



REGULATORY SANDBOXES: BEST PRACTICES FOR PROMOTING CROSS-BORDER PAYMENTS



WHITEPAPER

IN COLLABORATION WITH



NOVEMBER 2024

1. INTRODUCTION

G20 Cross-Border Payments Agenda

The G20 agenda for cross-border payments, including person-to-person remittances, retail and wholesale payments, is one of the most ambitious reform agendas in recent memory. Supported by the Bank for International Settlements (BIS) and the Financial Stability Board (FSB), this agenda seeks to transform global cross-border payments through promoting system interoperability, regulatory reform and alignment, and message standardisation.

The G20 has set the following 2027 goals for cross-border payments:

- **Lowering the cost** of an average retail cross-border payment to 1% of the transaction amount (global average of 3% for person-to-person remittances by 2030);
- **Increasing speed** so that 75% of all cross-border payments are made within one hour and the remainder are made within one business day;
- **Minimum data provided** with all cross-border payments; and
- **Access to electronic remittances** for 90% of the world's population and a variety of payment options available to users of retail and wholesale cross-border payments.

Despite significant private sector innovations in cross-border payments in recent years, advancing this agenda and achieving the desired goals by 2027 remains highly ambitious. Progress to date has included the setting of targets and the establishment of taskforces and advisory bodies that bring together a wide range of public sector and private sector actors, as well as a range of pilot initiatives through private consortiums and the BIS Innovation Hubs, as well as through the publication of guidance.

Emerging Payments Association Asia

The Emerging Payments Association Asia (EPAA) and its members have been active participants in the current cross-border payments dialogue. Our efforts include membership on the BIS / CPMI Payments Interoperability and Extension (PIE) Taskforce; the FSB Legal, Regulatory and Supervisory (LRS) Taskforce; and the API Expert Panel. EPAA has made numerous submissions on issues such as the cross-border payments targets, ISO 20022 cross-border payment standards and the governance of cross-border interlinkage arrangements, which seek to link up national instant payment systems.

As an active participant in this dialogue, EPAA has been keen to facilitate dialogue amongst and between the public and private sectors. This includes our participation in the above-mentioned FSB LRS Taskforce which aims to identify regulatory enhancements to facilitate cross-border payments.

As part of this work, the FSB commenced a consultation on bank / non-bank regulation and data frameworks in July 2024. The FSB data frameworks consultation paper, in particular, has put a spotlight on the role of public-private partnerships to improve regulation, including Regulatory Sandboxes, as well as the role of innovation hubs and fintech legislation.

The paper includes the following Recommendation.

FSB Data Frameworks Consultation Paper (July 2024)

Recommendation 12: National authorities and international standard setters should promote innovation that may offer solutions to data frictions in cross-border payments by taking steps to foster public-private sector partnerships, facilitate dialogue with innovators, create regulatory frameworks that support innovation, and share best practices with international counterparts.

Since 2016, Regulatory Sandboxes have been introduced in a number of jurisdictions. Recent studies have examined their emergence and how best to implement, though the broader industry experience with Regulatory Sandboxes still remains largely under-explored.

To this end, EPAA is examining the experience with Regulatory Sandboxes from an industry perspective. This will form the basis for EPAA recommendations into the FSB consultation.

In addition to informing EPAA's input to the FSB's 2024 consultations, this white paper on Regulatory Sandboxes complements previous papers on cross-border payments – including [Cross-Border Payments: Charting the Way Forward \(August 2022\)](#) and [Cross-Border Payments and the Challenge of Regulatory Coordination \(February 2024\)](#).

In those papers, EPAA expressed support for the reform of cross-border payments but also noted the challenges ahead. This included the key role of policymakers and their need to actively promote collaboration, creating a regulatory environment conducive to competition and regulation and, where needed, providing enabling infrastructure. Regulatory collaboration is a key to this and, importantly, governments and policymakers need to make cross-border payments enablement a “whole of government” priority, as opposed to defining the cross-border payments agenda as a “special project” within the relevant central bank.

2. Definitions

So, first of all, what is a Regulatory Sandbox?

A United Nations SGSA / Monetary Authority of Singapore (MAS) report from 2019 defines regulatory sandboxes as **“formal regulatory programs that allow market participants to test new financial services or business models with live customers, subject to certain safeguards and oversight.”** (UNSGSA 2019, p.26)

There are well over 70 jurisdictions with sandboxes. They are located across the globe – within both developed and developing markets. The Asia Pacific has been a particularly active region for Regulatory Sandboxes, with Australia being one of the first countries to launch in 2016 and sandboxes now operating in Singapore, the Hong Kong SAR, Thailand, Indonesia and India.

Regulatory Sandboxes can be categorised a number of ways.

One is by **theme** – some Regulatory Sandboxes focus broadly on financial services technology, while others focus on an issue such as identity or anti-money laundering.

Another way of thinking about Regulatory Sandboxes is about their **approach** – they can be strictly advisory (in other words, the outputs of the sandbox are for consideration by the sponsoring regulator but don't need to be acted on), adaptive (actively responding to outputs with change) or anticipatory (seeking to stay “ahead of the curve”).

Lastly Regulatory Sandboxes may have more of a **focus** on Innovation, specifically on technology, or else they may be more focussed on Policy, seeking to capture policy learnings as well as enabling the users of the sandbox to test their offerings in a “safe space”.



3. Literature Review

Why have Regulatory Sandboxes been launched?

Regulatory Sandboxes have been created to provide financial service businesses with an opportunity to test their new offerings within a regulatory “safe space”. Often Regulatory Sandboxes come with a commitment from the regulator to not enforce existing requirements, for example through not requiring a full licence, or providing relief or a no enforcement letter – but often this comes with conditions, for example the number of users or the amounts that can be held or exchanged.

Regulatory Sandboxes can therefore provide these businesses with breathing space, offering a period of regulatory certainty which allows them time to test, refine and eventually bring their offering to market.



For governments and policymakers, Regulatory Sandboxes send a strong message to the market that the jurisdiction is “open for business”. Regulatory Sandboxes are often done alongside other initiatives designed to attract and promote new financial services offerings such as innovation offices, regulatory reform (such as licensing regimes or open banking), tax relief or other financial incentives. Some sandboxes now offer their own financial incentives to offset the costs of participating in the sandbox.

While there has been research that has focused on the best way to design and deliver a regulatory sandbox, the relative newness of Regulatory Sandboxes (the first one was launched in 2016 and many only recently) means there has not been a lot of time to thoroughly assess their overall impact.

Reports have been undertaken by a wide range of organisations including the UNSGSA/MAS, the World Bank, IMF and CGAP. However, these reports have tended to focus on best practices, challenges and design considerations from the perspective of policymakers as opposed to sandbox participants and potential participants.

Best Practices

Best practice of Regulatory Sandboxes can be grouped into some of the following themes:

- **Clear Purpose** – Regulatory Sandboxes need to start with a clear purpose – a clear “why”. If a sandbox is created without a clear purpose, then it is likely to lack direction and, as a result, not effectively connect with the ecosystem stakeholders.
- **Engagement with Ecosystem** – Regulatory Sandboxes are also more likely to succeed if there is strong engagement with the ecosystem. A sandbox succeeds only if it is used. If likely participants are unaware or hesitant to use the sandbox, then it will languish into disuse.
- **Clarity around Process, Rules and Legality** – Clarity is critical for Regulatory Sandboxes, particularly clarity around the rights and responsibilities of participants. They need to understand legal status issues (including regulatory relief, IP protection etc.), resource intensity and, importantly, exit rights.
- **Responsiveness and Adaptability** – Lastly, an identified best practice is responsiveness. A Regulatory Sandbox, regardless as to whether it is advisory, adaptive or anticipatory, needs to be able to respond to the concerns of the ecosystem and individual participants. Its outputs should yield results as well as creating further confidence and interest in the ability of the Regulatory Sandbox to efficiently and effectively produce results.

Measurement

Measurement, including the establishment and monitoring of Key Performance Indicators, is critical for establishing the performance and value created by the Regulatory Sandbox. What is measured is managed and, more importantly, improvements can only happen if there is active and ongoing measurement.

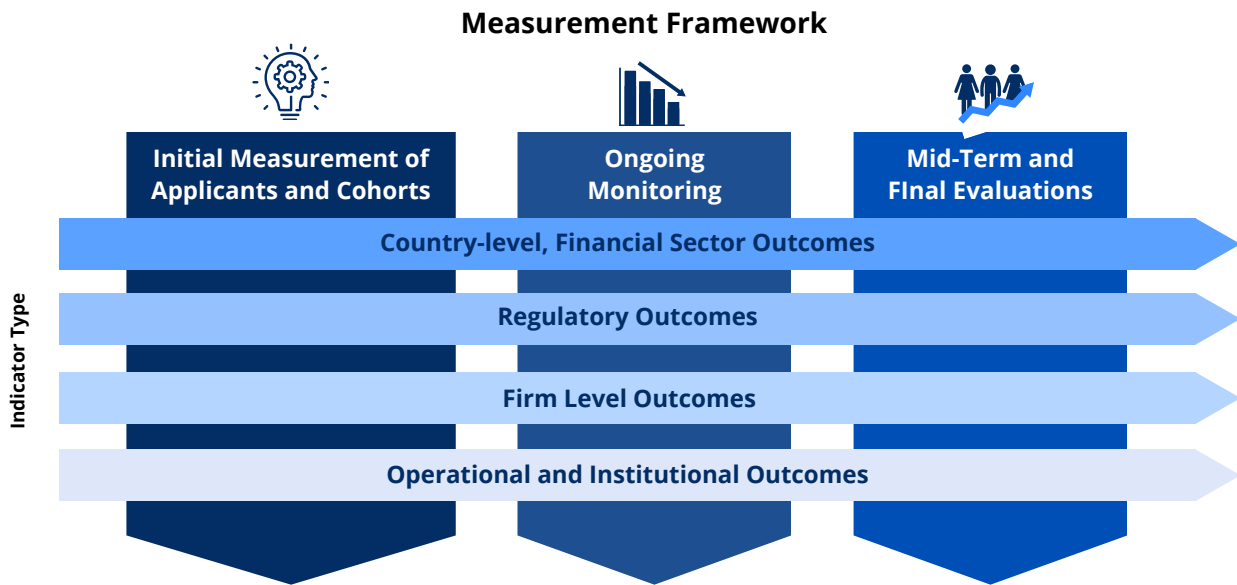


As noted by the World Bank in their 2020 paper, there is a risk that sandbox operators will focus on basic input measures such as the number of applicants or participants. The World Bank proposed a more robust framework for measurement as a way for operators, policymakers, and industry stakeholders to work together towards more impactful sandboxes.

The below framework expands on the input measures often used - advocating for ongoing monitoring as well as more thorough periodic measures.

Importantly, this measurement framework proposes a broad range of impact areas to include country level outcomes, such as new jobs or investment; regulatory outcomes, such as better regulation; or benefits for sandbox participants.

Figure 4.1 A Suggested Measurement Framework for a Regulatory Sandbox



Source: WBG

Challenges

The challenges for Regulatory Sandboxes are related to the absence of the above-described best practices – for example, ill-defined purpose; lack of engagement; unclear rules; or stiff formality / sluggish responsiveness.

There are other challenges identified. These include:

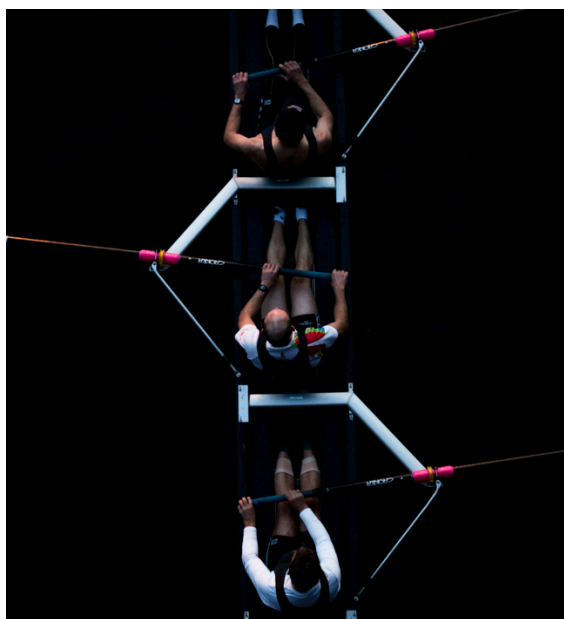
- **Resource intensive** – Regulatory Sandboxes can be resource intensive and can be particularly demanding for regulators in developing markets (which often have limited resources). They can consume scarce regulatory resources that potentially benefit a small portion of the regulated community.
- **Regulatory arbitrage / regulatory capture** – There has also been concern expressed that sandboxes can contribute to regulatory arbitrage / regulatory capture, in the sense that the regulator / sandbox operator be seen as losing their independence or there is a perception that the sandbox participant has some sort of special status. Further, there has been suggestions that sandboxes actually contribute to an uneven playing field by granting certain market participants with an advantage.
- **Difficulty in determining impact** – Some literature (in particular Buckley et. al (2019) suggests that the positive impact of Regulatory Sandboxes are conflated with the impact of other initiatives such as innovation hubs, arguing that the more modest effort and less regulatory risk associated with innovation hubs mean that policymakers should not overly focus on sandboxes at the expense of innovation hubs and not do them as a stand-alone initiative.

Design Considerations

Beyond working through some of these more strategic issues, there are also a number of considerations that need to be resolved in the design of a Regulatory Sandbox. These include:

- **Eligibility** – Who is eligible to participate in the sandbox? What are the requirements on participants?
- **Governance** – How is the sandbox governed? Who makes decisions when there are unresolved matters that need to be addressed?
- **Timing** – What is the time frame for consideration of an application, testing, exiting etc.?
- **Testing** – How is testing conducted? What are the specific technologies used by the sandbox and what are the technologies that can be tested?
- **Exit** – How does a participant exit from the sandbox? Does the participant have any special regulatory status as a result of participating in the sandbox?

Cross-Border Sandboxes



There has been significant interest in the ability of Regulatory Sandboxes to make an impact in respect to cross-border payments and the recently released FSB paper on data frameworks, in particular, calls out Regulatory Sandboxes as an enabler for cross-border payments.

The World Bank defines cross-border sandboxes as “sandboxes (that) support firms’ cross-border movement and operations while encouraging regulator cooperation and reducing arbitrage. Objectives for these sandboxes include improving cross-border regulatory harmonization and fintech firms’ ability to scale more rapidly on a regional or global basis”.

A cross-border regulatory sandbox could enable innovators to scale more efficiently, particularly across smaller jurisdictions. There is also the opportunity for regulators to pool resources, spreading the resource burden across multiple jurisdictions. Lastly, a cross-border sandbox can facilitate better coordination between regulators and alignment between regulatory requirements. These all have the ability to support innovation by making market entry and the roll-out of new offerings more efficient, enabling a wider variety of cross-border payment offerings within and across jurisdictions.

“For instance, the Bank of Thailand, after its successful sandbox experiment that enabled QR codes to come to market, directly partnered with other ASEAN central banks, including in Cambodia, Japan, and Singapore, to develop a regional interoperable cross-border payment via QR code technologies. A cross-border sandbox covering those countries may have accelerated roll-out of cross border QR payment solutions.” (World Bank)

In recent years, there have been a number of initiatives that have sought to be a cross-border sandbox, but the impact remains to be seen.

Global Financial Innovation Network (GFIN)

One promising initiative was the Global Financial Innovation Network (GFIN). The plan for a global sandbox was originally conceived by the UK FCA. Sixteen regulators from a wide-range of jurisdictions joined with the FCA to undertake the “global sandbox” initiative, which was reconceived of “Cross-Border Testing” or CBT.



Despite a level of interest from a wide range of new offerings in areas such as regtech and AI, the evaluation meant that only two firms were able to make it to a preliminary testing phase. In the end, the project did not yield the desired results and GFIN has since taken on a less ambitious agenda of awareness raising around the need for greater collaboration between regulators.

PIRI Sandbox initiative

The Pacific Islands Regional Initiative (PIRI) launched a regional sandbox in March 2020. PIRI, supported by the Alliance for Financial Inclusion and UK Aid, launched the Pacific Regional Regulatory Sandbox Guidelines to support fintech development and regulation across seven central banks, including: Banco Central de Timor-Leste, Bank of Papua New Guinea, Central Bank of Samoa, Central Bank of Solomon Islands, National Reserve Bank of Tonga, Reserve Bank of Fiji, and Reserve Bank of Vanuatu.

This sandbox is designed to remove barriers to innovation between the islands and to mitigate risks by allowing members to act as a regional bloc rather than individual markets. Applications were open as of March 2022, though there is little in the way of publicly-available information on how this initiative has fared.

APIX



APIX was an initiative of the MAS and provides a number of features including an API library, a directory of financial institutions, fintechs and technology providers as well as a testing environment. While not strictly speaking a Regulatory Sandbox, it does offer similar capabilities.

Overall, APIX has its fans and a few detractors. According to those who support it, they note that it has provided a unique marketplace for providers and APIs, enabling new offerings in an efficient manner.

4. Survey and Interviews of EPAA Members / Industry Experts as to their global experience

Discussions with industry experts and EPAA members, bilaterally and through roundtables, yield a mixed perception of Regulatory Sandboxes.

On the one hand, industry experts and EPAA members noted that there had been several successful implementations of Regulatory Sandboxes. Those identified as successes included the Reserve Bank of India's sandbox, which has facilitated policy changes and market adoption of new financial products. As well, Singapore's approach was also noted for its robust framework that supports innovation while ensuring regulatory compliance.

While there is general support for the concept of Regulatory Sandboxes, there have been some mixed experiences around clarity and often frustration at the technological focus. There is also a concern that has been expressed that policymakers seem to want innovation while seeking to eliminate risks.

Overall, there was agreement around the good design principles articulated by global bodies and for the need to continue to refine and improve.

Clarity around the nature of the regulatory relief and status upon exiting remained high around the suggested improvements, while some stakeholders expressed frustration around the strict conditions imposed. Clear legal opinions and frameworks that guide the operations of sandboxes are critical to their success. This clarity is essential for ensuring that participants understand the legal implications of their activities and can operate within the bounds of the law.

Another key issue related to clarity was around timelines and outcomes. Industry stakeholders believe that sandboxes should operate within disciplined timelines to ensure that they deliver results within a reasonable period. Additionally, it is important to avoid the perception that sandboxes are merely marketing tools; they should be seen as serious platforms for innovation and regulatory testing.

Industry stakeholders recognise that diversity in design amongst Regulatory Sandboxes is often required to solve different problems. For example, specialized sandboxes, designed to address specific problems such as digital securities, could provide targeted environments where particular challenges could be addressed, leading to more effective solutions and outcomes. Similarly, interoperability sandboxes, involving multiple regulators from different jurisdictions, would allow for the testing of cross-border solutions in a controlled environment, helping to identify and address regulatory discrepancies.



More concerning observations were that, in some jurisdictions, the Regulatory Sandbox has drifted away from being an optional avenue for entering the market and that regulators were increasingly funnelling new entrants into the sandbox regime before letting them enter the market.

There was concern expressed that Regulatory Sandboxes were often seen to be designed for new entrants only – with little benefit for existing or larger players wanting to experiment with new technologies or offerings. It has been noted that instead of focusing solely on smaller firms, there should be consideration of separate sandboxes for policy discussions involving larger firms. So instead of a “one-size-fits-all” approach, smaller innovative firms should be able to access Regulatory Sandboxes as usual but for larger firms, the discussions should shift to policy-level changes to improve frameworks.

There was also concern that Regulatory Sandboxes sometimes seemed designed for the benefit of the regulator rather than the industry – where the participant was effectively providing free consulting and training to regulators wanting to work out how to deal with new technologies.

5. Best Practices for Cross-Border Regulatory Sandboxes

Regulatory Sandboxes remain a promising tool for enabling cross-border payments – though this promise has yet to be realised. Below are three lessons drawn from the member and stakeholder feedback and the experience to date.

- **One** - is to understand the lessons learnt to date and to attempt to tweak and refine. It may be that initiatives such as GFIN were ahead of their time and that initiatives such as the PIRI regulatory sandbox need more time to mature. However, there are still many lessons from these initiatives and from domestic regulatory sandboxes that can inform the next generation of cross-border payments regulatory sandboxes, through an agile approach that emphasises measurement, reflection, and experimentation.
- **Two** - is to make cross-border payments innovation a key objective of the next generation of regulatory sandboxes. This is more than just a focus or a theme but rather involves making regulatory sandboxes that will be used not just by new entrants and fintechs but also by larger, more established players seeking to develop new technologies. There needs to be a clear focus on solving ecosystem problems, including regulatory barriers or inefficiencies, not just providing information so domestic regulators can address their own gaps.
- **Three** - is that regulatory sandboxes should be a vehicle for aligning regulatory requirements. This should remain a central focus on regulators and policymakers. They should avoid the desire to co-create but rather need to be catalysts who can provide clarity and guardrails for the market to do its magic.

“If used effectively, cross-border sandboxes can allow fintech firms to benefit from reciprocal license arrangements, streamlined licensing, and reduced regulatory burden. For instance, the Bank of Thailand, after its successful sandbox experiment that enabled QR codes to come to market, directly partnered with other ASEAN central banks, including in Cambodia, Japan, and Singapore, to develop a regional interoperable cross-border payment via QR code technologies. A cross-border sandbox covering those countries may have accelerated roll-out of cross border QR payment solutions.” (World Bank)

More specific recommendations include:

- **Cross-Border Regulatory Sandbox Frameworks:** There is a need for a comprehensive paper outlining recommendations for cross-border regulatory sandbox frameworks. This paper would provide guidance on how to design and implement sandboxes that can effectively address the challenges of cross-border payments and other global financial issues.
- **Investigate Use Cases:** Specific use cases that could demonstrate the value of cross-border regulatory sandboxes, such as remittances, should be further investigated. These use cases would provide concrete examples of how sandboxes can facilitate innovation and address real-world challenges.
- **Targeted Hackathons and Working Groups:** Organizing hackathons or working groups focused on cross-border payments problems was suggested as a way to generate innovative solutions. These events would bring together diverse stakeholders to collaborate on developing new ideas and approaches that could be tested within regulatory sandboxes.
- **Plan for Testing in Multiple Jurisdictions:** A strategic plan for testing cross-border solutions in multiple jurisdictions through Regulatory Sandboxes should be developed. This plan would involve engaging relevant authorities and ensuring that the necessary legal and regulatory frameworks are in place to support these tests.

Lastly, to be impactful, Regulatory Sandboxes need to provide:

- **Concrete and Substantial Outputs** - While sandboxes have the potential to drive significant innovation, it is important that they deliver tangible results that can be implemented in the market. Importantly, consideration should be given to advancing recommendation from reports such as Promoting the harmonisation of application programming interfaces to enhance cross-border payments: recommendations and toolkit from October 2024 that calls out the need for simple and standardised tools that would include standardised sandbox facilities.
- **Continued Collaboration and Innovation** - Ongoing collaboration and innovation are essential for the success of Regulatory Sandboxes. There is a need to maintain strong partnerships between regulators, fintech companies, and other stakeholders to ensure that sandboxes continue to evolve and address emerging challenges.
- **End-to-End Solutions and Stakeholder Involvement** - The development of end-to-end solutions that involve multiple stakeholders, including banks, fintechs, system operators and regulators, remains a key goal. These solutions should leverage existing infrastructure where possible and focus on delivering real value to the market.
- **Maximizing Existing Infrastructure** - It is critical for Regulatory Sandboxes to maximize the use of existing infrastructure in developing multilateral systems. By building on what is already in place, sandboxes can achieve greater efficiency and scalability, leading to more impactful outcomes.

6. Conclusion

Regulatory Sandboxes remain a promising and intriguing tool. Though relatively new, they are being improved and enhanced and, as they evolve, will be better placed to address cross-border payments issues.

Meeting the cross-border payments targets laid down by the G20 will be challenging. But the use of Regulatory Sandboxes to enhance collaboration between the public and private sector, coordination between regulators and greater alignment of regulatory requirements – present significant promise for meeting those ambitious targets.

About the author Dr. Brad Pragnell



Brad Pragnell serves as an Ambassador of Emerging Payments Association Asia. For over 25 years, he has been deeply involved in the financial services industry providing leadership and delivering meaningful outcomes for member organizations, their stakeholders, and regulators. Brad is passionate about providing elegant and creative solutions to complex issues and working collaboratively with stakeholders to deliver efficient and accessible financial services that strengthen our economy and empowers our communities.

About this Paper

Success in payments is ultimately about collaboration. This paper is no different. It should be noted that this has been developed with significant input from a wide range of industry thought leaders and policy makers from across the Asia-Pacific region throughout 2024. This has included numerous one-on-ones as well as roundtables at the Global Fintech Fest in Mumbai in October 2024 and the Elevandi Insights Forum in Singapore in November 2024. Support for this project has been provided by Ant International.

Mumbai roundtable participants

Moderator



Camilla Bullock
EPAA

Speakers



Carrie Suen
Ant International



Maha El Dimachki
BIS



Nilixa Devlukia
EPAA



Ana Maria Prieto
Central Bank
Colombia



Azleena Binti Idris
PayNet



Douglas Arner
The University of
Hong Kong



Gopalaraman Padmanabhan
Former Executive
Director RBI



Leonardo Kurniawan
JP Morgan



Mary Ann Francis
EPAA



Monica Jasuja
EPAA



Navin Surya
Independent



Rahul Bhargava
EPAA



Rajiv Madane
EPAA



Reuben Lim
Singapore Fintech
Association



Dr Ritesh Jain
Infynit



Runn Sachasiri
Nium



Shrikant Patil
DigiAlly



Suvendu Pati
RBI



Sirin Kumar
RBI



Vikas Panwar
GLEIF

Singapore roundtable participants

Moderator



Camilla Bullock
EPAA

Speakers



Carrie Suen
Ant International



Maha El Dimachki
BIS



Bridget Rose Mesina-Romero
Bangko Sentral
ng Pilipinas



Jo Yeo
Monetary Authority of
Singapore (MAS)



Norasyikin Mohamad Razali
Bank Negara Malaysia



Beju Shah
Bank for International
Settlements – BIS



Claire Alexandre
PayPal



Monica Jasuja
EPAA



Lakshman K L
Standard Chartered



Rahul Bhargava
EPAA



Ryosuke Ushida
Financial Services
Agency, Japan



Takeshi Kito
GFTN Japan



Julie Guetta
Mojaloop
Foundation



Atty Cef Sison

Appendix – Some Regional Examples of Regulatory Sandboxes

Singapore

Country: Singapore	
Sandbox Name: FinTech Regulatory Sandbox	Operator: Monetary Authority of Singapore
Year Established: Regulatory Sandbox (2016), Sandbox Express (2019), Sandbox Plus (2022)	
Scope: MAS will relax specific legal and regulatory requirements on a case-by-case basis, using a risk-based approach. Sandbox Express facilitates expedited assessment. Sandbox Plus provides financial support for genuinely innovative technologies.	
Restrictions: Applicant not accepted if it has not undertaken due diligence or if technology is not novel / has been introduced more than two years ago.	
Contact: https://www.mas.gov.sg/development/fintech/regulatory-sandbox	

Australia

Country: Australia	
Sandbox Name: Enhanced Regulatory Sandbox	Operator: Australian Securities and Investments Commission
Year Established: 2020 (replaced Regulatory Sandbox established in 2016)	
Scope: Allows natural persons and businesses to test certain innovative financial services or credit activities without first obtaining an Australian financial services licence or Australian credit licence.	
Restrictions: 24 months; total exposure capped at \$A 5 million; individual client exposure capped at \$A 10,000,	
Contact: https://asic.gov.au/for-business/innovation-hub/enhanced-regulatory-sandbox-ers/	

Hong Kong SAR

Country: Hong Kong SAR	
Sandbox Name: Fintech Supervisory Sandbox (FSS)	Operator: Hong Kong Monetary Authority
Year Established: 2016; FSS 3.0 launched in November 2021	
Scope: Allows banks and their partnering technology firms to conduct pilot trials of their fintech initiatives involving a limited number of participating customers without the need to achieve full compliance with the HKMA's supervisory requirements. Financial support provided to eligible participants of FSS 3.0.	
Restrictions: Applicants include a partnering bank and technology partner – which need to go through assessment. Conditions and restrictions are determined on a case-by-case basis.	
Contact: https://www.hkma.gov.hk/eng/key-functions/international-financial-centre/fintech/fintech-supervisory-sandbox-fss/	

India (RBI)

Country: India	
Sandbox Name: Regulatory Sandbox	Operator: Reserve Bank of India
Year Established: First Framework launched in 2021	
<p>Scope: Provides an environment to innovative technology-led entities for limited-scale testing of a new product or service that may or may not involve some relaxation in a regulatory requirement before a wider-scale launch. At its core, it is a formal regulatory programme for market participants to test new products, services or business models with customers in a live environment, subject to certain safeguards and oversight.</p> <p>The proposed financial service to be launched under the regulatory sandbox should include new or emerging technology, or use of existing technology in an innovative way and should address a problem or bring benefits to consumers.</p>	
<p>Restrictions: The first four intakes were grouped around themes – 1) digital payments; 2) cross-border payments; 3) MSME lending; and 4) fraud prevention. The fifth intake – participants that were announced in July 2024 – is theme-neutral. Regulatory relief is provided on a case-by-case basis.</p>	
Notes: https://rbi.org.in/	

India (SEBI)

Country: India	
Sandbox Name: Regulatory Sandbox	Operator: Securities and Exchange Board of India
Year Established: 2020	
Scope: To grant certain facilities and flexibilities to the entities regulated by SEBI so that they can experiment with FinTech solutions in a live environment and on limited set of real users for a limited time frame.	
Restrictions: Case-by-case basis. Provides for a two-stage process where upon successful completion of the first stage, the second stage can be done with a larger number of customers. Relief can be provided, but the sandbox participant must meet investor protection framework, Know-Your-Customer (KYC) and Anti-Money Laundering (AML) rules.	
Notes: https://www.innovation-sandbox.in?	

Thailand

Country: Thailand	
Sandbox Name: BoT Regulatory Sandbox	Operator: Bank of Thailand (BoT)
Year Established: 2019; Enhanced Sandbox on Programmable Money launched in 2024	
Scope: Allows the application of technology to support financial services within the scope of financial businesses regulated by the BoT or be a business or activities that the BoT has permitted regulated entities to conduct; or be proposed products or services can be developed into infrastructure or common standards for the Thai financial sector.	
Restrictions: Case-by-case basis. Relief can be provided on matters such as consumer protection, but the sandbox participant must meet corporate governance, IT security, data security and anti-money laundering and counter-terrorism financing requirements.	
Contact: https://www.bot.or.th/en/financial-innovation/digital-finance/fintech-in-thailand.html	

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