

Abstract and keywords

FinTech and AML from a legal perspective

The subject matter of this thesis is the impact of regulations preventing money laundering and terrorism financing in the field of FinTech. The goal is to analyse these regulations and to offer a critical standpoint which would reflect the technological development in the financial sector and take into consideration the cost of adhering to these regulations. With this objective in mind, the first chapter defines the concept of FinTech, breaks down its specifics and provides typical examples of the financial services currently fitting this definition. In the second chapter, the obligations stemming from the AML/CFT rules are defined along with an evaluation of their impact on obliged persons. The current and future possibilities of remote identification which represents the simplest way of acquiring a client are further evaluated in a separate chapter. In the last part, this paper analyses the applicability of the AML/CFT Act in relation to neobanking, crowdfunding and crypto-assets. The paper concludes by summarizing the findings, formulating views on the current state of the topic, and presenting suggestions for future development.

Money laundering and terrorism financing are detrimental social phenomena affecting the FinTech sector. The constant tightening of the AML/CFT regulations, however, must be accompanied by the appropriate public infrastructure and legal rules reflecting the nature of the digital age. Without these measures, the market entry barriers for small companies in the financial sector will grow, potentially preventing innovation that would otherwise be beneficial for the consumer and the entire economy. Furthermore, it is important to prevent unreasonable discrimination of Czech FinTech companies with transnational ambitions, which may face more restrictive domestic regulations compared to other states. Future legal amendments that would selectively promote certain groups of market participants should also be avoided. Instead, Czech officials should focus towards developing a secure and modern infrastructure that would ensure that meeting legal requirements is accessible to all obliged persons.

Keywords: FinTech; AML; Neobanking; Crowdfunding; Crypto-Assets