologies to be tested and demonstrated in functional or real environments.

It is here that real-world experimentation plays a central role: by reducing technical, regulatory, and market uncertainty, it creates the space for ideas to thrive and become scalable businesses.

Technological Free Zones (TFZs), or **regulatory sandboxes**, emerge as a key instrument in this transition. Regulated by Decree-Law No. 67/2021, of July 30, 2021 and framed by the principles established in Council of Ministers Resolution No. 29/2020, on April 21, 2020. TFZs define physical and geographically delimited spaces where innovative, technology-based products, services, and processes can be tested in safe and controlled conditions, with the support and supervision of the relevant authorities.

Within these spaces, institutions (and companies) are expected to test technologies and learn alongside regulators, verifying whether technical adaptations are necessary to ensure that the innovative solution complies with legal and regulatory requirements and achieves operational viability. At the same time, regulators can also learn from technological developments, adjusting or updating the legal framework when beneficial, and to accommodate disruptive technologies safely and effectively. The practical outcome is a reduction of risk, accelerating demonstration and market entry.

In the **financial sector**, regulatory sandboxes can unlock significant potential by providing a safe and controlled environment to test technologies and services, and by catalysing innovation in areas such as:

› process automation and optimisation;

› AI models, big data, and predictive analytics;

› digital currency and crypto-assets;

› financial product management platforms;

› electronic payment methods and peer-to-peer (P2P) transfers;

› security mechanisms and biometrics;

› fraud prevention.

The creation and management of a TFZ follow a structured process. The submission of proposals to the National Innovation Agency (ANI), which is responsible for managing the TFZs, involves assessing the innovation potential, public interest, and regulatory feasibility, in close coordination with the competent and regulatory authorities for each area. The model currently in place in Portugal has been widely shared across several European Commission working groups and is recognised for its excellent collaboration among regulatory entities in this innovation process.

Portugal has talent, research capacity, and digital infrastructure. TFZs offer an operational environment to turn that potential into solutions with economic and social impact. ANI will continue to promote and manage these instruments, in partnership with regulators, municipalities, universities, and companies, so that more innovation can quickly translate into greater value for the country.

The future of **regulatory sandboxes** in Portugal and across Europe will be an essential pillar for innovation, valuing testing and experimentation as central drivers of innovation, and as catalysts for sustainable economic growth and the modernisation of the business fabric and the public administration.

06.

PORTUGAL FINLAB

7TH EDITION

Portugal FinLab has been in place since 2018. Throughout the years, it has established itself as a reference platform in the Portuguese fintech landscape for its role in facilitating open communication and collaboration between regulatory authorities and organisations driving financial technology innovation. By offering essential guidance, Portugal FinLab helps participants navigate regulatory uncertainties and ensures compliance with evolving legal frameworks.

The success of Portugal FinLab has once again been confirmed by the 6th edition participants' testimonials included in this closing report. While feedback highlights positive impact derived from direct interaction with the Authorities and synergies from having one point of contact, the value of this initiative for participants lies in their ability to refine and adjust projects with greater assurance providing them with a new impetus. For regulators, it also means that the road from ideas to deployment of innovative technologies and solutions to better consumer and market outcomes is shortened, while ensuring compliance with regulatory standards.

Portugal FinLab's value has also been acknowledged by National Competent Authorities from different countries and its model has even been used as a benchmark for the deployment of other innovation hubs or innovation facilitators.

While the effectiveness of Portugal FinLab has been proven in several editions, the Authorities recognise the need for ongoing adaptation in the rapidly evolving fintech landscape. The upcoming 7th edition, set for 2026, will continue to feature some of the improvements that have been put in place in the 6th edition, focusing on its role of bridging the gap between innovation and regulators.

The Authorities will continue to review this initiative regularly, to ensure it remains effective and relevant to those who resort to it and to regulators, and ultimately to foster a more dynamic and vibrant Portuguese financial sector.