



DIGITAL ASSETS AND REGISTERED EXCHANGES ACT

The Role of Regulation in Facilitating Opportunities

Christian D. Adderley
Head - Policy, Research & Compliance
SCB FITLink - FINTECH HUB

Hosted by: The Ministry of Financial Services, Trade & Industry and Immigration

4 MARCH 2021

The Case For Regulation



The Commission's Digital Asset Regulatory Philosophy

Opportunities

The Commission's International Initiatives

SCB FITLink

The Case For Regulation

What Is FinTech? (History)

1950s

•Credit cards were introduced (Diners Club)

1960s

- ATMs were introduced to retail banking (Barclays)
- Quontron Systems was introduced as the first electronic system to provide selected stock market quotations

1970s

- •Electronic stock trading began on exchange floors (Nasdaq)
- Swift was established
- •The term

 "FinTech was
 coined"

1980s

- Online brokerage services (E-Trade)
- Online banking introduced (Nottingham Building Society)

1990s

 Transactional websites for online banking were introduced

2000s +

- •Version 0.1 of bitcoin was released
- Crowdfunding platforms became popular
- Digital asset exchanges and DLT platforms were introduced



Opportunities

Opportunities

- Stable Coins
 - Volatility of Digital Assets
 - Scalability and Interoperability
 - Basket of assets / RegulatorySafeguard Concerns
- Digital Networks
 - o COVID-19
 - Digital Asset "Track"
- Alternative Business Capital
 - Post-2008 / Small business risk
 - New money!
 - Robust ITO market



The Commission's FinTech Hub

SCB FITLink



SCB FITLINK

- "FINTECH HUB"
- Financial Innovation and Technology Link
- Launched 2019
- Central point of contact
- Bridge regulatory gap
- Contact Information
 - o fitlink@scb.gov.bs

Final Points



- FinTech is rapidly evolving
- Risks are high
- Collaboration!
- Encourage innovation (protect markets)

