



Fintech 2025

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glg Global Legal Group

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1 The Fintech Landscape

1.1 Please describe the types of fintech businesses that are active in your jurisdiction and the state of the development of the market, including in response to the COVID-19 pandemic and ESG (Environmental, Social and Governance) objectives. Are there any notable fintech innovation trends of the past year within particular sub-sectors (e.g. payments, asset management, peer-to-peer lending or investment, insurance and blockchain applications)?

- Nets is one of the largest and most successful fintech companies in Norway and delivers innovative payment solutions to Norwegian businesses. Nets partnered with Klarna in 2024. The partnership provides customers with the option to buy now, pay later or in instalments, creating a more seamless payment experience.
- Vipps Mobilepay AS (owned by a consortium of Norwegian banks, with DNB Bank ASA as the majority owner, and Danske Bank) offers mobile application payment services. Vipps has been offering swift and simple solutions for carrying out peer-to-peer transactions in Norway since 2015. Since the beginning of 2015, its business has evolved rapidly, with important milestones being a merger in 2018 with the Nordics' two largest market players within card payment services and digital identify solutions, BankAxept and BankID, respectively, and a merger in 2021 with Danish payment solution MobilePay and Finnish payment solution Pivo. Following the latter merger, Vipps demerged from BankID and BankAxept, but the three companies remain owned by the same consortium of Norwegian banks. Vipps MobilePay launched a common platform in early 2024 that gathers 11 million users and more than 400,000 merchants across the Nordics. In late 2024, Vipps Mobilepay launched their own mobile payment service ("tap to pay") becoming one of the first local competitors to global payment providers like Apple Pay.
- Montrose, a digital investment platform, is expected to launch in Norway in 2025. The application has been operated independently under DNB Carnegie Holding AB, following an expected acquisition by DNB Bank ASA of Carnegie Holding AB, and is set to be finalised in the first half of 2025. Montrose is aimed at both private individuals interested in investing, and investors seeking wealth management. The platform offers different services depending on the initial capital invested by the customer. Montrose is set to compete with established investment platforms such as Nordnet and Avanza.
- Kron, Dreams and Horde are some of the largest independent providers of mobile applications for personal savings and investments without regard to the users' income. They strive to be easy to understand and put the customer directly in charge of his/her savings and investment strategy via smartphone, tablet or PC. Similar offerings from established bank groups include the apps Spare (owned by DNB Bank ASA) and Smartspare (owned by the Eika group).
- Several crowdfunding platforms have been established in recent years. Examples of crowdfunding platforms for businesses, especially within the SME segment, include Funding Partner and Kameo, whereas companies like Perx operate crowdfunding platforms for consumer loans. There are also reward-based crowdfunding platforms in the Norwegian market, such as Spleis.
- Several Norwegian banks have launched fintech solutions on the back of their existing banking licence and infrastructure. One such example is Bulder Bank, which is a digital, fully automated banking solution offered by Sparebanken Vest.
- Quantfolio is a Bergen-based fintech company delivering "Artificial Intelligence (AI)-in-a-box" components for banks and wealth managers with a digital presence. The company's largest shareholder is Storebrand.
- Cloud Insurance is a Software-as-a-Service for insurance companies, agents and brokers, and is, according to the company itself, already in use in over 20 countries across five continents. The company's aim is to provide the insurance industry with a leaner, customer-focused and fast-moving way of doing insurance business.
- Fintech Norway is an organisation that aims to further the interests of Norwegian fintech companies. At the time of writing, Accountflow, Aera, Dealflow, Howart Compliance, K33, Intellitech, Lendwill, Firi, Unlisted, Neonomics, Bill Kill, Horde, ZTL, Future Xchange, Tink, GoScore, Kameo, Kosli, Aritma, Loyall, Frid, Zeipt, FlexM, Oblinor, Duvi Pensjon, Front Payment, Ciso Services, Vipps, Siffer, Bare Bitcoin, Two, Elekt, Kvikk, HentePenger, Fiken, Spring and Hayon are members of Fintech Norway.
- Sparebanken Møre, a Norwegian savings bank, has partnered with TietoEVERY's WealthMapper platform and FinScience's proprietary AI-powered software to offer its wealth management clients ESG scores across their investment portfolios.
- Zeipt is an Oslo-based fintech company determined to eliminate the usage of paper in physical retail transactions via its digital smart receipt offering. Zeipt received recognition for satisfying Sustainable Development

Goals #13, #14, #15, #16 and #17 on Energy and Climate from the Nordic Impact Map published by Implement Consulting Group and Copenhagen Fintech.

- SWITCHR is a Norwegian investment platform that allows users to invest in solar infrastructure around the world through its proprietary mobile application. Users can elect to either receive cash dividends as a return on their investment or reinvest their earnings into further solar infrastructure development. The user interface of the company's mobile application also allows investors to see their individual green energy production and CO₂ reduction based on their investment.
- Several blockchain-based cryptocurrency exchanges have been formed in the past few years in Norway, the largest of which include Firi and Norwegian Block Exchange.
- Unlisted offers a platform where companies in the over-the-counter (OTC) market can establish and communicate their share incentive plans to employees. The goal is to incentivise growth by providing employees with clear and available information about their shares and other incentives.
- Neonomics, formerly known as Bankbridge, provides an open banking platform that aggregates APIs from banks. The platform gives customers access to balance amounts, transaction history and other payment details. Neonomics is connected to more than 2,500 banks and 150 million bank customers across Europe. In October 2024, Neonomics launched Nello, a new product suite featuring Nello AI, a personal finance manager app, and Nello Pay, an open banking-powered payment service, both designed to enhance user experience with personalised insights and seamless payment options. The initiative aims to prioritise consumer needs and drive adoption of open banking across the European Union (EU) and UK.

1.2 Are there any types of fintech business that are at present prohibited or restricted in your jurisdiction (for example cryptocurrency-based businesses)?

Not in particular. However, the Norwegian regulatory environment presents a challenge to several fintech businesses due to strict licensing requirements for the conduct of "financing activities". To this end, an initiative has been made to set up a "regulatory sandbox" in Norway, the purpose of which is to enable fintech start-ups to test their innovative products, technology and services on a limited number of customers under close supervision by the Norwegian Financial Supervisory Authority. Prevailing licensing requirements will apply accordingly within the sandbox, but the regulator may ease certain requirements based on a principle of proportionality if the relevant legal framework is open to exemptions. In 2024, the Norwegian Financial Supervisory Authority selected Qbig to participate in the regulatory sandbox. See question 3.2 below for further details about the sandbox.

With respect to cryptocurrency-based businesses, specifically, trading in and custody of cryptocurrency is subject to anti-money laundering (AML) requirements; see question 4.5 for further information. In addition, cryptocurrency-based businesses in Norway must register with the Norwegian Financial Supervisory Authority. Finally, although not yet applicable in Norway, the EU's flagship cryptocurrency regulation known as the "Regulation on Markets in Crypto-Assets" (Regulation (EU) 2023/1114) (MiCA) entered into force on 29 June 2023. MiCA has been fully in force in the EU since 30 December 2024. Since February 2025, the European Economic

Area (EEA) Joint Committee has adopted a Joint Committee Decision incorporating the act into the EEA Agreement, which, after fulfilling constitutional requirements in the EEA Member States, will enter into force.

2 Funding For Fintech

2.1 Broadly, what types of funding are available for new and growing businesses in your jurisdiction (covering both equity and debt)?

Albeit small on a global scale, the Norwegian start-up scene has experienced a rapid growth in recent years. This is most likely a result of both the continuing global interest in innovation and expectations of growth in the tech industry, as well as the dramatic drop in crude oil prices since the summer of 2014, which cost thousands of jobs in the oil industry. The redundancies created by the oil crisis pushed several well-qualified members of the workforce into new ventures, while investors deterred by losses in the oil sector looked elsewhere for suitable investment opportunities. It remains to be seen whether supply-chain constraints due to COVID-19 and geopolitical sanctions in the wake of the Russian-Ukrainian conflict, both of which have catalysed a recovery in the price of oil, will function to reduce capital interest in the technology sector. However, the beneficial applications of technology developed within the last decade in Norway have most likely cemented investor confidence in the future of the technology sector.

Traditionally, Norwegian start-ups have funded themselves through a combination of private capital and bank loans. Norway has a relatively small base of significant private investors, and the Norwegian venture capital scene is still in its early days. The "angel investor" base has grown in recent years, and as a result, start-up equity funding has become more accessible. There are several ongoing initiatives to further develop the Norwegian angel investor scene, such as The Factory, a start-up fund that operates as an early-stage investor for tech start-ups.

Banks and governmental agencies remain key sources of funding for emerging companies in Norway, and a number of new initiatives have been taken in recent years. By way of example, Norway's largest bank, DNB Bank, runs the DNB NXT Accelerator together with StartupLab in order to promote fintech innovation. The accelerator programme lasts three months and participants receive an investment of NOK 1 to 3 million from StartupLab. Finstart Nordic, which is a fully owned subsidiary and the innovation arm of SpareBank 1 Sør-Norge ASA (formerly SpareBank 1 SR-Bank), invests heavily in fintech seeking to gain strategic as well as monetary value from their investments.

On the public side, Innovation Norway plays an important role as the Norwegian Government's primary vehicle for supporting innovation and development of Norwegian enterprises and industry. Innovation Norway provides support to start-ups and growth companies in the form of funding, advisory services, networking opportunities and other resources. Further, the Government-funded venture capital fund Investinor is one of Norway's largest venture investors, with NOK 8 billion under management at year-end, primarily across direct investment in companies and fund investments. It currently has 79 companies in its portfolio and invests in 45 funds and asset managers, and is responsible for one-third of all venture capital investments in Norway during the last 10 years.

In April 2017, the fund facilitated the first listing of one of its portfolio companies when BerGenBio ASA, a biotech company, was listed on the Oslo Stock Exchange. Following this, the fund

has facilitated five further listings of its portfolio companies, namely the listings of: the pharmaceutical company Calliditas Therapeutics AB on Nasdaq Stockholm in June 2018 and Nasdaq New York in June 2020 (with a subsequent sale of most of its shares in November 2020); the tech-company poLight ASA on the Oslo Stock Exchange in October 2018; the lift pass and app technology company Skitude; and the conference centre software solutions company Cyviz (the latter two of which were both listed on Euronext Growth Oslo in December 2020).

In April 2020, the Norwegian Government allocated NOK 1 billion additional funding to Investinor as part of the Government's COVID-19 financial assistance package to Norwegian start-ups and growth companies. In March 2022, Tibber, a Norwegian energy provider and app-based payment solution for energy bills and consumption tracking, raised USD 100 million in a fundraising round led by Summa Equity. In January 2023, Oslo-based CHOOOSE, a software platform for enabling climate offsetting at customer point of sale, raised EUR 25 million in a Series A fundraising round. 3K6 Skoginvest is a new investment fund managed by Investinor that aims to achieve attractive returns through investments in companies within the forest-related sector focused on the further processing of wood. According to PitchBook, Norway saw a total of EUR 703 million invested across venture capital deals in 2023.

2.2 Are there any special incentive schemes for investment in tech/fintech businesses, or in small/medium-sized businesses more generally, in your jurisdiction, e.g. tax incentive schemes for enterprise investment or venture capital investment?

Norway has no special incentive schemes for investments in tech/fintech business, but has enacted multiple incentive schemes to attract more investments to the start-up sector more generally.

One of those involves a scheme which allows private investors to claim a deduction for equity investments in qualifying start-up companies against their taxable income. This scheme has been criticised for being too narrow in scope. However, in 2020, the scheme was expanded slightly with regard to the maximum amount deductible, but whether this has had the desired effect remains to be seen.

The so-called "Skattefunn" scheme is another incentive scheme intended to promote research and development activities. Managed by the Research Council of Norway, this programme allows companies that pay taxes in Norway to apply for a project approval. Once a project is approved, the company can deduct 19% of the relevant project costs, capped at NOK 25 million for that year, directly in the company's payable tax and social security contributions. If the tax deduction exceeds the company's payable tax for the year in question, the excess amount will be paid directly to the company.

Another incentive scheme covers employees of start-ups who receive share options as part of their remuneration. Subject to the relevant criteria being met, this scheme entails that employees will not be taxed upon the receipt or at the time of exercising share options in the company. Instead, taxation occurs at the time the received share(s) are sold or otherwise realised for tax purposes. The shares are then taxed as capital income whereas the capital gains are taxed at a rate of currently 37.84%. This scheme is a continuation and expansion of previous schemes. Although the criteria to qualify are strict, the criteria connected to the employer company have been somewhat expanded in 2025, resulting in more taxpayers being able to take advantage of the rules.

2.3 In brief, what conditions need to be satisfied for a business to IPO in your jurisdiction?

Companies seeking a listing of its shares on the Oslo Stock Exchange must satisfy the stock exchange's criteria for listing, the most important of which are as follows:

- the company's shares must be assumed to be of public interest, be freely transferable and likely be subject to regular trading;
- at the time of listing, the market value of each share must be at least NOK 10 and the total market value of the shares to be listed must be no less than NOK 300 million;
- at the time of listing, the company must have at least 500 individual shareholders each holding shares worth at least NOK 10,000, and a minimum of 25% of the company's shares must be held by the general public;
- the company must demonstrate that it has a satisfactory equity capital and sufficient liquidity to continue its operations for at least 12 months after listing;
- the company must have at least three years' operating history, and must have produced annual, audited accounts for at least three years prior to the application for listing; and
- the company's board of directors and management must meet applicable suitability requirements. At least two of the directors must be independent of the company's management, larger shareholders and material business contacts.

If some of these criteria are not met, the company seeking an IPO may decide to apply for a listing on Euronext Expand or Euronext Growth instead. Euronext Expand is a marketplace for small cap companies and has less strict requirements for listing. It is operated by the Oslo Stock Exchange. Euronext Growth is a lightly regulated multi-lateral trading facility operated by the Oslo Stock Exchange. Norway also has an OTC marketplace for unlisted shares known as Euronext NOTC.

2.4 Have there been any notable exits (sale of business or IPO) by the founders of fintech businesses in your jurisdiction?

There have been several acquisitions and consolidations of various scales, the most notable of which are the co-investment by more than 100 local Norwegian banks in DNB Bank's mobile payment platform Vipps (which consolidated Vipps' position in the Norwegian payments market and led to the exit of Mobilepay from Norway in late 2017), the merger of Vipps, BankAxept and BankID in 2018, and the disposal by Nets of its account-to-account payments business to Mastercard, which was announced in August 2019 and completed in 2021. More recently, Sbanken, a publicly traded online-only bank based in Bergen, was acquired by DNB Bank for NOK 11.1 billion. The transaction was initially blocked in November 2021 by the Norwegian Competition Authority. However, in March 2022, the decision was overturned on appeal by the Norwegian Competition Tribunal. The merger officially completed in May 2023. In October 2024, following no objections from the Norwegian Competition Authority, Sparebank 1 SR Bank and Sparebank 1 Sørøst-Norge merged to form Sparebank 1 Sør-Norge. The merged entity controls Finstart Norway, which participated in the fintech regulatory sandbox for its project on use of AI in a digital retirement counsellor.

3 Fintech Regulation

3.1 Please briefly describe the regulatory framework(s) for fintech businesses operating in your jurisdiction, and the type of fintech activities that are regulated.

“Fintech” is not a regulated activity in itself. However, Norwegian legislation imposes a licensing requirement on, among other things, the following activities and services:

- Financing activities.
- Insurance business.
- Deposit-taking.
- Payment services and e-money.
- FX business (spot trading in foreign exchange).
- Investment services and activities.
- Asset management.
- Real estate agencies.
- Loan intermediation services.
- Debt information businesses.
- Credit and debt collection agencies.
- Accounting and auditor services.
- Virtual currency services.

The licensing requirements for the abovementioned services may present a challenge for fintech start-ups intending to market their products and services to customers in Norway. By way of example, the definition of a licensable “financing activity” includes “the intermediation of credit and guarantees, or other participation in the financing of business other than one’s own”. Clearly, this is a rather wide definition that may capture an array of fintech-related activities. As further discussed in question 3.2 below, a “regulatory sandbox” has been established in Norway in order to boost fintech innovation notwithstanding the strict regulatory environment, as well as to serve as a useful tool for the Norwegian regulator to gain insight into such businesses and the challenges they face.

The EU Payment Services Directive (PSD1) (implemented into Norwegian law in 2010) and the revised version (PSD2) (implemented into Norwegian law in April 2019) are applicable to banks, mortgage companies, payment companies, e-money companies, information agents and payment service companies in Norway.

The EU Strong Customer Authentication (SCA) Directive was implemented into Norwegian law in September 2019. The SCA Directive requires that two-factor authentication must be used for online payments, subject to certain exceptions.

The proposal for the Digital Operational Resilience Act (DORA) was published by the EU Commission on 24 September 2020. After a two-year period of review, adjustments and negotiations, DORA was adopted on 28 November 2022. DORA was published in the Official Journal of the EU and entered into force on 16 January 2023, and will apply in the EU from 17 January 2025. Currently, a Draft Joint Committee Decision is under consideration by the EU and the EFTA Member States, before entering into force and being incorporated in the EEA Agreement. At such point, DORA will be incorporated into local legislation in Norway. The main purpose of DORA is to lay down uniform requirements concerning the security of network and information systems supporting the business processes of financial entities. Given its broad scope, DORA will significantly affect finance institutions, including fintech companies in relation to, for example, the use of machine learning and AI.

The increasing amount of EU regulations can be challenging for smaller companies, particularly due to the high entry barriers created by increased regulatory requirements.

The entry barriers for a “fintech start-up” can feel daunting, as mostly the same regulations apply regardless of size. This can make it difficult for small players to compete with larger ones, and it is suggested that the way forward for smaller players will often involve collaboration or partnerships with established entities.

Finance Norway have argued that there is a need for more “menu-driven” regulation, where the scope and size of the company guide the requirements, which could ease the burden on smaller players.

Finance Norway is also calling for support measures from government agencies to ensure Norwegian innovation capability in the face of new regulatory requirements from the EU.

3.2 Are financial regulators and policy-makers in your jurisdiction receptive to fintech innovation and technology-driven new entrants to regulated financial services markets, and if so how is this manifested? Are there any regulatory ‘sandbox’ options for fintechs in your jurisdiction?

In a letter dated 12 November 2018, the Norwegian Ministry of Finance mandated the Norwegian Financial Supervisory Authority to establish a regulatory sandbox for the fintech industry before the end of 2019. The purpose of the sandbox is to give new fintech businesses, which often have limited knowledge of the vast regulatory framework and supervision to which the financial industry is subject, a better understanding of the requirements that apply to their business. To this end, the sandbox is meant to provide for testing under close supervision by the Norwegian Financial Supervisory Authority and more proportional regulatory requirements. The expectation is that a regulatory sandbox will better the prospects of new innovative services entering the market scene, as well as give the supervisory authorities a better understanding of the challenges connected with new technology and business models.

Businesses must apply to the Norwegian Financial Supervisory Authority and must meet certain eligibility criteria in order to qualify for participation in the sandbox. A project will be eligible for testing in the sandbox if it is subject to financial regulation, is genuinely innovative and is expected to be beneficial to consumers or the financial system as a whole. Furthermore, the sandbox will only be open to projects that are dependent on testing in order to realise their business goals. Applicable licensing requirements for the business will apply accordingly in the sandbox, but the regulator may ease certain requirements based on a principle of proportionality to the extent that the prevailing regulatory framework allows exemptions.

The sandbox was established and opened for applications by the end of 2019. In 2024, the Norwegian Financial Supervisory Authority selected Qbig to participate in the regulatory sandbox. Qbig intends to develop a tool that assists accountants in complying with the requirements for good accounting practices and in accordance with the Norwegian Accounting Act. The solution contributes to providing the accounting firm with a comprehensive overview of quality objectives, role distribution, tasks, risk assessment, measures, and deviation management. Qbig released their report on the participation in May 2024, concluding that their dialogue and cooperation with the supervisory authority was crucial in adapting to the changing regulatory landscape and ensuring high standards of integrity and quality. Sparebank1 SR-Bank, Quesnay, Abendum and R8Me have also published final reports following participation in the regulatory sandbox.

3.3 What, if any, regulatory hurdles must fintech businesses (or financial services businesses offering fintech products and services) which are established outside your jurisdiction overcome in order to access new customers in your jurisdiction?

Other than the licensing requirements and other applicable regulations described in questions 3.1 and 3.2 above, as well as limited access to participate in the regulatory sandbox, there are no particular regulatory hurdles applicable to fintech businesses attempting to access new customers in Norway.

3.4 How is your regulator approaching the challenge of regulating the traditional financial sector alongside the regulation of big tech players entering the fintech space?

As stated in question 3.1, current legislation on licensing requirements for certain activities and services is technology neutral.

Big tech companies may enjoy an advantage due to their networks, economies of scale and processing of personal data. Several companies have established payment solutions in the EU, which entails freedom of further establishment in Norway (also known as “passporting”). Crossing into another technology field with an established digital infrastructure may cause competition law concerns. Big tech companies can use their dominant positions to act as gatekeepers against new players.

Norwegian authorities rely on regulations from the EU to supervise multi-national tech-companies establishing activities in the fintech-sector.

A recent example is an agreement between the EU Commission and Apple from July 2024, concerning Apple's own Apple Pay service. The near-field communication (NFC) technology implemented in Apple's mobile phones was only available to Apple Pay, whereas other providers of digital wallet applications could only offer NFC technology on these phones through Apple Pay under Apple's terms, including transaction fees. In the agreement between Apple and the EU Commission, Apple is committed to providing free availability to the NFC chip to third parties. This agreement was the reasoning for Vipps introducing NFC technology in their payment solutions (as described in question 1.1).

4 Other Regulatory Regimes / Non-Financial Regulation

4.1 Does your jurisdiction regulate the collection/use/transmission of personal data, and if yes, what is the legal basis for such regulation and how does this apply to fintech businesses operating in your jurisdiction?

The collection, use and transmission of personal data is regulated by the Norwegian Personal Data Act (Act), implementing the General Data Protection Regulation (EU) 2016/679 (GDPR). The Act came into effect on 20 July 2018 and contains certain national-specific rules supplementing the GDPR.

The old Personal Data Act and Regulation stated that financial institutions must have a personal data licence in order to handle their customers' personal data. Under the Act, this is no longer a requirement.

The new Act introduces a new obligation for companies to perform a data protection impact assessment (DPIA) before

carrying out processing activities that are likely to result in high risk to individuals' “rights and freedoms”. The reference to the “rights and freedoms” of the data subjects primarily regards the rights to data protection, privacy and other fundamental rights. Use of new technology can trigger the need to carry out a DPIA and thus fintech companies can be subject to this obligation for certain processing activities.

A fintech company obligated to perform a DPIA must also consult the Norwegian Data Protection Authority (NW: *Datatilsynet*) prior to processing where a DPIA indicates that the processing would result in a high risk in the absence of measures taken to mitigate the risk.

4.2 Do your data privacy laws apply to organisations established outside of your jurisdiction? Do your data privacy laws restrict international transfers of data?

The Act applies to undertakings and physical persons established in Norway, where personal data is processed in the context of the activities of such establishment. This means that neither the nationality or place of residence of the data subject nor the physical location of the personal data is decisive.

The Act also applies to entities not established in the EEA when they process personal data about data subjects in Norway in connection with the offering of goods or services, or monitoring their behaviour within Norway.

The Act allows for international transfer of data within the EEA area. Furthermore, personal data may be transferred internationally to countries approved by the European Commission, by using the EU's standard contractual clauses, or on the basis of Binding Corporate Rules. Pursuant to the Court of Justice of the European Union (CJEU)'s *Schrems II* decision, in addition to these safeguards, the law and practices of the third country must be assessed and appropriate supplementary measures must be implemented where needed. If such supplementary measures do not sufficiently ensure that the transferred personal data enjoys an essentially equivalent level of protection as in the EU, the international transfer is not allowed. As such, the abovementioned contractual and organisational safeguards do not alone provide sufficient basis for international transfers. Besides this, international transfer of data to third countries may take place by applying to the Norwegian Data Protection Authority. The applicant must, among other things, guarantee that the data will be adequately protected. As a result of the *Schrems II* decision, the EU-U.S. Privacy Shield framework is no longer a valid safeguard for transfers to the U.S. In July 2023, the European Commission adopted its adequacy decision for the EU-U.S. Data Privacy Framework. The decision concludes that the U.S. must ensure an adequate level of protection – comparable to that of the EU – for personal data transferred from the EU to U.S. companies under the new framework. On the basis of the new adequacy decision, personal data can flow safely from the EU to U.S. companies participating in the Framework, without having to put in place additional data protection safeguards. However, it is expected that the new rules will also be brought to the CJEU.

4.3 Please briefly describe the sanctions that apply for failing to comply with your data privacy laws.

The Norwegian Data Protection Authority may issue an administrative fine for violation of the provisions set out in the Act. Administrative fines are, however, not applicable automatically, but imposed on a case-by-case basis. Non-compliance

with the provisions of the Act may be subject to administrative fines of up to EUR 20 million, or in the case of an undertaking, up to 4% of the total worldwide annual turnover of the preceding financial year, whichever is higher.

The Data Protection Authority may also take a range of additional actions in the event of infringements of the Act, such as issue warnings or reprimands, order that the processing of personal data in violation of the provisions of the Act must cease, or they may impose conditions that must be met in order for the processing to be compliant with the Act. Administrative fines can be imposed in addition to or instead of the said measures. The Data Protection Authority may impose a daily fine for each day of non-compliance with the order (subject to applicable grace periods).

4.4 Does your jurisdiction have cyber security laws or regulations that may apply to fintech businesses operating in your jurisdiction?

There is currently a regulation on the use of information and communication technology (Nw: *IKT-forskriften*) that applies to most of the financial services industry, including banks and systems for payment services. The regulation gives each business falling under its scope certain duties with respect to planning and organisation, risk analysis, security, etc.

The Directive on Security of Network and Information Systems ((EU) 2016/1148) (NIS Directive) is expected to be implemented in the EEA Agreement and consequently also in Norwegian law in the future. The timing of such implementation is currently unclear. However, a new Cyber Security Act (Nw: *Digitaliseringsloven*) was passed by the Norwegian Parliament on 23 December 2023. The Cyber Security Act is based on and is intended to fulfil the requirements of the NIS Directive, irrespective of whether or not the NIS Directive is implemented into the EEA Agreement.

Meanwhile, Directive (EU) 2022/2555 (NIS 2 Directive) was adopted by the EU on 14 December 2022. EU Member States are required to have implemented the NIS 2 Directive into national law by October 2024, from which point the NIS Directive will be repealed. At the time of writing, it is not known whether or when the NIS 2 Directive will be implemented in the EEA Agreement or in Norwegian law.

The National Security Act, requiring preventive measures to secure core business, applies to companies that are part of critical infrastructure, e.g. financial infrastructure, but only if and when an administrative decision explicitly stating that a company is covered by the Act has been passed. The Act also applies to some suppliers to companies covered by the Act, depending on the services provided. Currently, no administrative decisions have been rendered concerning private companies within the financial sector, but such decisions are expected in the near future.

As stated in question 3.1, the implementation of DORA will also affect fintech business by, e.g., regulating the use of machine learning and AI.

4.5 Please describe any AML and other financial crime requirements that may apply to fintech businesses in your jurisdiction.

The Norwegian AML Act and Regulations implement the Fourth AML Directive.

Entities conducting licensable services (see question 3.1 above) are subject to the AML Act and Regulations, and are obligated to report any suspicious transactions to the Norwegian Economic Crimes Unit.

Such companies are obligated to apply customer due diligence (CDD) and know-your-customer (KYC) measures upon, among other things, the establishment of customer relationships and before completing transactions with a value of NOK 100,000 (or more for non-established customers). KYC verification is based on, among other things, a valid proof of identity and verification of beneficial owners.

A person who wilfully or with gross negligence breaches obligations set out in the AML Act and Regulations may be subject to a fine or, in severe circumstances, imprisonment of up to one year.

Since 15 October 2018, providers engaged in exchange services between virtual currencies and fiat currencies and custodian wallets providers have been subject to AML requirements, including registration and supervision by the Norwegian Financial Supervisory Authority.

The EEA and EFTA countries are, at the time of writing, scrutinising a new directive (Directive (EU) 2024/1640) and regulation (Regulation (EU) 2024/1624), which will replace the Fourth AML Directive. The new directive aims to strengthen the powers of and cooperation between Financial Intelligence Units and AML/CFT supervisors. The regulation seeks to harmonise national legislation on the AML requirements of, e.g., obliged entities. It introduces several new and detailed obligations on obliged entities, including extending the scope of such undertakings.

Some obliged entities (which could be beyond the scope of some national AML/CTF laws) include, but are not limited to, persons trading in precious metals, professional football clubs and agents, non-financial mixed holding companies, crowd-funding service providers and crypto-asset service providers. It also introduces stricter requirements to conduct CDD measures for specific situations and customers, and lowering thresholds for such requirements, and in general more detailed internal policies. For example, crypto-asset service providers must undertake full CDD measures at a threshold of EUR 1,000. Both the directive and the regulation are preliminarily considered EEA-relevant.

4.6 Are there any other regulatory regimes that may apply to fintech businesses operating in your jurisdiction (for example, AI)?

See question 3.1 above. With respect to AI, Norway does not regulate this activity specifically as at the time of writing. However, the Norwegian Data Protection Authority oversees a regulatory sandbox to promote the development and implementation of ethical and responsible AI from a privacy perspective. The goal of the regulatory sandbox is to understand how AI-based products can meet the requirements imposed by data protection regulations. The regulatory sandbox is guided by Norway's National Strategy for AI, which outlines the parameters of responsible and trustworthy use of AI. Finterai has participated in the regulatory sandbox and published its final report in 2022. Finterai sought to test a service based on AI that will cut financial institutions' risks and costs in the work against money laundering and terrorist financing. The Norwegian Data Protection Authority is also closely following the EU's legislative process regarding the creation of an ethical framework for AI.

It is expected that Norway will implement upcoming EU legislation regarding AI, such as the AI Act and directives regarding AI liability and updates to product liability regulations. As stated in question 3.1, the implementation of DORA will also affect fintech business by, e.g., regulating the use of machine learning and AI.

5 Technology

5.1 Please briefly describe how innovations and inventions are protected in your jurisdiction.

Norwegian intellectual property (IP) law is based on international and EU IP regulations. IP regulations within the EEA are essentially harmonised.

Patents

Inventions that may be used for industrial purposes may be patented pursuant to the Norwegian Patent Act by filing an application to the Norwegian Industrial Property Office (NIPO). Furthermore, Norway is party to the European Patent Convention. An invention may thus also obtain patent protection in Norway by filing a patent application with the European Patent Office (see question 5.3 below).

The invention must be new, meaning that the invention must not have been known to the public before the filing date of the patent application. Furthermore, the invention must entail a so-called “inventive step”, which means that the invention must differ in a significant way from the prior art at the filing date of the patent application. As a general rule, computer programs as such are exempted from patenting. However, a patent for inventions involving computer programs may, in some cases, be granted if the invention has a so-called “further technical effect”. In order to fulfil the requirement of “further technical effect”, the invention must comprise something beyond the normal, technical interactions that take place in a computer when running a computer program. If a patent is granted, the patent is, as a general rule, protected for 20 years from the day the patent application was filed.

Design

A creator of a design, for instance a web page or a user interface, may file an application to NIPO for design registration pursuant to the Norwegian Design Act. A design registration may only be granted for a design that is new and has individual character. A design is considered new if no identical design was known to the public before the filing date of the design application. A design is considered to have individual character if the overall impression it produces on the so-called “informed user” differs from the overall impression produced on such a user by any design that was available to the public before the filing date of the design application. Design registration in Norway may also be obtained by filing a design application with the Hague System for the international registration of industrial designs. If a design registration is granted, the design is protected for a five-year period, and may be renewed for one or more periods of five years each, up to a total term of 25 years from the date of filing.

A reform of design protection in the EU, comprising Directive (EU) 2024/2823 and Regulation (EU) 2024/2822, was adopted in November 2024. Among the proposed revisions is the possibility to register animated digital designs, no requirement of the design to be visible when in use, the introduction of a repair clause to protect the interests of third parties and the clarification of the rules of disclosure of a design.

At the time of writing, the new design directive is under scrutiny by the EEA and EFTA countries. The Norwegian Government considers the new directive a welcome improvement of the current legal landscape for rights holders of designs, and it is expected that the new directive will be transposed to Norwegian law with some EEA-specific adjustments. The new regulation is, however, outside the scope of the EEA Agreement.

Trademarks

Trademarks, meaning figurative marks, logos, word marks, etc., may be registered by applying to NIPO pursuant to the Norwegian Trademark Act. A trademark registration may only be granted if it can be used to differentiate a product from others, meaning it must have the ability to indicate the product’s commercial origin (thus being distinctive from other marks). If a trademark is granted, the trademark is protected for a period of 10 years from the day of application and may be successively prolonged for additional 10-year periods.

Copyright

The Norwegian Copyright Act provides legal protection for creators of original and creative works, for instance computer programs (source code and related documentation), photos, lectures and scientific works, provided that they are a product of an individual and creative process. Copyright protection exists from the moment the work is created, and not contingent upon any registration requirements. Legal protection of copyright pursuant to the Copyright Act is limited to 70 years after the creator’s year of death.

Trade secrets

Innovations and inventions, including both commercial information and technical information, such as source code and related documentation, may be subject to trade secret protection. Norway’s Act on the Protection of Trade Secrets entered into force on 1 January 2021. The Act implements Directive (EU) 2016/943 (EU Trade Secrets Directive) in Norwegian law and introduces a statutory definition of trade secrets, based on the definition in the EU Trade Secrets Directive. The Act defines a “trade secret” as information that (i) is secret in the sense that it is not, as a body or in the precise configuration or assembly, generally known or readily accessible, (ii) has commercial value because it is secret, and (iii) has been subject to reasonable steps by the person in control of the information to keep it secret. The definition aims to ensure a uniform understanding within the EU/EEA of which information that may be protected as trade secrets. The Act further includes provisions on unlawful acquisition, use and disclosure of trade secrets and provisions on the enforcement measures available to the trade secret holder.

5.2 Please briefly describe how ownership of IP operates in your jurisdiction.

Ownership of IP may, as a general rule, be transferred. For registerable IP, i.e., trademark, patent or design rights, ownership shall be registered in NIPO’s database.

A company may acquire rights to IP arising as a result of an employee’s execution of work for the company. Securing such IP rights is usually regulated in the employer’s contract with the employee. For patentable inventions, the employee has the right to reasonable compensation pursuant to the Norwegian Employee Invention Act. As regards copyrights to computer programs developed by an employee, unless otherwise agreed upon, such copyright is transferred automatically to the employer pursuant to the Norwegian Copyright Act. For other copyrights, unless otherwise is agreed with the employee, copyright is only transferred to the employer to the extent necessary to fulfil the purpose of the employment.

Following the adoption of the Copyright Act in 2018, creators and performing artists have a statutory right in Norway (except in consumer relations) to a “reasonable compensation” for rights to original works from the party the rights are assigned to.

5.3 In order to protect or enforce IP rights in your jurisdiction, do you need to own local/national rights or are you able to enforce other rights (for example, do any treaties or multi-jurisdictional rights apply)?

As a starting point, local registration in Norway is necessary to protect the commercial exploitation of trademarks, designs and patents in Norway. Trademark protection in accordance with the Norwegian Trademark Act may also be obtained without registration by way of consistent and comprehensive use over a period of time.

Furthermore, to obtain protection in Norway for holders of a European patent registration, the holder of the patent registration must translate the patent claims to Norwegian and subsequently send the claims to NIPO. Trademark holders outside Norway may also secure trademark protection in Norway by applying through the Madrid Protocol system administered by the World Intellectual Property Organization (WIPO). Design holders outside Norway may secure design protection in Norway by submitting an application to WIPO through the Hague System.

Copyright holders may protect and enforce their copyrights without consideration to local or national rights pursuant to the Berne Convention. A state that has ratified the Convention is obligated to provide copyright holders with the same copyright protection without consideration of their country of origin.

Trade secret protection is not subject to registration and may thus be enforced in accordance with the Act on the Protection of Trade Secrets, provided the requirements for protection as trade secrets are fulfilled.

5.4 How do you exploit/monetise IP in your jurisdiction and are there any particular rules or restrictions regarding such exploitation/monetisation?

Registration of patents, trademarks or designs confers on the right holder an exclusive right to exploit the rights for industrial and commercial purposes. Furthermore, the holders of such rights may enter into licence agreements with third parties granting an exclusive or non-exclusive right to exploit the relevant IP.

Copyright and trade secret holders may also enter into similar licence agreements. Any such licence agreement concerning copyrights will be subject to the Norwegian Copyright Act's mandatory rules on, among other things, consumers' rights to private copying, the right to quote from a copyright-protected work, and the use of a copyright-protected work for educational purposes.

Some copyright holders, such as musicians and authors, submit their rights to a collection society, which manages the copyright holders' interests and enters into licence agreements on behalf of the copyright holder.

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