

Regulation of Mobile Money

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Protect the float



In Common Law Countries -

Institution of a Trust

Money deposited in commercial bank

Central Bank as the Protector

- Inspecting trust arrangements
- Insuring 1:1 ratio between issued electronic money and actual money sitting in the trust account

“Using Trusts to Protect Mobile Money Customers” – on SSRN – or google ‘Buckley, SSRN, trust’

<https://ssrn.com/abstract=2612454>

In Civil Law Countries -

Trust is not there

Mix of mandates, contracts, fiduciary contracts,
direct regulation

“Protecting Mobile Money Customer Funds in Civil Law Jurisdictions” – or simply google ‘Buckley, SSRN, civil’.
https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2713612

1. Consumer Protection Regulation
2. Money Laundering and Terrorism Financing Regulation

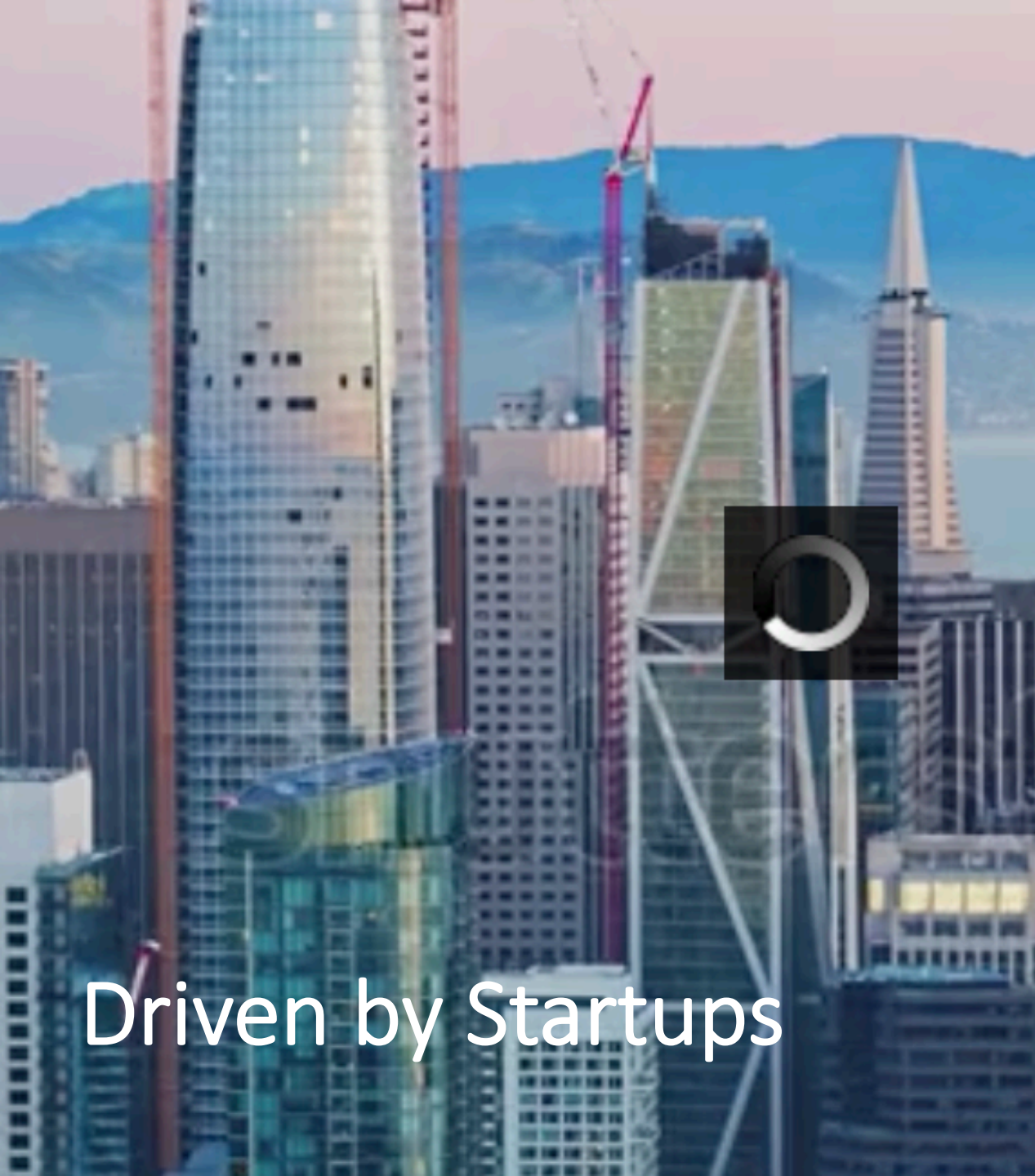
AML (Anti-Money Laundering)
CTF (Counter-Terrorism Financing)

Proportional risk-based assessments

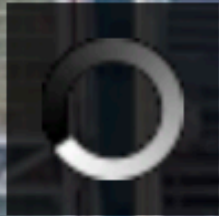
Network effects

Rules: *easy*

Recourse Mechanisms: *difficult*



Driven by Startups



Driven by
Government Policy

Major change in perspective

Current Issue: Offering of inappropriate products

“FinTech in Developing Countries: Charting New Customer Journeys”, or
google: ‘Buckley SSRN customer’

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2850091

“Building Consumer Demand for Digital Financial Services – The New
Regulatory Frontier”, or google: ‘Buckley SSRN consumer’)

https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2478482

Mobile Money rarely raises systemic stability issues – It rarely needs heavy-handed regulation. It needs light and subtle regulation, maintaining a watching brief