



# Regulatory Approaches to FinTech

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# FSB Survey on Regulatory Action

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- Did you...
  - ...make changes?
  - ...plan to make changes?
  - ...affirmatively decide against making changes?
  - ...do research or experiment with it

# Policymaker Actions

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Institutions in 20+ countries had made or were planning changes

# Policymaker Actions

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## Fostering Innovation

- Innovation hubs
- Regulatory sandboxes
  - Accelerators
- Facilitation offices



# Policymaker Actions

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## Defining and clarifying

- New definitions
- Regulatory authority assigned
  - Guidance issued
  - Establishing regulatory framework

**INDUSTRIAL WORKERS OF THE WORLD**, an international industrial labor union that was organized in C. in 1905 and disintegrated after 1920. *Abbr.*: I.W.W., I  
**in-dus-tri-ous** (in dus'trē əs), *adj.* 1. hard-working  
gent. 2. Obs. skillful. [*< L. industrius, OL. indostri-*  
disputed origin] —*in-dus'tri-ous-ly*, *adv.* —*in-du-*  
**ous-ness**, *n.* —*Syn.* 1. assiduous, sedulous, energeti-  
buz —*Ant.* 1. lazy, indolent

FINTECH – Technology-enabled financial innovation...

general. 4. owners and managers of... 5. syste  
work or labor. 6. assiduous activity in any work or  
diligence. [*ME. industrie < L. industria < fem.*  
*dustus industrious*] —*Syn.* 6. effort, energy, dev  
**In'dus val'ley civiliza'tion**, an ancient civilization  
that flourished in the Indus River valley in  
1500 B.C. Also called **Indus civilization**.  
**in-dwell** (in dwel'), *v.*, -dwelt, -dwell-ing,  
**inhabit**. 2. to possess (a person), as a principle,  
force, etc. —*s.t.* 3. to dwell  
<http://www.photodisc.com>  
form: [ME. *indwell*]

# Policymaker Actions

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## Issuing Rules and Regulations

- Registration requirements
- Restrictions on activity
  - Establishing rules
- Technological standards
  - Limits



# Focus of Actions

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Equity Crowdfunding



Online Marketplace Lending



Virtual Currencies



Online Banking

# Motives for Change

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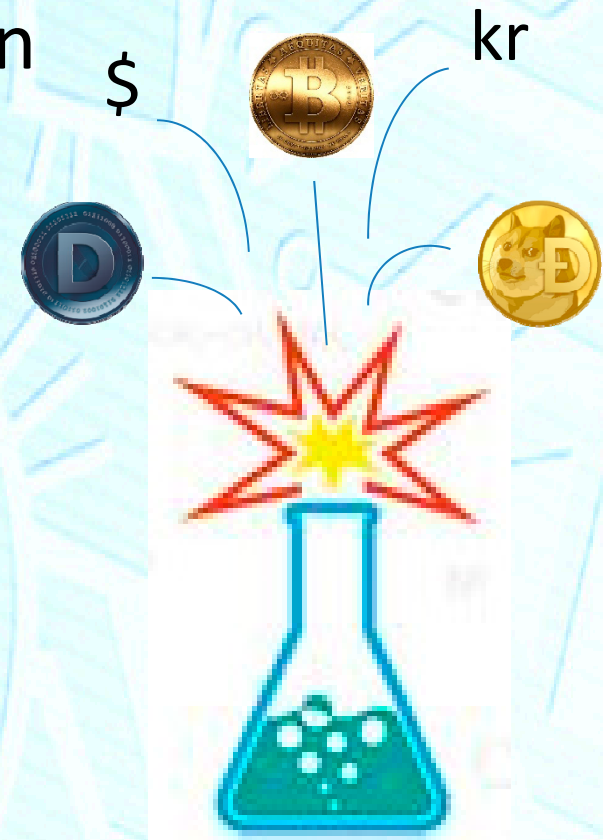
- Explicit mandate to foster financial innovation
  - Investor/consumer protection
    - Financial inclusion
    - Market integrity



# Experimentation

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- Project Jasper and Project Ubin
- Sweden's e-Krona project
- Bank of England's Accelerator
- MAS Hackathons
- LabCFTC



# Decisions to take no action

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- One country noted: Legally ‘traditional’ and ‘FinTech’ entities are indistinguishable
- Others noted: ‘Too small to matter’