

Trading Securities over the Internet: Recent Developments in Japanese Securities Regulation

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I. INTRODUCTION

It was not until the 1990s that the Internet was used for business purposes. Today, however, it would be difficult to conceive of a business that is not conducted over the Internet. It is certainly amazing to see how drastically the Internet has changed the environment for business activity in the last decade. Trading in securities is, of course, no exception.

These amazing changes have necessitated adaptation on the side of relevant regulation, since no regulator wishes to see existing regulation be evaded by the use of the Internet. As in many other cases, securities regulation has faced numerous novel issues. In some cases all that is necessary is to apply the existing rules to the new situation. In others, no existing rule or concept is found suitable and an entirely different idea is required.¹

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1 See Comment by S. KOZUKA, in: ÔSAKI/KOZUKA, *Denshi shôken torihiki to hôsei-jo no kadai* [Electronic Trading of Securities and Its Legal Issues], in: *Jurisuto* 1195 (2001) 98, 103.