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Revisions to Financial Services Intermediary and Fund Transfer Service Laws Enacted

Outline of revisions to the Act on Sales, etc. of Financial Instruments and the Payment Services Act

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Summary

- On June 5, 2020, the Act for Partial Amendment of the Act on Sales, etc. of Financial Instruments, etc. to Improve the Convenience and Protection of Users of Financial Services was passed and enacted, and promulgated on June 12.
- In response to Report by the “the Working Group on Regulations for Payment Services Providers and One-Stop Financial Services Brokers”, which was published on December 20, 2019, the Act on Sales, etc. of Financial Instruments, etc. and the Payment Services Act were amended.
- Major revisions include (1) the establishment of a financial services intermediary that provides a one-stop service for a wide variety of products and services, (2) a review of the regulations of the fund transfer service, such as the establishment of a type that can handle high-value remittances (Type 1 fund transfer service) and a type that handles only small-value remittances (Type 3 fund transfer service); and (3) the development of measures to protect users of receiving agents and prepaid payment systems.
- The revision described in (1) above will be enforced on the date designated by the cabinet order, within one year and six months from the date of promulgation (June 12, 2020), and revisions (2) and (3) will be enforced on the date designated by the cabinet order within one year from the date of promulgation.

Attention

This report is a summary translation. The official document is only in Japanese.