



Much Ado About Fintech:

Does Fintech Require Innovation or Recrystallization of Traditional Legal Framework?

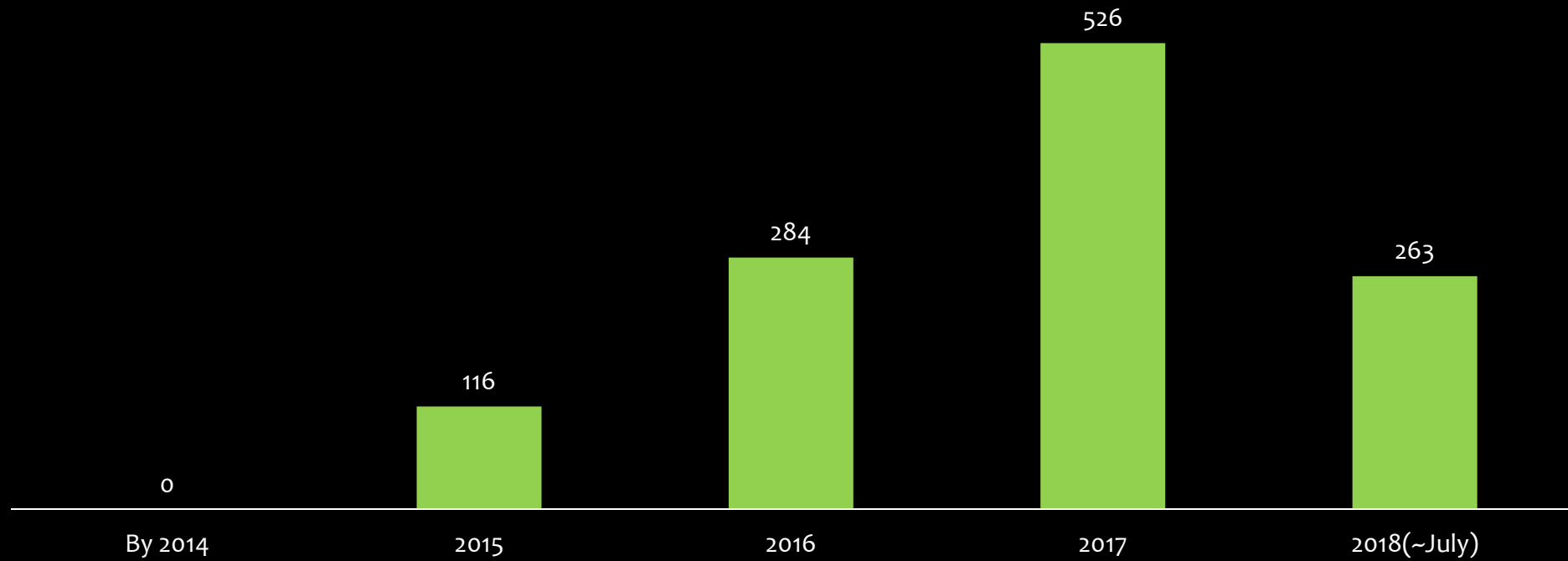
Akira Tokutsu (Tohoku University) March 8, 2019 New Delhi
9th ICRIER-PRI Workshop
Global Economic Trends and India-Japan Economic Partnership



Have you heard Fintech?

the Number of articles of Fintech at NIKKEI

■ the # of articles



What is "Fintech?"





What is “Fintech?”

No Clear Definition

- Peer-to-Peer Lending/ Crowdfunding
- Cryptocurrency (Bitcoin)
- Blockchain (Securities Settlement; Trade Finance)
- AI/ Robo-Advisor
- Big Data/ InsuTech

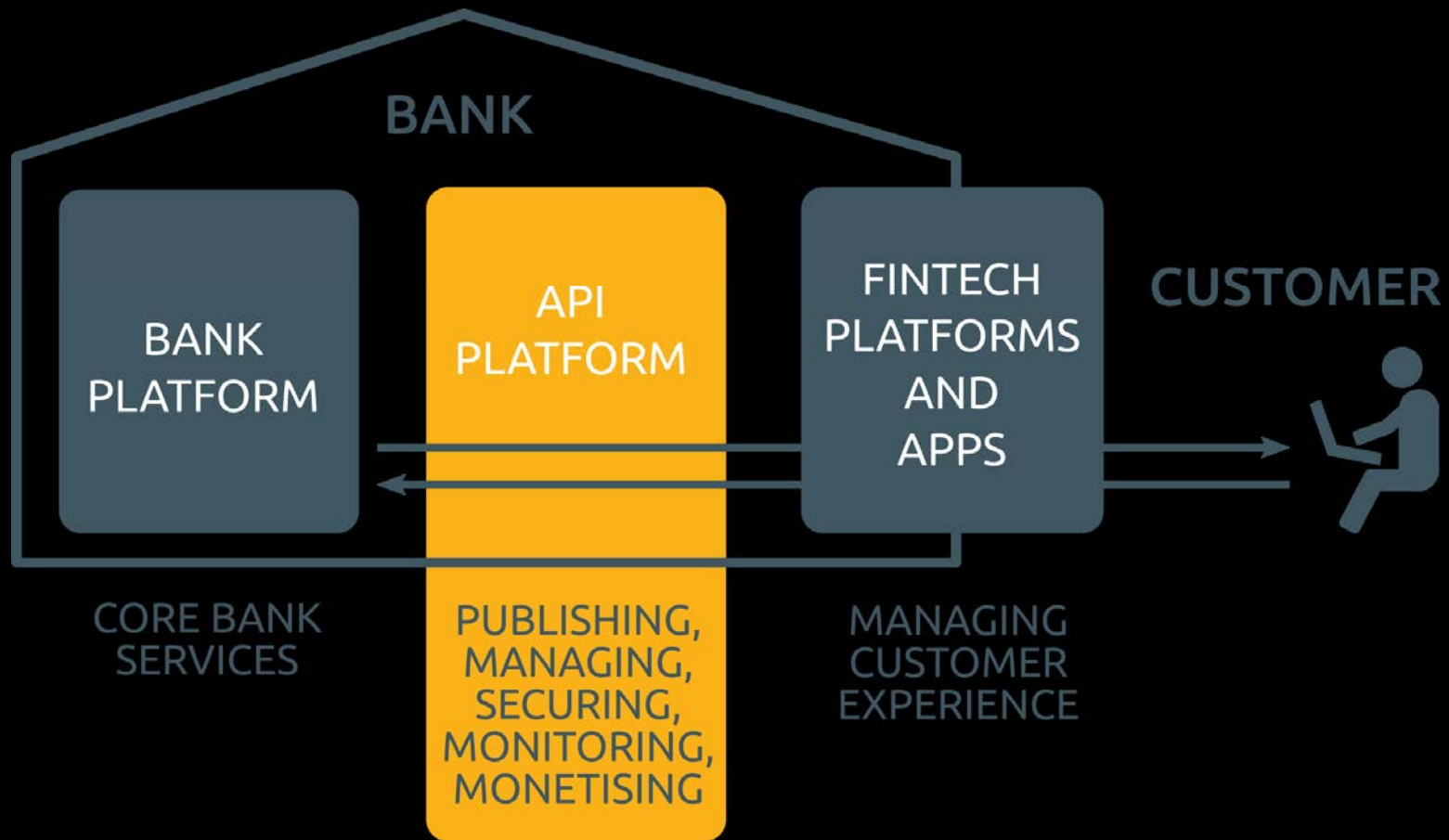
Mobilization



Mobilization

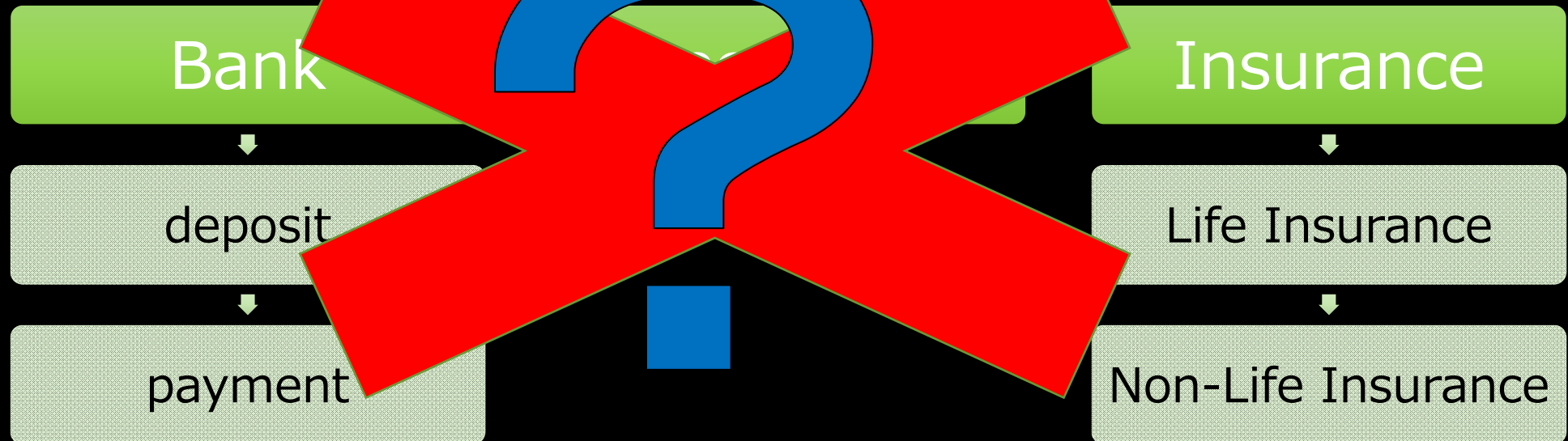
- Traditional financial institutions' services with smartphone
 1. Banking
 2. Brokerage
 3. Insurance
- Unbundling and a new Bundling





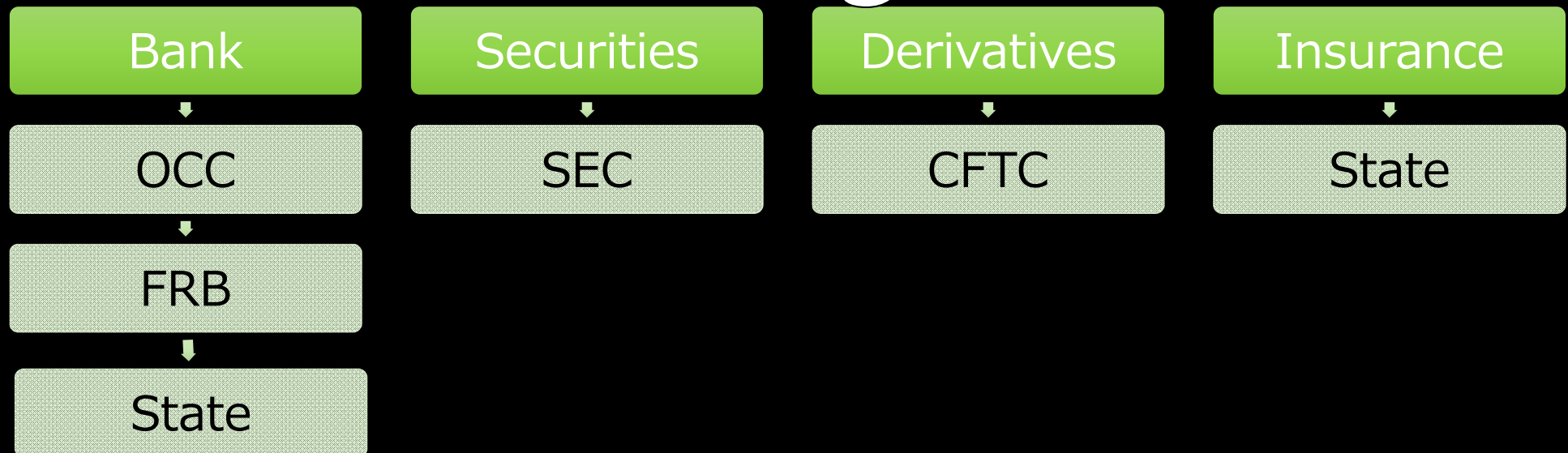
Does fintech require the “innovation” of legal framework?

Piecemeal Regulation: FSA in Japan



US Financial Regulation

Piecemeal Regulators: US

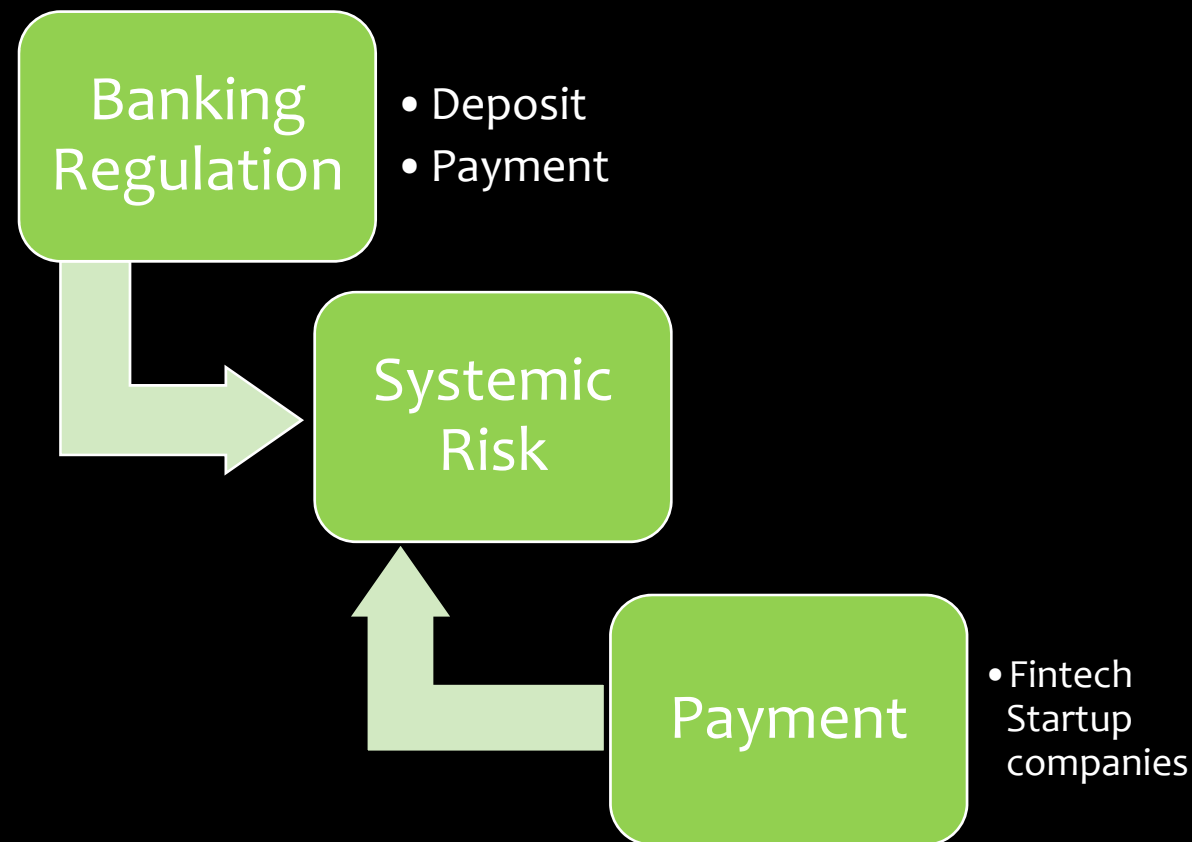


Hong Kong Financial Regulators

Piecemeal Regulators: HK




Does Fintech Require Innovation, Destory of Traditional Framework?



Innovation or Recrystallization?

Checking the purpose and the effect of each current financial regulation



Applying regulation to Fintech companies according to their “unbundling” or a new bundling business



Harmonization of financial regulation??

Harmonization of Private Law can help Recrystallization

- Unclear of Digital Asset and Record in Bankruptcy
 - Bankruptcy Remoteness
 - Systemic Risk



- Model Law on Electronic Transferable Records (2017)
- Financial Regulation assumes Private Law