

## Regulatory Regimes governing Fintech firms worldwide

### Introduction

In this report, we explore the current regulatory regimes governing fintech firms worldwide. The aim of the report is to highlight the current regulatory framework on a country basis that's enabling several major fintech firms to operate across different fintech verticals.

We find that regulators fall across 3 major types:

- Hybrid regulation where the regulator has designed licenses catered to fintech firms needs allowing them to operate in the financial services arena but with limited scope under some form of regulatory sandbox with the ultimate goal of graduating into a full fledge license comparable to legacy financial services players.
- A lax regulation where regulators try to create completely new types of licenses to specifically cater to the needs of fintech firms allowing for relaxed regulatory space without an end goal of necessarily pushing the fintech firms towards transitioning into legally regulatory licenses.
- A distant/hands-off approach where the regulator doesn't necessarily design policies and regulations or adapt them with fintech firms in mind but rather allows the fintech firms to either cooperate with legacy players or market services with the caveat of risk involved in the nature of the operation.

We also look at the Qatari regulatory space concerning financial services and we present two reasons why we believe the current regulatory regime isn't promoting fintech innovations.

Finally, we provide a number of regulatory and operational recommendations to enable and unlock future opportunities in the fintech space.

## Benchmarking Global Regulatory Regimes

### 1. England

#### 1.1. Initiatives

Regulator	Initiative
Financial Conduct Authority	<b><i>Regulatory Sandbox</i></b>
	<p>“The regulatory sandbox allows businesses to test innovative propositions in the market, with real consumers.</p> <p>The sandbox is open to authorised firms, unauthorised firms that require authorisation and technology businesses. The sandbox seeks to provide firms with:</p> <ul style="list-style-type: none"><li>the ability to test products and services in a controlled environment</li><li>reduced time-to-market at potentially lower cost</li><li>support in identifying appropriate consumer protection safeguards to build into new products and services</li><li>better access to finance</li></ul> <p>The sandbox also offers tools such as restricted authorisation, individual guidance, informal steers, waivers and no enforcement action letters.” - Source:</p> <p><a href="https://www.fca.org.uk/firms/regulatory-sandbox">https://www.fca.org.uk/firms/regulatory-sandbox</a> (regulatory sandbox)</p>

#### 1.2. Legal frameworks and regulation **enabling** Fintech firms to operate

Type of service enabled by Fintech firm	Company Example	Governing regulation
Virtual Bank	Monzo  <b>monzo</b>	Governed by the FCA rules that apply to banks making the company effectively a bank with full access to the payment systems.
	Atom 	Atom bank: <a href="https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000000i8ezfAAA">https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000000i8ezfAAA</a>  Monzo: <a href="https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000002syvKiAAI">https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000002syvKiAAI</a>
Money transfer	Transferwise 	Electronic Money license governed by the FCA under Electronic Money Regulations of 2011 <a href="https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000001EjC6SAAV">https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000001EjC6SAAV</a>
Peer to peer lending/Alternative Lending	Funding circle   Iwoca 	Permitted to provide regulated services and products subject to certain restriction under the FCA <a href="https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000001m13H9AAI">https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000001m13H9AAI</a>
Investing	Yielders 	Permitted to provide regulated services and products subject to certain restriction under the FCA <a href="https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000003MvpJ5AAJ">https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000003MvpJ5AAJ</a>

<b>Clearing bank</b>	ClearBank 	Permitted to provide regulated services and products subject to certain restriction under the FCA <a href="https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000003TEU71AAH">https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000003TEU71AAH</a>
<b>Payments</b>	GoCardless 	<b>Provision of Payment Service (PSD license) regulation under FCA</b> <a href="https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000000NMgMPAA1">https://register.fca.org.uk/ShPo_FirmDetailsPage?id=001b000000NMgMPAA1</a>

**Takeaway:** The U.K follows a hybrid approach in its Fintech governance. The regulator has chosen to create a new type of regulatory framework to cater to newer types of ventures. In addition, the regulator has shown flexibility in the interpretation of the current legal framework thus enabling startups and new technologies to operate within an already established legal settings.

2. Hong Kong  
2.1. Initiatives

Regulator	Initiative
Hong Kong Monetary Authority	<b><i>Single Contact Point</i></b>
	<p>“The HKMA has established a Fintech Facilitation Office (FFO) to facilitate the healthy development of the fintech ecosystem in Hong Kong and to promote Hong Kong as a fintech hub in Asia.</p> <p>Among other things, the new office acts as</p> <ul style="list-style-type: none"><li>(i) a platform for exchanging ideas of innovative fintech initiatives among key stakeholders and conducting outreaching activities;</li><li>(ii) an interface between market participants and regulators within the HKMA to help improve the industry’s understanding about the parts of the regulatory landscape which are relevant to them;</li><li>(iii) an initiator of industry research in potential application and risks of fintech solutions; and</li><li>(iv) a facilitator to nurture talents to meet the growing needs of fintech in Hong Kong.</li></ul> <p>To promote a closer dialogue between the FFO and the market participants and interested parties, a dedicated email account (fintech@hkma.gov.hk) has been set up.”</p> <p>Source: <a href="https://www.hkma.gov.hk/eng/key-functions/international-financial-centre/fintech-">https://www.hkma.gov.hk/eng/key-functions/international-financial-centre/fintech-</a></p>

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[facilitation-office-ffo.shtml](#) (single contact point)

***Regulatory Sandbox***

“The Fintech Supervisory Sandbox (FSS), launched by the HKMA in September 2016, allows banks and their partnering technology firms (tech firms) to conduct pilot trials of their fintech initiatives involving a limited number of participating customers without the need to achieve full compliance with the HKMA's supervisory requirements.” – source: <https://www.hkma.gov.hk/eng/key-functions/international-financial-centre/fintech-supervisory-sandbox.shtml>

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**Securities and Futures Commission**



***Single Contact Point***

“The purpose of the Fintech Contact Point is to facilitate the Fintech community's understanding of the current regulatory regime, and to enable the SFC to stay abreast of the development of Fintech in Hong Kong.

The Fintech Contact Point is part of the function of the Licensing Department of the Intermediaries Division.

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You may contact us if you intend to engage in regulated activities through the use of some innovative technologies, for example, the application of blockchain in the delivery of financial services or products. We have been in discussions with potential and existing licensees who intend to provide robo-advisors and fund distribution platforms, peer-to-peer lending and equity crowdfunding platforms which offer securities or collective investment schemes.”

Source: <https://www.sfc.hk/web/EN/sfc-fintech-contact-point/> (single contact point)

### ***Regulatory Sandbox***

“The SFC Regulatory Sandbox (Sandbox) is established to provide a confined regulatory environment for qualified firms<sup>1</sup> to operate regulated activities under the SFO before Fintech is used on a fuller scale. The Sandbox would enable qualified firms, through close dialogue with and supervision by the SFC under the licensing regime, to readily identify and address any risks or concerns relevant to their regulated activities.” Source:

<https://www.sfc.hk/web/EN/sfc-fintech-contact-point/sfc-regulatory-sandbox.html>  
(regulatory sandbox)

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## 2.2. Legal frameworks and regulation **enabling** Fintech firms to operate

Type of service enabled by Fintech firm	Company Example	Governing regulation
e-Wallet & virtual account	Neat  TNG 	Stored Value Facility license as part of the payment systems tools governed by the Hong Kong Monetary Authority
Peer to Peer lending	Monexo  <small>Lend.GROW. Borrow.GROW</small>	No regulations govern the operations of Monexo.
Virtual Lending	Welend  <small>Powered by WeLab Limited</small>	Money lender's license

**Takeaway:** Hong Kong follows a hybrid approach similar to the U.K. The regulatory created a number of startup/fintech oriented license enabling fintech firm to operate within a bound regulatory framework. The regulator allows firms with riskier business models to operate nevertheless, particularly in the lending/investing space but with a restriction on the clients they can do business with i.e: high net worth retail investors.

### 3. Singapore

#### 3.1. Initiatives

Regulator	Initiative
<b>Monetary authority of Singapore</b> 	<p><b>Smart Financial Center:</b> An overarching unit within the MAS acting as a single window for all FinTech related inquiries.</p> <p><b>Regulatory Sandbox</b></p> <p>“The regulatory sandbox will enable FIs as well as FinTech players to experiment with innovative financial products or services in the</p>

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production environment but within a well-defined space and duration.”

<http://www.mas.gov.sg/Singapore-Financial-Centre/Smart-Financial-Centre/FinTech-Regulatory-Sandbox.aspx>

***Proof of Concept Schemes aka Seed funding for Fintech projects***

“The Financial Sector Technology and Innovation(FSTI)- Proof of Concept(POC) scheme aims to (a) promote the undertaking of more experimentation within the financial services sector, and (b) accelerate the development and dissemination of nascent innovative technologies in the financial services. Through the scheme, MAS provides funding support of up to 50-70% of qualifying costs”

<http://www.mas.gov.sg/Singapore-Financial-Centre/Smart-Financial-Centre/FSTI-Proof-Of-Concept-Scheme.aspx>

***Partner/Open APIs***

Promote the development of APIs that enable multiple/different applications to communicate financial data. Mandating Financial firms to build Open APIs enables start-ups to build on top of the established financial institutions infrastructure.

<http://www.mas.gov.sg/Singapore-Financial-Centre/Smart-Financial-Centre/Financial-Industry-API-Register.aspx>

3.2. Legal frameworks and regulation **enabling** Fintech firms to operate

Type of service enabled by Fintech firm	Company Example	Governing regulation
Money Transfer	Toast 	Money Changing Remittance business license issued by the Monetary Authority of Singapore
Peer 2 Peer Lending	FundedHere 	272A(1) exemption of the Securities and Futures Act. Considers <a href="https://sso.agc.gov.sg/Act/SFA2001?&amp;ProvIds=pr272A-&amp;ViewType=Advance&amp;Phrase=General+Law&amp;WiAI=1">https://sso.agc.gov.sg/Act/SFA2001?&amp;ProvIds=pr272A-&amp;ViewType=Advance&amp;Phrase=General+Law&amp;WiAI=1</a>

**Takeaway:** Singapore’s model is similar to Hong Kong and can be described as hybrid. The regulator has a regulatory sandbox enabling fintech firms to operate but allows riskier business models to operate, in the lending/investing space, when restricted to high net worth retail investors. Singapore regulators are nevertheless pushing for lower barriers to entry to fintech player by enacting policies requiring further cooperation between startups and incumbents

4. UAE  
4.1. Initiatives

Regulator/	Initiative
Dubai Financial Services Authority 	<b>Regulatory Sandbox</b>  “The DFSA’s ITL is a restricted financial services licence for FinTech firms that are interested to develop and test innovative business models, products and services in or from the Dubai International Financial Centre (“DIFC”) without being subject to the full regulatory requirements

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that normally apply to Authorised Firms” Source:  
<https://dfsa.ae/Documents/Fintech-Resources/FinTech-FAQ-20181018.pdf>  
(regulatory sandbox)

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## Dubai International Financial Centre



### ***Fintech Accelerator***

“Ecosystem of more than 60 partner entities, united in their common goal towards fostering innovation in the region. Fintech Hive also offers cost-effective licensing solutions for fintechs, supportive regulation through its Innovative Testing License, flexible co-working spaces and access to a financial community of more than 22,000 professionals working across over 1,850 firms, and offering that is unmatched in the region.”

Source: <https://fintechhive.difc.ae/difc-accelerator/>

### ***Fintech Commercial License***

“DIFC offers a dedicated commercial license, specifically developed for FinTech, RegTech and InsurTech firms, allowing them to operate within the Centre. This cost-effective scheme allows budding start-ups from the world of financial technology to benefit from the Centre’s world-class infrastructure and ecosystem at a fraction of the regular licensing cost.”

Source: <https://www.difc.ae/business/areas-business/fintech/fintech-commercial-licence/>

### ***Fintech Investment Fund***

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“Launch of a USD 100 million FinTech-focused fund to accelerate the development of financial technology by investing in start-ups from incubation through to growth stage.”

Source:

<https://www.difc.ae/newsroom/news/difc-launches-usd-100-million-fintech-fund/>

#### 4.2. Legal frameworks and regulation **enabling** Fintech firms to operate

Type of service enabled by Fintech firm	Company Example	Governing regulation
Peer to Peer Lending	Beehive 	Operating with a Crowdfunding platform license under DFSA
Robo-Advisor	Sarwa Digital Wealth Limited known as Sarwa.Co  sarwa.CO	Arranging deals in investments license  Advising on financial products license under DFSA
Virtual Bank	Mashreq Neo 	Regular banking regulation: The Mashred NEO is a wrapper service supported by Mashreq Bank

**Takeaway:** Dubai follows an approach of customized legal frameworks. The regulator decides to issue new types of licenses to enable companies to operate a certain type of business and offer a “limited in scope” type of offering. The advantage of this approach is a focused and clear regulatory arena however this approach is unlikely to enable breakthrough innovation and focuses more on bringing already tested Fintech solutions to market

## 5. India

### 5.1. Initiatives

Financial Regulator	Initiative
<b>Reserve Bank of India</b> 	India hasn't launched any major initiative targeting fintech specifically. However, the country under the RBI's guidance has established a number of schemes that enabled smaller non-financial firms to enter the financial sector i.e. NBFC for example.

### 5.2. Legal frameworks and regulation enabling Fintech firms to operate

Type of service enabled by Fintech firm	Company Example	Governing regulation
<b>Virtual Bank/Non-bank</b>	ItzCash 	Pre-paid payment instrument (PPI) section of the Payment and Settlement Systems Act
<b>Alternative Lending</b>	Capital Float  Lendingkart  Neogrowth 	Non-banking finance company regulation

<b>Lending</b>	RenewBuy 	Insurance Regulatory and Development Authority license
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**Takeaway:** The Indian regulator has shown progressive policies towards fintech firms with what can be described as thematic specific focus. The regulator particularly promotes alternative lending players and virtual/mobile banks. This aligns with the country's goal of increased financial inclusion. The focus of the regulator being that of increased lending opportunities to SMEs and financial inclusion or large population of unbanked Indians.

## 6. USA

### 6.1. Initiatives

Financial Regulator	Initiative
<b>FINRA: Financial Industry Regulatory Authority</b> 	No specific regulatory initiative.

### 6.2. Unbundling the Infrastructure back-end of major FinTech firms

The U.S FinTech scene is predominantly driven by behind the scenes (white label) service providers (banks, money transmitters) that enable fintech platforms to perform their activities. (**banking as a service** model)

Back End Services Provider	FinTech Solution
	<b>Lending Club</b> 

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**WebBank, an industrial bank based in Utah, is responsible for the loan origination in the Lending Club platform.**

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**Apple Pay**



**Green dot offers Bank as service to Apple to enable payment transfers. Apple Pay is not yet a money transmitter in the U.S and thus relies on a bank to provide money transfer**

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**Venmo**



**PayPal is a registered money transmitter in all U.S States and enables all the transactions that go through Venmo**

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**Square Capital (small and medium loans)**



**Celtic Bank provides credit sponsorship to Square Capital enabling the platform to offer loans to businesses**

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**cross river**

**Affirm**



**Cross River Bank, a new jersey chartered bank provides the standard 3,6,12 month loans through the Affirm Platform**

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6.3. Legal frameworks and regulation **enabling** Fintech firms to operate

Type of service enabled by Fintech firm	Company Example	Governing regulation
<b>Transfer of money/Payment processing</b>	<ul style="list-style-type: none"> <li>• Amazon Pay</li> <li>• Stripe</li> <li>• Google Pay through Google Payment Corp</li> <li>• Facebook Payments</li> </ul>	US Money Transmitter License Money Service Business Regulation
<b>Robo-advisor &amp; online brokers</b>	Wealthfront Betterment Folioinvesting	SEC Registered Investment Advisor SEC Registered broker-dealer Regulation
<b>Peer to peer lending</b>	LendingClub	
<b>Exchange</b>	IEX	SEC Self-Regulatory Organizations
<b>Crypto-Exchange</b>	Coinbase	Currently outside SEC jurisdiction and offers zero legal protection to investors
<b>Private Equity &amp; Private Markets</b>	Angellist Equidate EquityZen	FINRA broker/dealer regulation. The firms broker securities subject to SEC “private placements” regulation.

**Takeaway:** The U.S regulator do not proactively try to promote fintech friendly policies and leave it to the players in the financial services industry to decide. The U.S fintech scene relies heavily on legacy financial players such as banks to provide back-end support and services to financial Fintech firms and startups. This competition between banks has produced several banks who solely focus on acting as service providers to other financial front ends. Within this context, the U.S regulators are willing and flexible to allow different types of schemes and Fintech solutions to operate as long as they work with an established financial institution, the type and form of the offering is at the discretion of the parties.

7. Australia

## 7.1. Initiatives

Regulator	Initiative
<b>Australian Securities &amp; Investment Commission</b>	<p data-bbox="779 293 1024 318"><b><i>Regulatory Sandbox</i></b></p> <p data-bbox="779 329 1367 678">“Australia’s regulatory sandbox framework is comprised of three broad options for testing a new product or service without a license. Those options are: relying on existing statutory exemptions or flexibility in the law – such as by acting on behalf of an existing licensee; relying on ASIC’s ‘fintech licensing exemption’ for the testing of certain specified products and services; and for other services, relying on individual relief from ASIC: Source: <a href="https://asic.gov.au/for-business/your-business/innovation-hub/regulatory-sandbox/">https://asic.gov.au/for-business/your-business/innovation-hub/regulatory-sandbox/</a></p> <p data-bbox="779 865 1010 889"><b><i>Fintech Accelerator</i></b></p> <p data-bbox="779 901 1367 1182">“ASIC’s Innovation Hub exists to foster innovation that could benefit consumers by helping Australian fintech startups navigate our regulatory system. Within these pages we provide tailored information and access to informal assistance intended to streamline the licensing process as much as possible for innovative fintech startups.” Source: <a href="https://asic.gov.au/for-business/your-business/innovation-hub/">https://asic.gov.au/for-business/your-business/innovation-hub/</a></p>



## 7.2. Legal frameworks and regulation **enabling** Fintech firms to operate

Type of service enabled by Fintech firm	Company Example	Governing regulation
Alternative Lending	Valiant  <b>Valiant</b> MoneyMe 	Australian Credit License From the Australian Securities & Investment Commission <a href="https://www.asic.gov.au/for-finance-professionals/credit-licensees/">https://www.asic.gov.au/for-finance-professionals/credit-licensees/</a>
Virtual Bank	Xinja 	Restricted Authorized Deposit Taking Institution license under the Australian Prudential Regulatory Authority along with an Australian Credit License from the ASIC RADI license: <a href="https://www.apra.gov.au/sites/default/files/information-paper-adi-licensing-restricted-adi-framework-20180504.pdf">https://www.apra.gov.au/sites/default/files/information-paper-adi-licensing-restricted-adi-framework-20180504.pdf</a>

**Takeaway:** The Australian regulator is probably the most progressive worldwide having designed licenses across a wide spectrum of financial services products (lending, deposit taking, investing, money transfer etc.) allowing fintech firms to operate under a more relaxed regulatory regime.

## 8. State of Qatar Regulatory Frameworks

### 8.1. Benchmarking Qatar

The fintech scene in Qatar is non-existent. There are no know fintech startups, no funding towards early stage fintech startups and no clear roadmap that can signal a tangible move towards promoting fintech in the country. We believe the the two biggest barriers to FinTech promotion in the country relate to the cost prohibitive nature of operating a financial services firm and the fragmented and confusing regulatory scene. We highlight these two elements with the two examples below.

#### Prohibitive cost structure and fees:

##### Third: Capital and Fees (Qatari Riyal):

The following table shows the minimum paid-up capital required for each financial services activity and the fees of granting license and the annual renewal. If the company request more than one financial services activity, the paid-up capital should not be less than the highest minimum required capital of the activities requested, and the fees of the license or the annual renewal shall be the total fees for all activities required by the company.

Activity	Minimum of the Paid-up Capital	License Fees	License Renewal Fees
Execution of securities purchase or sale's orders for a third party	50 million	100,000	10,000
Own securities' trading	50 million	50,000	5,000
Custody services (cash or securities)	100 million	50,000	5,000
Advice on securities	2 million	100,000	10,000
Securities' investment management	50 million	100,000	10,000
Investment trusteeship	50 million	50,000	5,000
Underwriting issuance of securities.	100 million	50,000	5,000
Securities' issuance management	2 million	100,000	10,000

Source: [https://www.qfma.org.qa/English/FinancialServices/Pages/Licensing\\_Financial\\_Services\\_Activities.aspx](https://www.qfma.org.qa/English/FinancialServices/Pages/Licensing_Financial_Services_Activities.aspx)

#### Confusing regulatory oversight:

There are several financial regulators in Qatar. Some of the important ones are Qatar Central Banks which regulates banks & insurance companies, Qatar Financial Markets Authority which governs brokers of the QSE and Qatar Financial Center Regulatory Authority which provides a platform for full ownership of financial services companies.

Deposit Taking Providing Credit Facilities Carrying out a Contract of Insurance Effecting a Contract of Insurance	\$40,000
Dealing in Investments (as principal)	\$25,000
Dealing in Investments (as agent) Providing Custody Services Managing Investments Advising on Investments Arranging Deals in Investments Arranging Credit Facilities Arranging the Provision of Custody Services Operating a Collective Investment Fund	\$10,000
Effecting a contract of insurance or carrying out a contract of insurance as a QFC captive insurer that is a protected cell company	\$8,000, plus \$1,000 for each cell
Effecting a contract of insurance or carrying out a contract of insurance as a QFC captive insurer that is not a protected cell company	\$5,000
Dealing in investments (as agent), managing investments, arranging deals in investments, advising on investments or assisting in the administration or performance of contracts of insurance, if carried on only for the purpose of insurance mediation business or captive insurance management	\$1,000

Source: <http://www.qfcra.com/en-us/HowToApply/Pages/FormsandFees.aspx>

An example of the confusion caused by the fragmented regulatory scene is the significant difference in fees between QFCRA and QFMA: A license to deal in investments on behalf of 3<sup>rd</sup> party costs \$10,000 as per QFCRA and QAR100,000 with a paid-up capital of QAR50million as per QFMA.

## 9. Recommendations

### 9.1. Regulatory tools to improve/enhance experiences and protect consumers:

#### *Focus on watchdog/education aspects*

- Notification system for alerting consumers/users/business of non-compliant and non-registered firms
- Continuous alerts educating users/consumers risks of the services used

#### *Focus on operational/process aspects*

- Enable easier access of Credit score reports to fintech firms: i.e. through digital approval/signature.
- Encourage firms and startup to provide direct API access to their accounting software
- Enable easy and low-cost business set-up as most licenses/permits would require establishing a company.
- Provide single information website with transparent and clear procedures, fees and **what's next** sections, contact to single answers window and choice-based surveys/workflows to enable ease access and navigation of available regulatory resources.
- Clear, fast and affordable authorization and licensing processes and enable easy access to legal advice.
- Encourage large financial institutions to provide open API that enable smaller firms to interact with their services or develop **banking as a service** products upon which Fintech firms can build up.

#### *Focus on legal aspects*

- Legal support for startups is **necessary** as the forms and regulations are either too long or sometimes hard to fully comprehend without legal background. This is not unique to emergent markets. Established markets are the same but on the flipside benefit from having a large number of lawyers/law firms with the experience and expertise to guide startups through the application process and

all the legal work necessary to get approvals. Therefore, it's critical that efforts are made to ensure the ecosystem of lawyers understands the regulations available and how to help startups navigate the regulatory frameworks and encouraged to provide these services in standardized fashion at a reasonable cost.

- Develop initial templates of service agreements outlining relationship between service providers and consumers
- Prospectus development to ensure transparent and clear investment expectations and risks is communicated to the investors/users
- Establish tailored licenses granting certain statues/abilities to Fintech firms: ability to register as investment advisor, ability to operate a deposit taking bank, ability to originate loans, ability to sell investment products, ability to pool crowdfunding, ability to provide financing, ability to sell certain type of insurance, ability to access payment systems etc...
- Develop grievance and dispute resolutions framework setting the groundwork for rules governing disputes between service providers and customers.

#### ***Focus on financial aspects***

- Reduce the cost of acquisition and renewal of certain regulatory licenses to support SMEs and startups in acquiring the necessary regulatory permissions to provide their services
- Lower the direct and indirect cost of establishing businesses in general (lower paid up capital, exemption from physical office requirement, ease of hiring talent) and the cost of establishing businesses providing financial services

#### ***Focus on cultural aspects***

- Develop a culture of active listening to the needs and ambitions of FinTech players, as well as a culture of fast iteration on regulation so that the hub can be proactive in coming up with regulatory tools enabling any potential future innovations that aren't currently accommodated. Currently, a number of Fintech firms worldwide operate under some form of already established regulatory framework that wasn't designed with Fintech in mind. Flexibility and the open mindedness of the respective regulators was key in enabling this i.e.: case of atom bank in the U.K