

Inconsistencies in the Regulation of Financial Services Providers (FinTechs, Telcos, Traditional Banks)

Team Diamond!!

Our solution is titled "**Unified Financial Services Regulatory Framework (UFSRF)**", the idea behind this solution is to:

- Proposes a joint regulatory framework that clearly defines how financial services should be regulated across banks, telcos, and fintechs.
- Encourages collaboration between all regulators to provide clear, consistent, and comprehensive guidelines.

This framework is designed to ensure fair competition, consumer protection, and systemic stability.

The Unified Financial Services Regulatory Framework (UFSRF)", contains four major pillars:

- Unified licensing and reporting requirements

- A tiered compliance framework based on risk exposure
- A cross-sector regulatory coordination council
- Consumer data protection and dispute resolution harmonization

3. Activities (Key implementation steps)

To implement this Regulatory Harmonization Framework, we propose the following key activities:

- Establish an Inter-Agency Working Group (CBN, NCC, SEC, NITDA, etc.)
- Draft and circulate baseline regulatory mapping to identify overlaps and gaps
- Develop a Common Regulatory Sandbox for innovation testing
- Launch joint stakeholder consultations across sectors
- Design and release standardized compliance templates

4. Outputs - Immediate results from the activities

These activities will immediately produce the following outputs:

- A published Cross-Sector Regulatory Alignment or rule
- Memoranda of Understanding (MoUs) between regulatory agencies
- A public-facing regulatory portal for transparency
- A unified licensing and registration framework draft
- A joint innovation testing guideline

5. Outcomes (Knowledge, attitudes, behaviour changes)

Therefore, these outputs will deliver the following outcomes:

- Increased regulatory clarity and predictability for service providers
- Enhanced coordination among regulators and reduced jurisdictional conflicts

- Improved compliance behaviour from FinTechs, Telcos, and Banks
- Greater consumer trust in financial services
- A shift toward risk-based regulation rather than entity-based oversight

6. Impact - Measurable long-term change

Because of these outcomes, the longer-term impact will be:

- A measurable 40% reduction in regulatory infractions across sectors within 18 months
- Reduced compliance breaches: With clearer rules, providers will avoid costly violations and penalties.
- Increased financial innovation: New products and partnerships will emerge safely and legally.
- Improved financial inclusion: More people will have safe access to financial services through multiple providers.

7. Stakeholders - Who is involved and how to engage

Our stakeholder analysis shows:

Key Stakeholders:

- Regulators: CBN, NCC, SEC, NITDA – responsible for policy alignment.
- Industry players: Banks, Telcos, Fintechs – they will implement these regulations.
- Consumers: The end-users who benefit from improved services and protection.

Key Risks & Mitigation:

- Regulatory resistance: Some regulators may be reluctant to change. This can be addressed by pilot testing the framework and conducting workshops.
- Data privacy concerns: Clear data protection standards and secure API protocols will be necessary to protect user data during cross-platform integration.

9. Resources - What is needed to implement

To put "**Unified Financial Services Regulatory Framework (UFSRF)**". into practice, the following support and resources are needed:

- Legal and policy advisory teams for framework drafting
- Funding for technology platforms (e.g., regulatory sandbox, data-sharing portals)
- Dedicated secretariat for inter-agency coordination

- Consumer awareness budget for communication and engagement
- Training programs for regulatory staff and providers

10. Closing

In conclusion, " **Unified Financial Services Regulatory Framework (UFSRF)**". offers a practical path toward regulatory consistency across FinTechs, Telcos, and Banks.

By aligning rules and deepening collaboration, we can foster a more inclusive, innovative, and trusted financial ecosystem for all Nigerians.

Thank you.