

IS3502: FINTECH REGULATION AND REGTECH

Effective Term

Semester A 2022/23

Part I Course Overview

Course Title

FinTech Regulation and RegTech

Subject Code

IS - Information Systems

Course Number

3502

Academic Unit

Information Systems (IS)

College/School

College of Business (CB)

Course Duration

One Semester

Credit Units

3

Level

B1, B2, B3, B4 - Bachelor's Degree

Medium of Instruction

English

Medium of Assessment

English

Prerequisites

Nil

Precursors

Nil

Equivalent Courses

Nil

Exclusive Courses

Nil

Part II Course Details

Abstract

The course will provide students with the understanding of the changing landscape in the financial market after the global financial crisis and the need for new regulation requirements for the development in FinTech as well as the development

of RegTech, which is the application of new technology in financial market regulation. The course will cover regulations in areas of FinTech such as blockchain, cryptocurrency, electronic and alternative payment, security and biometrics, P2P lending and crowdfunding. It will also cover the areas in RegTech, namely application of big data, cybersecurity, technology for interoperability and regulatory sandboxes.

Course Intended Learning Outcomes (CILOs)

CILOs		Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1	Explain the needs for new regulation of FinTech and the applications of technologies in regulation in the changing landscape of the financial market.	20	x		
2	Analyse the needs for regulation of FinTech.	40	x	x	
3	Analyse and evaluate RegTech options for improvement of compliance and regulatory reporting in financial market.	40		x	x

A1: Attitude

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: Ability

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: Accomplishments

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

Teaching and Learning Activities (TLAs)

TLAs		Brief Description	CILO No.	Hours/week (if applicable)
1	TLA1: Lecture	Concepts, frameworks, and technologies of financial market regulation, FinTech regulation and RegTech are explained.	1, 2, 3	Seminar:3 Hours/Week
2	TLA2: Cases Studies	Students are required to analyse regulatory requirements of FinTech and how to apply technologies to financial regulation based on cases and business scenarios.	2, 3	Seminar:3 Hours/Week
3	TLA3 : Online Discussion	It is a means of self-reflection and sharing concepts, techniques, and methods of knowledge management among students within or after formal classes.	2, 3	Seminar:3 Hours/Week

Assessment Tasks / Activities (ATs)

ATs		CILO No.	Weighting (%)	Remarks (e.g. Parameter for GenAI use)
1	AT1: Participation Students should participate in class activities, such as small group discussions and presentations, self-reflection, raise and answer questions, and the like. Class participation is used to assess students' understanding of the topics and their abilities to apply the knowledge and concepts taught in class.	1, 2, 3	10	
2	AT2: Individual Assignments Students will answer questions and solve problems in the area of FinTech regulation and RegTech.	1, 2, 3	10	
3	AT3: Group Project A group project, which includes a written report and an oral presentation, will be assigned to students to describe, evaluate and analyse a case related to either FinTech regulation or application of RegTech.	1, 2, 3	30	

Continuous Assessment (%)

50

Examination (%)

50

Examination Duration (Hours)

2

Assessment Rubrics (AR)**Assessment Task**

AT1: Participation

Criterion

Ability to accurately explain the concepts related financial market and regulation

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT1: Participation

Criterion

Ability to accurately analyse regulation requirements of FinTech

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT1: Participation

Criterion

Ability to accurately analyse and evaluate the application of technologies in financial compliance and regulation

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT2: Individual Assignments

Criterion

Ability to demonstrate understanding of the course topics through assignments

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT2: Individual Assignments

Criterion

Ability to accurately analyse regulation requirements of FinTech

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT2: Individual Assignments

Criterion

Ability to accurately analyse and evaluate the application of technologies in financial compliance and regulation

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT3:Group Project

Criterion

Ability to demonstrate understanding of the course topics through group project case study

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT3:Group Project

Criterion

Ability to accurately analyse regulation requirements of FinTech

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT3: Group Project

Criterion

Ability to accurately analyse and evaluate the application of technologies in financial compliance and regulation

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT4: Final Examination

Criterion

Ability to demonstrate understanding of the course topics through group project case study

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT4: Final Examination

Criterion

Ability to accurately analyse regulation requirements of FinTech

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Assessment Task

AT4: Final Examination

Criterion

Ability to accurately analyse and evaluate the application of technologies in financial compliance and regulation

Excellent (A+, A, A-)

High

Good (B+, B, B-)

Significant

Fair (C+, C, C-)

Moderate

Marginal (D)

Basic

Failure (F)

Not even reaching marginal levels

Part III Other Information

Keyword Syllabus

Financial market; FinTech; Blockchain; Cryptocurrency; Online payment; P2P lending; Crowdfunding; Robo-advisors; RegTech; Anti-money laundering; Big data analysis; Security; Behavioural biometrics; Interoperability; API; Regulatory sandbox.

Reading List

Compulsory Readings

Title	
1	Janos Barberis, The Regtech Book: The Financial Technology Handbook for Investors, Entrepreneurs and Visionaries in Regulation, 2018.
2	Stefan Loesch, A Guide to Financial Regulation for Fintech Entrepreneurs, Wiley, 2018.

Additional Readings

Title	
1	Policy Framework for Effective and Efficient Financial Regulation, OECD Journal: Financial Market Trends, 2010. https://www.oecd-ilibrary.org/policy-framework-for-effective-and-efficient-financial-regulation_5kmn0vkxwng1.pdf?itemId=%2Fcontent%2Fpaper%2Ffmt-2009-5kmn0vkxwng1&mimeType=pdf .
2	David Lee Kuo Chuen, Robert H. Deng, Handbook of Blockchain, Digital Finance, and Inclusion, Vol. I & II, Elsevier Inc., 2018.
3	Kristen Silverberg, et al., Regtech in Financial Services: Technology Solutions for Compliance and Reporting, Institute of International Finance, March 2016. https://www.iif.com/system/files/regtech_in_financial_services_-_solutions_for_compliance_and_reporting.pdf
4	Deloitte, The evolving Fintech regulatory environment – preparing for the inevitable, Centre for Regulatory Strategy, 2017 https://www2.deloitte.com/content/dam/Deloitte/us/Documents/regulatory/us-aers-the-evolving-fintech-regulatory-environment.pdf
5	Douglas Arner, Janos Barberis, Ross Buckley, FinTech, RegTech and the Reconceptualization of Financial Regulation, Northwestern J. of International Law and Business, October 2016.
6	Karen Mills, Brayden McCarthy, The State of Small Business Lending: Innovation and Technology and the Implications for Regulation, HBS, Working Paper 17-042, 2016.