

# Work And Budget Plan

CA19130 Grant Agreement Period 2

01/11/2021 to 31/05/2022

## Action Profile

### Action General Information

Action Code	CA19130	MC Chair	Prof Jörg Osterrieder
Action Title	CA19130 - Fintech and Artificial Intelligence in Finance - Towards a transparent financial industry		
MOU	033/20	Draft MOU	OC-2019-1-24059
CSO Approval Date	2020-03-31		
Action Start Date	2020-09-14	Action End Date	2024-09-13
Science Officer	Dr Ralph Stuebner	Administrative Officer	Ms Rose Cruz Santos

### Participating COST Members:

	ITC		Non-ITC		Total
COST Members (countries) having accepted the MoU	Number	24	Number	18	42
	% of ITC in Action	57.14%	% of non-ITC in Action	42.86%	
	% of all ITC	100%	% of all non-ITC	105.88%	
Number of Action MC members	39		32		71

COST Member and Acceptance Date		
AL 13/05/2020	EL 22/05/2020	NO 06/05/2020
AT 30/04/2020	HU 13/05/2020	PL 30/04/2020
BE 17/02/2021	IS 05/05/2020	PT 28/05/2020
BA 30/04/2020	IE 29/04/2020	RO 10/06/2020
BG 04/09/2020	IL 11/05/2020	RS 27/06/2020
HR 02/06/2020	IT 12/06/2020	SK 29/04/2020
CY 17/02/2021	LV 12/07/2021	SI 27/05/2020
CZ 14/07/2021	LT 17/05/2020	ZA 02/11/2021
DK 28/05/2020	LU 30/04/2020	ES 18/06/2020
EE 04/05/2020	MT 22/02/2021	SE 26/05/2020
FI 02/11/2021	MD 17/10/2020	CH 20/05/2020
	ME 19/05/2020	TR 04/05/2020
	NL 25/06/2020	UA 12/04/2022
	MK 07/05/2020	UK 30/04/2020

FR 05/05/2020

GE 12/04/2022

DE 08/05/2020

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### International cooperation

	NNC	IPC	Specific Organisation	Total
Number of entities formally approved to join Action	0	0	0	0
Number of countries	0	0	0	0

### Working Groups

	WG Title	WG Leader	Number of WG members
WG1	Transparency in FinTech	Prof Wolfgang Härdle	50
WG2	Transparent versus Black Box Decision-Support Models in the Financial Industry	Dr Petre Lameski	57
WG3	Transparency into Investment Product Performance for Clients	Prof Peter Schwendner	41

## MoU objectives, Action deliverables and Grant Agreement Period Goals

### Action Objectives from MoU

Aim/primary Objective
establish a large and interconnected community across academia, public institutions and industry focusing on Financial Technology and Artificial Intelligence, improving transparency in financial services, especially in and through FinTech, in financial modelling and investment performance evaluation
Secondary objectives
<p>1. To develop blended approaches to evaluate innovative financial services and their providers, especially in the FinTech domain, building on Machine Learning methods, focussing on prediction (early warning) of operational fragility, fraudulent and illegal behaviour ranging from appropriation of loaned funds to money-laundering activities.</p> <p>2. The development of conceptual and methodological tools for establishing when black-box models are admissible and, to the extent possible, making them more transparent and/or replacing them with interpretable and explainable models.</p> <p>3. To receive input from regulators and practitioners' communities and to validate results with regard to increasing transparency of artificial intelligence applications.</p> <p>4. Pruning and improvement of the vast array of performance attribution models by contributing to the development of methodologies for reducing the false discovery rate in financial research and applied financial investment management.</p> <p>5. Disseminate to the public and share with regulators the results on investment product performance evaluation.</p> <p>6. Creation of the first European platform comparing the out-of-sample performance of banks' investment products, insurance-linked investment products and asset management products available to the general public.</p> <p>7. Create an excellent network of researchers in Europe with lasting collaboration beyond the lifetime of the Action.</p> <p>8. Bringing technological, quantitative and economic researchers together, to tackle future research that can only be done in an interdisciplinary setting, and getting actively involved in the blockchain and FinTech communities across Europe, to constantly monitor developments, get input and disseminate results.</p> <p>9. Bridging the gap between practitioners from the finance industry, academics and regulators by setting up a common knowledge exchange platform.</p> <p>10. Transfer knowledge in terms of expertise, scientific tools and human resources across the different disciplines and between academia and industry.</p> <p>11. Establish an inclusive community of researchers on methodological and technological themes in Machine Learning and Artificial Intelligence, to promote Early Career Investigators and increase their visibility.</p> <p>12. Overcome the siloing of research topics by country and achieve geographical and demographical diversity, with special attention to COST Inclusiveness Target countries.</p> <p>13. Prepare competitive European researchers for a fruitful career in an international environment through intensive use of Short Term Scientific Missions (STSM) and joint educational programs with industrial partners.</p> <p>14. Maximize the job opportunities for PhD students and Early Career Investigators.</p> <p>15. Disseminate the results of the Action's activities to the scientific community, European institutions and to the general public.</p> <p>16. Significantly improve the gender equality in the fields of the Action.</p>

## Action Deliverables

Deliverable	Month
1. Strategy to engage stakeholders in the Action (including revisions in month 24 and 36)	6
2. Report on good examples and best practices for a transparent finance industry with guidelines to improve transparency	12
3. A database which contains pre-ICO documentation and post-ICO performance (ROI and lifespan)	24
4. A database which contains data on crowdfunding/P2P platform features useful for rating platform integrity and to predict fraud	24
5. A discussion paper for possible approaches to building a statistically valid back-testing framework	24
6. An internal database of collected (scraped) financial time series from exchanges and regional consolidation platforms optimised for accessibility to all partners	24
7. Discussion papers (DP) on the methodology for evaluating/rating ICOs and crowdfunding/P2P platforms and for detection/early warning about fraud-illegal behaviour with emphasis on the application of AI tools	36
8. Position papers, aimed at regulators and policy-makers, on methodology (with examples of formal criteria) for testing AI techniques in real-time	36
9. Handbook and/or wiki page describing potential approaches to tackle risk management issues related to blockchain assets and crowdfunding/P2P lending	36
10. A position paper and roadmap on mitigating risks connected with the increased use of digital assets	48
11. Methodological discussion paper on the design of stress tests for the evaluation of AI and ML models under shifting financial conditions to improve the robustness of models	48
12. Methodological discussion papers on AI models to generate “failed trials” of investment product producers and on quantitative strategies with the usage of the promising field of network data analysis	48
13. Four annual reports (for lay audience) distributed via local and national media	48
14. Key software (codes, packages) developed by each of the Working Groups in line with their objectives	48
15. An edited volume containing scientific achievements of the Action (dummy text to delete)	48

### Grant Agreement Period

Grant Agreement Period Start Date	01/11/2021	Grant Agreement Period End Date	31/05/2022
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### Grant Agreement Period Goals

Number	Grant Agreement Period Goal	MoU Objective(s) it relates to
GAPG 1	Collection of software pieces into a P2P knowledge platform like quantinar.com	<ul style="list-style-type: none"> <li>• Secondary objective 1</li> <li>• Secondary objective 2</li> <li>• Secondary objective 3</li> <li>• Secondary objective 4</li> <li>• Secondary objective 5</li> <li>• Secondary objective 10</li> <li>• Secondary objective 15</li> </ul>
GAPG 2	Design and management of an interactive exchange system for Videos, slides, quantlets	<ul style="list-style-type: none"> <li>• Secondary objective 5</li> <li>• Secondary objective 10</li> <li>• Secondary objective 15</li> </ul>
GAPG 3	Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.	<ul style="list-style-type: none"> <li>• Secondary objective 2</li> <li>• Secondary objective 5</li> <li>• Secondary objective 6</li> </ul>
GAPG 4	Reach out to and include researchers from sustainable investments into WG3	<ul style="list-style-type: none"> <li>• Challenge</li> <li>• Secondary objective 7</li> <li>• Secondary objective 8</li> <li>• Secondary objective 11</li> </ul>
GAPG 5	Actively seek, encourage and promote research from researchers at different stage of their carriers and females	<ul style="list-style-type: none"> <li>• Secondary objective 11</li> <li>• Secondary objective 12</li> <li>• Secondary objective 13</li> <li>• Secondary objective 14</li> <li>• Secondary objective 16</li> </ul>
GAPG 6	Increase the visibility of the network by creating video content for the wider public based on research produced in the action	<ul style="list-style-type: none"> <li>• Secondary objective 5</li> <li>• Secondary objective 10</li> <li>• Secondary objective 15</li> </ul>
GAPG 7	Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events)	<ul style="list-style-type: none"> <li>• Secondary objective 9</li> </ul>
GAPG 8	Produce research on transparency of AI applications	<ul style="list-style-type: none"> <li>• Secondary objective 3</li> </ul>

## Work and Budget Plan for the Grant Agreement Period

### Work and Budget Plan Summary

A. COST Networking Tools	EUR
(1) Meetings	123,906.66
(2) Training Schools	0.00
(3) Short Term Scientific Missions (STSM)	39,680.00
(4) ITC Conference Grant	7,500.00
(5) COST Action Dissemination	5,093.34
(6) Other Expenses Related to Scientific Activities (OERSA)	0.00
<b>B. Total Science Expenditure (sum of (1) to (6))</b>	<b>176,180.00</b>
<b>C. Financial and Scientific Administration and Coordination (FSAC) (max. of 15% of B)</b>	<b>26,427.00</b>
<b>Total Grant (B+C)</b>	<b>202,607.00</b>

## Meetings

### Overview

Meeting Title	Meeting Type	Dates	Location	ITC	Total Cost(EUR)
ML approaches Finance and Management	Workshops/Conferences, Working Group Meeting	24/03/2022 - 25/03/2022	Berlin (Germany)	No	3,927.98
WG1 meeting	Working Group Meeting	08/04/2022 - 08/04/2022	Rennes (France)	No	3,456.92
Technology, Innovation and Stability: New Directions in Finance (TINFIN)	Workshops/Conferences, Working Group Meeting	05/05/2022 - 06/05/2022	Zagreb (Croatia)	Yes	8,234.16
COST FinAI Diversity research workshop	Workshops/Conferences	16/05/2022 - 17/05/2022	Naples (Italy)	No	13,047.60
COST FinAI - The 5th International conference on economics and social sciences	Workshops/Conferences	16/06/2022 - 17/06/2022	Bucharest (Romania)	Yes	10,170.00
COST FinAI Transparency in Finance - Core group and WG3 meeting	Working Group Meeting, Core Group Meeting	06/07/2022 - 06/07/2022	Espoo (Finland)	No	10,920.00
COST FinAI Research Workshop on Transparency in Financial Markets, Core group and WG2 meeting	Core Group Meeting, Working Group Meeting, Workshops/Conferences	22/08/2022 - 24/08/2022	Enschede (Netherlands)	No	13,390.00
Women in Fintech and Artificial Intelligence	Workshops/Conferences	21/09/2022 - 22/09/2022	Tirana (Albania)	Yes	10,550.00
COST FinAI Conference on Transparency	Workshops/Conferences	30/09/2022 - 30/09/2022	Zurich (Switzerland)	No	1,250.00
COST FinAI Transparency in Finance	Management Committee Meeting, Workshops/Conferences, Core Group Meeting, Working Group	05/10/2022 - 07/10/2022	Utrecht (Netherlands)	No	48,960.00

Meeting			Total	123,906.66
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## Details

Meeting Type	Workshops/Conferences,Working Group Meeting			
Title of the Meeting	ML approaches Finance and Management			
Grant Period Goal(s) it will address	Collection of software pieces into a P2P knowledge platform like quantinar.com,Design and management of an interactive exchange system for Videos, slides, quantlets,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events)			
Description	<p><a href="https://www.meetup.com/Fintech_AI_in_Finance/events/283173624/">https://www.meetup.com/Fintech_AI_in_Finance/events/283173624/</a> The co-organised conference “ML approaches Finance and Management” will be a two-day hybrid event. It provides a platform for interdisciplinary discussion on AI application in finance, interpretable ML in management, statistics and explainable AI, blended approaches in the FinTech domain, which is highly related to the COST Action FinAI. The conference will be recorded. The slides will be available to all COST members. Moreover, the event is organised by female researchers, and female scientists will also present on the conference (meet GP2 the goal 6, Capacity Building 10). The conference will be recorded by video. (meet GP2 the goal 8). Keynote speakers include Prof. Giuseppe Cavaliere (University of Bologna), Prof. Francis de Véricourt (ESMT Berlin), Prof. Wolfgang Karl Härdle (Humboldt University of Berlin), Prof. Dennis Kristensen (University College London) Prof. Olivier Scaillet (University of Geneva), Prof. Dacheng Xiu (University of Chicago). They will provide valuable insight on the topic from multiple perspectives. It will help to create an excellent network of researchers in Europe with lasting collaboration beyond the lifetime of the Action. (meet Capacity Building 1-9) There will be a dedicated COST FinAI Session: It will be from 14:45 to 17:45 on March 24th (3hours). Four speakers will present here. Every presentation will last 45 minutes. Prof. Dr. Wolfgang Härdle and I (1.75 hours) and Rui Ren are also from COST FinAI. So In total we have at least six speakers from COST FinAI, and total time is 4.75 hours. On March 25, 2022, we are also planning a working group meeting of working group 1 after the end of the co-organised conference. Travel cost reimbursement is restricted to COST FinAI members. The allocated budget cannot be exceeded. In case of budget restrictions, preference for reimbursement will be given to COST FinAI members based on their contributions to the Action, to this particular event as well as the contribution to goals and objectives that have not yet been achieved, taking also diversity considerations and previous budget allocations into account. LOS is 50% of the maximum eligible amount and will be reduced accordingly in case of a lower number of participants and conditional on the COST FinAI session.</p>			
Output(s)	<p>A section will be designated for COST, which will be beneficial for the dissemination of the Action results • Video of the conference. • Slides available for all COST members • Codes available on the Quantlets. • Excellent network of researchers in Europe • Exchange of knowledges and further collaboration</p> <p>We will meet the following objectives:</p> <ul style="list-style-type: none"> <li>• AI application in finance (meet GP2 the goal 2 and 10, Capacity Building 2, 5-9)</li> <li>• ML in management (meet Capacity Building 2, 5-9)</li> <li>• Statistics and explainable AI (Meet Research Coordination 2, Capacity Building 2, 5-9)</li> <li>• Blended approaches in the FinTech domain (Meet Research Coordination 1, Capacity Building 2, 5-9)</li> </ul>			
Location	Berlin (Germany)	ITC	No	
Start Date	2022-03-24 14:00:00	End Date	2022-03-25 12:00:00	

Duration	2 days		
Number of expected total participants	51	Number of participants to be reimbursed from COST funds	3
Average reimbursement(per participant)(EUR)	642.66	Total Reimbursement costs (EUR)	1,927.98
Local Organiser Support (EUR)	2,000.00		
Total cost of the meeting (EUR)	3,927.98		

Meeting Type	Working Group Meeting		
Title of the Meeting	WG1 meeting		
Grant Period Goal(s) it will address	Design and management of an interactive exchange system for Videos, slides, quantlets,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events)		
Description	We are planning a working group meeting of working group 1, in a hybrid way. This is regular WG1 meeting where goals and progress which belong to WG1 area will be discussed, research on FinAI topics presented, further collaboration plans and joint events determined. 3 hours of WG1 meeting, with half-time for discussions of progress and plans and half presentation of research results of WG1 members. Discussion of Achievement of GP2 goals of WG1 as well as deliverables for GP2&3, planning of further activities. To control the progress of achievement goals as well as deliverables of WG1 for GP2, adjustment of the working plan. Potential keynote speakers for WG1 research: Wolfgang Karl Härdle, Christian Hafner (Data Analytics, Digital assets), Ania Zalewska (Finance, Management), Alla Petukhina (Quantitative finance, Digital assets), Daniele Marazzina (Digital assets, ML for insurance)		
Output(s)	1. Re Codified knowledge: methods and models that can be used in the FinTech industry, in particular in NFT and cryptocurrency markets. 2. Re tacit knowledge: know-how regarding ways of evaluation of innovative financial services related to NFTs and cryptocurrencies as well as beliefs and recommendations for their further development 3. Re technology: empirical models and approaches to evaluate and analyze NFTs and cryptocurrencies 4. Re societal application: NFT potential is enormous, given that they can be used to transfer rights related to both virtual and physical property. Thus, we expect increased interest in and application of NFTs in the way how they can be treated, held and valued from traditional institutions like museums, funds etc. as well as in different applications, like selectively sharing pieces of our personal identity or leveraging NFTs as access tokens. Also, we can expect to see broader adoption of blockchain technologies, to digitise, track and monitor many more processes starting with medical data usage, ESG attributes, verifying suppliers' identities, money transfer		
Location	Rennes (France)	ITC	No
Start Date	2022-04-08 10:00:00	End Date	2022-04-08 13:00:00
Duration	1 day		
Number of expected total participants	51	Number of participants to be reimbursed from COST funds	2

Average reimbursement(per participant)(EUR)	728.46	Total Reimbursement costs (EUR)	1,456.92
Local Organiser Support (EUR)	2,000.00		
Total cost of the meeting (EUR)	3,456.92		

Meeting Type	Workshops/Conferences,Working Group Meeting		
Title of the Meeting	Technology, Innovation and Stability: New Directions in Finance (TINFIN)		
Grant Period Goal(s) it will address	Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events),Produce research on transparency of AI applications		
Description	<p><a href="https://sites.google.com/net.efzg.hr/tinfinconference/home">https://sites.google.com/net.efzg.hr/tinfinconference/home</a>. COST FinAI organized conference (co-organized by the Faculty of Economics and Business, where our COST FinAI members work) Dedicated COST session on the first day of the conference This conference has more than 50% of the programme and organizing committee from our COST network. Working Group 2 meeting (discussing strategic priorities) the day after, together with WG2 related research talks on Transparent versus Black Box Decision-Support Models in the Financial Industry. The main focus is on: Produce research on transparency of AI applications in finance which is related to RCOs 2,4 and 6 1. COST FinAI members are represented by: 58% in Programme Committee 55% in Organising Committee 2. COST FinAI ITC represented by: 66% in Programme Committee 100% in Organising Committee 3. Women are represented by: 58% in Programme Committee 78% in Organising Committee Travel cost reimbursement is restricted to COST FinAI members. The allocated budget cannot be exceeded. In case of budget restrictions, preference for reimbursement will be given to COST FinAI members based on their contributions to the Action, to this particular event as well as the contribution to goals and objectives that have not yet been achieved, taking also diversity considerations and previous budget allocations into account. LOS is 50% of the maximum eligible amount and will be reduced accordingly in case of a lower number of participants.</p>		
Output(s)	The main focus is on: Produce research on transparency of AI applications in finance which is related to RCOs 2,4 and 6 A particular focus is on mapping XAI methods for credit risk modeling. Key words: enhance the visibility of COST; enhance the visibility of COST Action FinAI and work of WG2; share research insights; new network; new collaboration opportunities; extend research; facilitate other COST networking tools		
Location	Zagreb (Croatia)	ITC	Yes
Start Date	2022-05-05 09:00:00	End Date	2022-05-06 17:00:00
Duration	2 days		
Number of expected total participants	51	Number of participants to be reimbursed from COST funds	6
Average reimbursement(per participant)(EUR)	872.36	Total Reimbursement costs (EUR)	5,234.16

Local Organiser Support (EUR)	3,000.00
Total cost of the meeting (EUR)	8,234.16

Meeting Type	Workshops/Conferences		
Title of the Meeting	COST FinAI Diversity research workshop		
Grant Period Goal(s) it will address	Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Produce research on transparency of AI applications		
Description	<p><a href="https://www.meetup.com/Fintech_AI_in_Finance/events/282751069">https://www.meetup.com/Fintech_AI_in_Finance/events/282751069</a>  <a href="https://www.meetup.com/Fintech_AI_in_Finance/events/282751078">https://www.meetup.com/Fintech_AI_in_Finance/events/282751078</a> COST FinAI organized event The event is envisioned to take place over 2-days, the full agenda below The format will be hybrid and open and advertised to all, members of the COST action and beyond, local participants to which the event will be of interest, and audience researched through our communication campaigns. In situ participation will be covered to the COST action members that showed interest to come in a dedicated expression of interest call.</p>		
Output(s)	The event targets all MoU objectives, as the resulting research papers, round tables, and discussions will be pertinent to the areas of the interest of the action, aiming to maximizing diversity within the research area. Enhanced understanding of diversity in our field Roadmap of further diversity priorities for COST FinAI Travel cost reimbursement is restricted to COST FinAI members. The allocated budget cannot be exceeded. In case of budget restrictions, preference for reimbursement will be given to COST FinAI members based on their contributions to the Action, to this particular event as well as the contribution to goals and objectives that have not yet been achieved, taking also diversity considerations and previous budget allocations into account. LOS is 50% of the maximum eligible amount and will be reduced accordingly in case of a lower number of participants.		
Location	Naples (Italy)	ITC	No
Start Date	2022-05-16 15:00:00	End Date	2022-05-17 17:30:00
Duration	2 days		
Number of expected total participants	51	Number of participants to be reimbursed from COST funds	12
Average reimbursement(per participant)(EUR)	837.30	Total Reimbursement costs (EUR)	10,047.60
Local Organiser Support (EUR)	3,000.00		
Total cost of the meeting (EUR)	13,047.60		

Meeting Type	Workshops/Conferences		
Title of the Meeting	COST FinAI - The 5th International conference on economics and social sciences		
Grant Period Goal(s) it will address	Collection of software pieces into a P2P knowledge platform like quantinar.com,Design and management of an interactive exchange system for		

	Videos, slides, quantlets,Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the visibility of the network by creating video content for the wider public based on research produced in the action,Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events),Produce research on transparency of AI applications		
Description	<p><a href="https://icess.ase.ro/digital-disruption-in-financial-markets-round-table/">https://icess.ase.ro/digital-disruption-in-financial-markets-round-table/</a>  <a href="https://www.meetup.com/Fintech_AI_in_Finance/events/282805879/">https://www.meetup.com/Fintech_AI_in_Finance/events/282805879/</a> Co-organized event with a dedicated COST FinAI Section The Fintech and Artificial Intelligence in Finance conference looks at the following COST FinAI topics:</p> <ul style="list-style-type: none"> <li>• Transparency in FinTech</li> <li>• Transparent versus Black Box Decision-Support Models in the Financial Industry</li> <li>• Transparency into Investment Product Performance for Clients</li> <li>• Fintech • AI in Finance</li> </ul> <p>The program and organization committee consists entirely of COST FinAI members. The conference section is also accompanied by a round table joined by industry representatives. Travel cost reimbursement is restricted to COST FinAI members. The allocated budget cannot be exceeded. In case of budget restrictions, preference for reimbursement will be given to COST FinAI members based on their contributions to the Action, to this particular event as well as the contribution to goals and objectives that have not yet been achieved, taking also diversity considerations and previous budget allocations into account. LOS is 50% of the maximum eligible amount and will be reduced accordingly in case of a lower number of participants.</p>		
Output(s)	Presentation of research results so far in WG1, 2 and 3 Updates on the virtual mobility grants and STSMs; one new consortium for a joint research application; two new proposed working papers. Two videos on contents of COST FinAI, for dissemination to the general audience		
Location	Bucharest (Romania)	ITC	Yes
Start Date	2022-06-16 14:00:00	End Date	2022-06-17 17:00:00
Duration	2 days		
Number of expected total participants	50	Number of participants to be reimbursed from COST funds	10
Average reimbursement(per participant)(EUR)	917.00	Total Reimbursement costs (EUR)	9,170.00
Local Organiser Support (EUR)	1,000.00		
Total cost of the meeting (EUR)	10,170.00		

Meeting Type	Working Group Meeting,Core Group Meeting
Title of the Meeting	COST FinAI Transparency in Finance - Core group and WG3 meeting
Grant Period Goal(s) it will address	Collection of software pieces into a P2P knowledge platform like quantinar.com,Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.,Reach out to and include researchers from sustainable investments into WG3,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the practical impact of the network by developing the

	connection with industry - (joint academia - industry hybrid/online events),Produce research on transparency of AI applications		
Description	<p>Core group and WG3 meeting, co-located with EURO 2022. Daily allowance and reimbursement only applies to the core group and WG3 meeting. This will take place during the EURO 2022 conference, which is organized by a COST FinAI member and lasts several days. Due to the variety of topics there, we will schedule our meetings during a time, when no relevant COST FinAI topics are discussed at the conference. Also, Peter Schwendner is organizing a dedicated COST FinAI session at EURO 2022.</p> <p><a href="https://www.meetup.com/Fintech_AI_in_Finance/events/283227124/">https://www.meetup.com/Fintech_AI_in_Finance/events/283227124/</a>  <a href="https://www.meetup.com/Fintech_AI_in_Finance/events/283344628/">https://www.meetup.com/Fintech_AI_in_Finance/events/283344628/</a> COST FinAI Core Group Meeting We aim to have two research talks specifically from within our COST FinAI Action. Another focus is on COST FinAI science communication. We will extend our strategic plan on how to disseminate our research results. Working group meeting: · The networking activity will bring together the WG3 members and serve the MoU objectives by facilitating research presentations and discussions. One focus will be on the design of stress tests for the evaluation of AI and ML models under dynamic financial conditions to improve the robustness of investment strategies. Time permitting, we will also discuss how to design AI models to generate “failed trials” of investment product producers and on quantitative strategies. · The output will be both codified knowledge (in the form of technical papers and publications) as well as tacit knowledge. · There will be a 2h plenary session together with several research presentations embedded in the “Area Financial modeling and Risk management”. · Website for the co-located event: <a href="https://www.euro-online.org/conf/euro32streams">https://www.euro-online.org/conf/euro32streams</a> · Within the “Area Financial modeling and Risk management”, MC member Peter Schwendner will act as Chair of the session “AI &amp; Innovation in Sustainable Finance”. · The COST Action will benefit from the co-location by facilitating the interaction of its members with experts from other sessions and areas, such as “Stochastic and Robust Optimization” or “New challenges for financial modelling”. Travel cost reimbursement is restricted to COST FinAI members. The allocated budget cannot be exceeded. In case of budget restrictions, preference for reimbursement will be given to COST FinAI members based on their contributions to the Action, to this particular event as well as the contribution to goals and objectives that have not yet been achieved, taking also diversity considerations and previous budget allocations into account. LOS is 50% of the maximum eligible amount and will be reduced accordingly in case of a lower number of participants.</p>		
Output(s)	<p>We intend to find further concepts for our research, put in place a research framework, and work on the development of joint proposals. We will discuss and develop strategies to engage stakeholders in the Action, as well as work on a discussion paper for possible approaches to building a statistically valid back-testing framework. One focus will be on the design of stress tests for the evaluation of AI and ML models under dynamic financial conditions to improve the robustness of investment strategies. Time permitting, we will also discuss how to design AI models to generate “failed trials” of investment product producers and on quantitative strategies. The core group will meet to review the COST FinAI Action so far and the plans going forward. This will serve as an input to the annual MC meeting which will then take place in October. The output will be an overview of the research results that have been achieved so far in working groups 1,2,3, as well as an overview of the COST FinAI achievements to date, for both research and diversity achievements. The output will be summarized on the COST FinAI blog as well as a the COST FinAI newsletter. Travel cost reimbursement is restricted to COST FinAI members that contribute to the output described above.</p>		
Location	Espoo (Finland)	ITC	No
Start Date	2022-07-06 09:00:00	End Date	2022-07-06 17:00:00

Duration	1 day		
Number of expected total participants	51	Number of participants to be reimbursed from COST funds	10
Average reimbursement(per participant)(EUR)	892.00	Total Reimbursement costs (EUR)	8,920.00
Local Organiser Support (EUR)	2,000.00		
Total cost of the meeting (EUR)	10,920.00		

Meeting Type	Core Group Meeting, Working Group Meeting, Workshops/Conferences		
Title of the Meeting	COST FinAI Research Workshop on Transparency in Financial Markets, Core group and WG2 meeting		
Grant Period Goal(s) it will address	Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.,Reach out to and include researchers from sustainable investments into WG3,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events),Produce research on transparency of AI applications		
Description	<a href="https://www.meetup.com/Fintech_AI_in_Finance/events/283227167/">https://www.meetup.com/Fintech_AI_in_Finance/events/283227167/</a> Working group 2, core group meeting Co-organized meeting with FinanceCom 2022 (>60% of program committee are COST FinAI members) Core group meeting , Aug 22 <a href="https://www.meetup.com/Fintech_AI_in_Finance/events/283226981/">https://www.meetup.com/Fintech_AI_in_Finance/events/283226981/</a> Working group 2 meeting, Aug 23 <a href="https://www.meetup.com/Fintech_AI_in_Finance/events/283304320/">https://www.meetup.com/Fintech_AI_in_Finance/events/283304320/</a> COST FinAI dedicated session on AI and Transparency in Financial Markets <a href="https://www.meetup.com/Fintech_AI_in_Finance/events/283227167/">https://www.meetup.com/Fintech_AI_in_Finance/events/283227167/</a> WG and CG meeting take place before the conference, CG meeting on Aug 22, WG meeting on Aug 23. There will be a dedicated COST session on Aug 24. The number of days where daily allowance is provided, is dependent on contribution to the COST session, participation in the WG and CG meetings. Travel cost reimbursement is restricted to COST FinAI members. The allocated budget cannot be exceeded. In case of budget restrictions, preference for reimbursement will be given to COST FinAI members based on their contributions to the Action, to this particular event as well as the contribution to goals and objectives that have not yet been achieved, taking also diversity considerations and previous budget allocations into account. LOS is 50% of the maximum eligible amount and will be reduced accordingly in case of a lower number of participants. Invites have to be accepted within 10 days, otherwise any potential daily allowance or travel cost reimbursements are forfeited.		
Output(s)	COST FinAI working group 2 meeting • Special Focus on Transparency in Finance and explainability of machine learning algorithms • Focus on the objective: Develop and apply XAI approaches to solve certain/specific problems in finance, that include RCOs 1,2,3,4. The output will be an overview of the research results that have been achieved so far in working group 2, as well as an overview of the COST FinAI achievements to date, for both research and diversity achievements. The output will be summarized on the COST FinAI blog as well as the COST FinAI newsletter.		
Location	Enschede (Netherlands) ITC	No	

Start Date	2022-08-22 14:00:00	End Date	2022-08-24 17:00:00
Duration	3 days		
Number of expected total participants	60	Number of participants to be reimbursed from COST funds	10
Average reimbursement(per participant)(EUR)	914.00	Total Reimbursement costs (EUR)	9,140.00
Local Organiser Support (EUR)	4,250.00		
Total cost of the meeting (EUR)	13,390.00		

Meeting Type	Workshops/Conferences		
Title of the Meeting	Women in Fintech and Artificial Intelligence		
Grant Period Goal(s) it will address	Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events),Produce research on transparency of AI applications		
Description	<a href="https://www.meetup.com/Fintech_AI_in_Finance/events/282751138">https://www.meetup.com/Fintech_AI_in_Finance/events/282751138</a> <a href="https://www.meetup.com/Fintech_AI_in_Finance/events/282751146">https://www.meetup.com/Fintech_AI_in_Finance/events/282751146</a> This is the 2nd edition of the Woman in fintech conference, result of the 1st year efforts of the COST FItech and AI group. The keynote talks and papers presentations will on the themes of the COST Action as below:           • Transparency in Fintech           • Transparent versus Black Box Decision-Support Models in the Financial Industry           • Transparency into Investment Product Performance for Clients           • Fintech           • Artificial Intelligence in Finance with a particular focus on research related to databases on investment products and their performance           Organizing Committee: Dr. Galena Pisoni, France, Dr. Alessia Paccagnini, Ireland, Dr. Claudia Tarantola, Italy, Dr. Alessandra Tanda, Italy           Programme Committee is to be defined yet, but will be composed mainly of COST FinAI members.		
Output(s)	The output will be an updated strategic agenda for diversity, a blog entry and website entry on diversity and COST FinAI. Travel cost reimbursement is restricted to COST FinAI members. The allocated budget cannot be exceeded. In case of budget restrictions, preference for reimbursement will be given to COST FinAI members based on their contributions to the Action, to this particular event as well as the contribution to goals and objectives that have not yet been achieved, taking also diversity considerations and previous budget allocations into account. LOS is 50% of the maximum eligible amount and will be reduced accordingly in case of a lower number of participants. Invites have to be accepted within 10 days, otherwise any potential daily allowance or travel cost reimbursements are forfeited.		
Location	Tirana (Albania)	ITC	Yes
Start Date	2022-09-21 09:00:00	End Date	2022-09-22 17:00:00
Duration	2 days		
Number of expected total participants	50	Number of participants to be reimbursed from COST funds	10
Average	855.00	Total Reimbursement	8,550.00

reimbursement(per participant)(EUR)		costs (EUR)	
Local Organiser Support (EUR)	2,000.00		
Total cost of the meeting (EUR)	10,550.00		

Meeting Type	Workshops/Conferences		
Title of the Meeting	COST FinAI Conference on Transparency		
Grant Period Goal(s) it will address	Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.,Reach out to and include researchers from sustainable investments into WG3,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events),Produce research on transparency of AI applications		
Description	<p><a href="https://www.meetup.com/Fintech_AI_in_Finance/events/277736229/">https://www.meetup.com/Fintech_AI_in_Finance/events/277736229/</a> COST FinAI - Online Conference on Fintech and AI in Finance One afternoon on research discussions of COST FinAI topics, one talk for each working group and one overall talk on Fintech and AI in Finance This COST FinAI research conference will focus on:</p> <ul style="list-style-type: none"> <li>• Transparency in Fintech</li> <li>• Transparent versus Black Box Decision-Support Models in the Financial Industry</li> <li>• Transparency into Investment Product Performance for Clients</li> <li>• Fintech</li> <li>• Artificial Intelligence in Finance with a particular focus on research related to databases on investment products and their performance</li> </ul> <p>Organizing Committee: Alessandra Tanda, University of Pavia, Italy Valerio Poti, University College Dublin, Ireland Cuong Nguyen, Lincoln, New Zealand Ania Zalewska, Uni Bath, UK Audrius Kabasinskas, Kaunas University of Technology, Lithuania Hadji Misheva Branka, Zurich University of Applied Sciences, Switzerland Joerg Osterrieder, Zurich University of Applied Sciences, Switzerland Simon Trimborn, CUNY, Hong Kong Catarina Silva, Universidade de Coimbra, Portugal</p>		
Output(s)	The output is a summary of the research conference, posted on the website, the blog and the newsletter. This event will mostly serve the dissemination activities of our Action, but also support the ongoing research via the research talks. Travel cost reimbursement is restricted to COST FinAI members. The allocated budget cannot be exceeded. In case of budget restrictions, preference for reimbursement will be given to COST FinAI members based on their contributions to the Action, to this particular event as well as the contribution to goals and objectives that have not yet been achieved, taking also diversity considerations and previous budget allocations into account. LOS is 50% of the maximum eligible amount and will be reduced accordingly in case of a lower number of participants.		
Location	Zurich (Switzerland)	ITC	No
Start Date	2022-09-30 09:00:00	End Date	2022-09-30 17:00:00
Duration	1 day		
Number of expected total participants	60	Number of participants to be reimbursed from COST funds	0
Average reimbursement(per participant)(EUR)	766.00	Total Reimbursement costs (EUR)	0.00
Local Organiser Support	1,250.00		

(EUR)	
Total cost of the meeting (EUR)	1,250.00

Meeting Type	Management Committee Meeting,Workshops/Conferences,Core Group Meeting,Working Group Meeting
Title of the Meeting	COST FinAI Transparency in Finance
Grant Period Goal(s) it will address	Collection of software pieces into a P2P knowledge platform like quantinar.com,Design and management of an interactive exchange system for Videos, slides, quantlets,Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.,Reach out to and include researchers from sustainable investments into WG3,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the visibility of the network by creating video content for the wider public based on research produced in the action,Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events),Produce research on transparency of AI applications
Description	<a href="https://www.meetup.com/Fintech_AI_in_Finance/events/282305472/">https://www.meetup.com/Fintech_AI_in_Finance/events/282305472/</a> <a href="https://www.meetup.com/Fintech_AI_in_Finance/events/282305481/">https://www.meetup.com/Fintech_AI_in_Finance/events/282305481/</a> <a href="https://www.meetup.com/Fintech_AI_in_Finance/events/282305490/">https://www.meetup.com/Fintech_AI_in_Finance/events/282305490/</a> We have a co-organized COST FinAI research conference (80% of organizers are COST FinAI members), three working group meetings, a core group meeting as well as the annual MC meeting. The setting is hybrid. 1. Annual COST FinAI MC meeting, joint with 6th edition of European Alternative Finance Research Conference, co-organized by the COST Action 19130 Fintech and AI in Finance 2. COST FinAI Annual MC Meeting Fintech and AI in Finance, focusing on • Produce research on transparency of AI applications in finance • Develop and apply XAI approaches to solve certain/specific problems in finance • Deciding on the future strategic priorities • Review of the first period of this Action • Analysis of COST FinAI diversity achievements 3. COST Fintech and Artificial Intelligence in Finance Working group meetings We will focus on our three main themes • Transparency in Fintech • Transparent versus Black Box Decision-Support Models in the Financial Industry • Transparency into Investment Product Performance for Clients with a particular focus on research related to Fintech products, the underlying methods and their performance. The working group leaders will give an overview of the research so far, the strategic priorities and COST FinAI members will present their research. Travel cost reimbursement is restricted to COST FinAI members. The allocated budget cannot be exceeded. In case of budget restrictions, preference for reimbursement will be given to COST FinAI members based on their contributions to the Action, to this particular event as well as the contribution to goals and objectives that have not yet been achieved, taking also diversity considerations and previous budget allocations into account. LOS is 60% of the maximum eligible amount and will be reduced accordingly in case of a lower number of participants. The justification to allocate 60% is that the organizers are providing free lunch and free refreshments throughout the event. Invites have to be accepted within 10 days, otherwise any potential daily allowance or travel cost reimbursements are forfeited.
Output(s)	We will • decide on the future strategic priorities • review the first period of this Action • analyze COST FinAI diversity achievements COST FinAI working groups will both present their results so far as well as decide on future strategic priorities. The output is a summary of all achievements, posted on the website, the blog and the newsletter as well as the strategic plan going forward. Also,

	the plan for activities in GP3 will be discussed and decided upon.		
Location	Utrecht (Netherlands)	ITC	No
Start Date	2022-10-05 09:00:00	End Date	2022-10-07 16:00:00
Duration	3 days		
Number of expected total participants	120	Number of participants to be reimbursed from COST funds	40
Average reimbursement(per participant)(EUR)	1,074.00	Total Reimbursement costs (EUR)	42,960.00
Local Organiser Support (EUR)	6,000.00		
Total cost of the meeting (EUR)	48,960.00		

### Short Term Scientific Missions (STSM)

Number	Average cost per STSM(EUR)	Total cost(EUR)
16	2,480.00	39,680.00
Grant Period Goal(s) it will address	Collection of software pieces into a P2P knowledge platform like quantinar.com, Design and management of an interactive exchange system for Videos, slides, quantlets, Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes., Reach out to and include researchers from sustainable investments into WG3, Actively seek, encourage and promote research from researchers at different stage of their carriers and females, Increase the visibility of the network by creating video content for the wider public based on research produced in the action, Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events), Produce research on transparency of AI applications	
Description	A Short-Term Scientific Mission consists of a visit of a host organization located in a different country other than the country of affiliation by a Researcher or Innovator for the specific work to be carried out and for a determined period of time (COST-094-21). STSM Grant provides a contribution for travelling, accommodation and subsistence expenses, implementation of the project, delivery of the report to the COST Action MC and overall effort. The main evaluation criteria include the following: (i) diversity, i.e., young researchers, applicants and hosts from ITC countries, gender diversity; (ii) sound working plan measured by scientific quality, potential impact, originality, benefits for the Action; and (iii) compliance with the Grant Period's goals and the overall objectives (iv) Clear preference will be given to STSMs that can contribute to goals and objectives that have not yet been fully achieved. A tangible output and contribution need to be ensured. Preference will be given to existing COST FinAI members. Each STSM grantee is expected to become a working group member of the Action and continue to be involved. The budget for STSMs may be used also to cover Virtual Networking Grants if becoming available through COST and if deemed suitable for the Action.	
Output(s)	The quantitative output includes successful applications from at least 6 different host countries. The main research focus spins around the main current research goals both of the CA 19130 and of the working groups, with a particular emphasis on innovative financial services, especially in the FinTech domain and its fairness and sustainability. Development of Machine Learning methods and conceptual and methodological approaches to increase transparency of black-box tools and, in a broad sense, of investment processes that use them is also among the research priorities. We also aim at reducing the false discovery rate in financial research and applied financial investment management. Grant payment for each STSM grantee is conditional on generating at least the following output: <ul style="list-style-type: none"> <li>• give at least one talk, scheduled on the COST FinAI meet up</li> <li>• Write a one-page summary to be published on the webpage</li> </ul>	

### ITC Conference Grant

Number	Average cost per Grant(EUR)	Total cost(EUR)
5	1,500.00	7,500.00
Grant Period Goal(s) it will address	<p>Collection of software pieces into a P2P knowledge platform like quantinar.com,Design and management of an interactive exchange system for Videos, slides, quantlets,Create scientific methods to improve transparency of investment processes. Apply these methods to published investment processes and develop improved investment processes.,Reach out to and include researchers from sustainable investments into WG3,Actively seek, encourage and promote research from researchers at different stage of their carriers and females,Increase the visibility of the network by creating video content for the wider public based on research produced in the action,Increase the practical impact of the network by developing the connection with industry - (joint academia - industry hybrid/online events),Produce research on transparency of AI applications</p>	
Description	<p>We will use ITC conference grants to explicitly enable ITC researchers to participate in research conferences. The main evaluation criteria include the following: (i) diversity, i.e., young researchers, applicants and hosts from ITC countries, gender diversity; (ii) conference related to COST FinAI goals and objectives (iii) compliance with the Grant Period's goals and the overall objectives (iv) Clear preference will be given to ITC grants that have the potential to contribute to goals and objectives that have not yet been fully achieved. A tangible output and contribution need to be ensured. Preference will be given to existing COST FinAI members. Each ITC conference grantee is expected to become a working group member of the Action and continue to be involved. The budget for ITC Conference Grants may be used also to cover Dissemination Grants, if deemed suitable for the Action.</p>	
Output(s)	<p>The quantitative output includes successful applications from at least 3 different countries. Grant payment for each ITC conference grantee is conditional on generating at least the following output:</p> <ul style="list-style-type: none"> <li>• give at least one talk, scheduled on the COST FinAI meet up</li> <li>• Write a one-page summary to be published on the webpage</li> </ul>	

### COST Action Dissemination

Title	Type	Publisher/provider	Expected date of Release	Cost(EUR)
Website	Action Website	tbd	31/05/2022	5,093.34
Grant Period Goal(s) it will address	Collection of software pieces into a P2P knowledge platform like quantinar.com			
Description	Maintenance and improvement of the web site			
Output(s)	Enhanced and updated website			

Total Disseminations	5,093.34
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