



# The Commodity Futures Trading Commission's Response and Approach to FinTech

*Jason Mahoney, Esq.  
Office of International Affairs, U.S. CFTC*

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# U.S. Regulatory Framework

- In the U.S., no single agency regulates FinTech.
  - Every U.S. financial regulator has a FinTech initiative.
  - LabCFTC
- U.S. Commodity Futures Trading Commission (CFTC) and Securities and Exchange Commission (SEC) are the two federal market regulators in the U.S.
  - Both have fintech initiatives.

# The CFTC's Role in the FinTech Space

- The CFTC has a critical role in the FinTech space.
- CFTC protects market integrity while fostering innovation.
- A principled, flexible regulatory approach.
- Our regulations were originally designed for environments that have been transformed.
  - Applicable in the FinTech space.

# The CFTC's Approach to FinTech

- International Efforts and Coordination
  - IOSCO, CPMI-IOSCO, and the FSB
  
- External and Internal Activities
  - Technology Advisory Committee
  - Internal blockchain interdivisional working group
  - Industry engagement
  
- LabCFTC

# LabCFTC

- Cornerstone of the CFTC's FinTech engagement.
- LabCFTC's mission is twofold:
  - To promote responsible fintech innovation to improve our markets; and
  - To accelerate CFTC engagement with fintech and RegTech solutions that may help the CFTC carry out its mission.

# Moving Forward

- The CFTC is part of the President's Working Group on Financial Markets (PWG).
  - Discussing regulation of stablecoins.
- CFTC settled a matter in which it identified Tether's stablecoin as a commodity.
  - *In the Matter of: Tether Holdings Limited, et. al.* available in the CFTC press releases. Dated October 15, 2021. Press Releases 8450-21
  - The CFTC has authority to pursue fraud and manipulation claims involving commodities.

# Thank you

Jason Mahoney, Esq.

Special Counsel, Office of International Affairs

U.S. Commodity Futures Trading Commission.

[jmahoney@cftc.gov](mailto:jmahoney@cftc.gov)