



Frequently Asked Questions: SEC Regulatory Innovation

1. What is regulatory innovation?
 - ***It is the regulatory response to advancement in financial innovation.***
2. Is the plan by Regulators to regulate innovation an attempt to stifle innovation and entrepreneurship?
 - ***No. Rather it's a concerted effort to support innovation and make it safe for investors, operators and the Capital Market in general.***
3. What internal structure has the Securities & Exchange Commission introduced so far, to support innovation?
 - ***The SEC has created a Fintech and Innovation Office (FINO) to facilitate internal external information dissemination, communication with innovators and provide guidance on regulatory requirements.***
4. What other roles does the Fintech and Innovation Office (FINO) play?
 - ***It reviews submissions from FinTech firms and coordinates collaboration between operational departments of the SEC which supervise and monitor products and processes in the Capital Market.***
5. How can one access the FinTech and Innovation Office?
 - ***Via e-mail: innovation@sec.gov.ng; fintech@sec.gov.ng***
 - ***Telephone: +234(0)946211159 (Ext. 1277, 1432), +234(0)946211277***
 - ***visit the FINO (FinTech & Innovation Office) at SEC Head Office in Abuja***
6. Does the SEC have an engagement plan with the FinTech community?
 - ***Yes; the SEC has an engagement timetable with various discovered FinTech Firms. This engagement timetable will be expanded as more firms are discovered.***
7. What other external mechanisms has the SEC deployed to understand the FinTech eco-system?
 - ***The SEC has inaugurated the FinTech Roadmap Committee in November 2018, comprising FinTech entrepreneurs, technology experts, Capital Market trade groups, financial sector regulators, banks, legal Firms, innovation hubs and FinTech organizations.***

8. What is the mandate of the FinTech Roadmap committee?
 - ***To produce a snapshot of the current status of FinTech developments in the Nigerian Capital Market and propose a holistic plan for facilitating & developing FinTech as a tool for deepening the Market.***
9. What is the status of progress made by the Fintech Roadmap Committee?
 - ***The Committee has produced a Report, which is accessible for comments on the SEC website.***
10. How many FinTech and innovation Firms has the SEC engaged so far?
 - ***The SEC has engaged over Hundred (100) Firms via its FinTech assessment form on the SEC website and through formal meetings.***
11. Has the SEC engaged with any innovation hub in the country?
 - ***Yes, the SEC has engaged with innovation hubs in Abuja and Lagos and is in constant communication with them.***
12. Have any FinTech Firms come forward to apply for regulation?
 - ***Yes, a number of FinTech Firms have applied for permission to operate.***
13. Will FinTech Firms already operating be closed down immediately they come forward to engage the SEC?
 - ***The SEC will not close down any firm immediately it comes forward. Rather the firm will be assessed on its risk exposures and guided towards coming under SEC regulation. However, if its operations are too risky for investors, it will have to accept and operationalize SEC guidance on investor protection and market stability.***
14. How long will it take to receive SEC approval to offer a FinTech product or process?
 - ***The length of time depends on the nature of product and whether or not the SEC has existing Rules or Guidelines to regulate them.***