



The FinTech Newsletter
By Bank of Baroda

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बैंक ऑफ बड़ौदा
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Catalyzing Finance for a nature-positive growth

It has never been more important to take immediate, real-time action to combat climate change. Many people use social media as a source of inspiration for adopting a sustainable lifestyle such as the Netflix series "Our Planet" narrated by David Attenborough, TED talks and inspiring speeches by climate activists such as Greta Thunberg, Leonardo DiCaprio, and William Nordhaus illustrate how the planet can become uninhabitable over time if we do not take steps to stop it.

After a strong message from Kristalina Georgieva, MD of IMF on COP27 which happened at Sharm El-Sheikh, Egypt in Nov '22 to change the financial services landscape for the better, ESG (environmental, social, governance) has risen to the top of the regulatory agenda with a strong momentum. For banks and insurers, the financial risks of climate change are in sharp focus as regulators set out expectations for stress testing and climate risk management.

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Asset and fund managers and asset owners are being required by regulators and investors to embed sustainable investment throughout their businesses and to consider the full spectrum of ESG.

A fintech company in Sweden, Doconomy’s credit card not only helps users track and measure their CO2 emissions associated with their purchases, but also helps limit the climate impact of their spending. HSBC, as a part of its initiative for net zero emission, has stopped financing new Oil and Gas companies. The AGFC is a platform that bolsters Pan-African collaboration and provides African Governments, green and climate finance organisations, and investors to scale up the mobilisation of climate finance and to implement future-proof green policies and institutions. Leading Technology Companies Launch “Ethereum Climate Platform” Initiative to invest in ongoing science-based climate projects which promise for decarbonization of Ethereum’s past emissions

by leveraging Web3 native technologies, infrastructure, funding mechanisms and governance protocols. Pacific Catastrophe Risk Insurance Company (PCRIC) has planned to launch an early-trigger drought protection product to Pacific countries to mitigate disaster risk finance for extreme weather linking anticipatory action, rapid response and debt restructuring. Berlin-based fintech Ecolytiq, which aims to help banks sharpen their eco-credentials, is offering its entire-product suite for free during the COP27 meeting of nations focused on the climate crisis.

Our Hon’ble Prime Minister, has also announced India’s aim of achieving net zero emissions by 2070 with far-reaching new initiatives in renewable energy, e-mobility, ethanol blended fuels, and green hydrogen as an alternate energy source. In the upcoming G20 in 2023, India is assuming the Presidency with the motto of ‘One earth, One family, One future’, with environmentally sustainable choices for globally transformative actions.



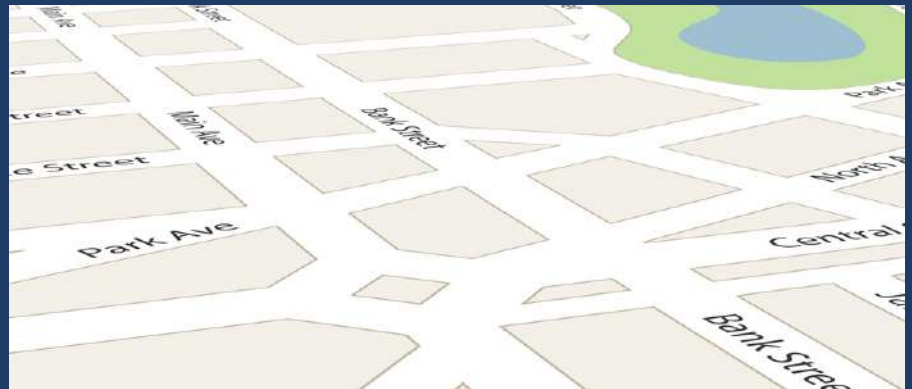
Home grown StartUp Stories: A pool of Unicorns

Our startup journey has culminated in the acquisition of several Unicorn companies. With the advent of trading apps, investors, traders, and even beginners have been able to trade in financial instruments of their choice including mutual funds, bonds with just one click and so we are proud to add Groww and Zerodha to our Startup Portfolio. Ola, India's largest mobility platform and one of the world's largest ride-hailing companies has also become our customer.



Our bank has begun a banking relationship with CoinSwitch Kuber and DCX, two cryptocurrency exchanges that are gaining popularity in India.

If GPS is not good enough use VPS- Visual Positioning System



The new revolutionary visual positioning system from Google, this update in the navigation world is creating a wave in life style of people all around the world. With this new technology, Google Maps can make use of the user's phone camera to spot your surroundings and visually converse your direction right in front of your eyes. The VPS uses your phone's camera and Google's extensive back-end data to analyze your surroundings to identify where you are with greater accuracy.

For businesses, Google announced a new ARCore 1.2, Google's web AR application for cloud anchors. This is a tentative example of completely integrating VPS using images captured locally in contrast to a centralized database. Nonetheless, the quest is still going on to create VPS networks worldwide and to discharge complex cloud image processing activities.

[Source - Techfunnel.com](https://www.techfunnel.com)



Account aggregator transactions set to soar

A year after its official release, India's Account Aggregator ecosystem boasts of 1.1 billion AA-enabled accounts and has already seen 2.05 million users voluntarily share their financial data with banks and financial institutions to avail loans, etc. Touted to be the United Payments Interface (UPI) of data, while the current usage penetration of AA may be a mere 0.2% of the overall AA-enabled accounts to date, the

potential transfers of bank account statements through AA for varied use cases across financial sectors are estimated to reach an annual transaction volume of 1 billion by 2025 and 5 billion by 2027, according to a report by Sahamati, the industry body that promotes the AA ecosystem. The AA framework was designed by the Reserve Bank Information Technology Pvt. Ltd (ReBIT)—a wholly-owned unit of RBI. It is based on the Data Empowerment and Protection Architecture (DEPA) frame, which is also known as the 'Consent Layer of India Stack'.

[Source – Livemint.com](#)

Sustainability and Metaverse: How Metaverse Is Changing Big Data and How to Adapt in the Future?

Big data analysis may aid in resolving some of the major sustainability problems facing the planet. The Metaverse has the power to change how businesses operate, and with the amount of data that will be generated at an exponential rate expected to reach 160 zettabytes by 2025, businesses will have a lot

more information that has to be handled along. The Metaverse market might be worth \$800 billion by 2024. Like any virtual world, the metaverse requires data transfer with massive bandwidths and incredibly low latencies. We need to start taking the issue of expanding data centers seriously once we take into account the significance of the cloud for virtual settings like the metaverse. And at the same time, the carbon footprints they leave behind, which, according to Lancaster University experts, might increase by up to 30% by 2030.



[Source – Fintechnews.org](#)



Digital Rupee: How is RBI retail e-Rupee different from UPI, NEFT, RTGS?

The Reserve Bank of India (RBI) recently launched the pilot for its digital rupee — India's very own digital currency. e-Rupee is an electronic form of sovereign currency while UPI applications such as Google Pay, PhonePe, NEFT, and RTGS are different methods of transferring funds or payment mediums. The usage of the e-Rupee is not limited to payments as it is a type of currency as digital rupee is a store of value like currency.

Digital transactions in UPI or NEFT or RTGS must go through a bank while in the case of the e-Rupee, the money gets transferred from one wallet to another. The transactions via digital rupee are more anonymous than the current digital transactions including UPI, NEFT, RTGS. At present, a person making a cash transaction above a certain threshold needs to submit his or her PAN. The same rule will apply to the digital rupee.

Source – Economic Times

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