



Media statement on the release of the Intergovernmental Fintech Working Group's (IFWG) Position Paper on Crypto Assets

Tuesday, 14 April 2020

Intergovernmental Fintech Working Group releases a position paper on crypto assets

As the use of crypto assets continues to grow and evolve, a deeper collective understanding of this area is emerging, and regulators across the globe are formulating regulatory approaches that are proportionate to, and appropriate for, the benefits and risks of crypto assets.

Through the Intergovernmental Fintech Working Group (IFWG), a group of South African financial sector regulators have drafted a policy position paper on crypto assets. The purpose of this position paper is to provide specific recommendations for the development of a regulatory framework for crypto assets, including suggestions on the required regulatory changes to be implemented. The position paper recommends, among other aspects:

- The implementation of an anti-money laundering and counter-terrorism financing regime
- A licensing and supervisory regime from a conduct of business perspective
- A regulatory regime for the monitoring of cross-border financial flows

This position paper builds on a consultation paper on crypto assets that was first issued by the IFWG on 16 January 2019 (https://www.ifwg.co.za/wp-content/uploads/2020/02/CAR_WG_Consultation_paper_on_crypto_assets1.pdf). The consultation paper highlighted the perceived benefits and risks of crypto asset-related activities, as well as policy proposals for a regulatory framework. It also provided an opportunity for all industry participants and stakeholders to submit comments on the proposals contained in the paper. The comments received were carefully considered in compiling the position paper released on 14 April 2020.



Members of the public and impacted role players and stakeholders are requested to provide comments on the position paper by 15 May 2020. Comments can be submitted by email to innovation@ifwg.co.za.

Access the recently released IFWG position paper on crypto assets here: https://www.ifwg.co.za/wp-content/uploads/IFWG_CAR_WG-Position_Paper_on_Crypto_Assets.pdf

Notes to editors

Members of the Intergovernmental Fintech Working Group (IFWG) include the Financial Intelligence Centre (FIC), the Financial Sector Conduct Authority (FSCA), the National Credit Regulator (NCR), National Treasury (NT), the South African Revenue Service (SARS) and the South African Reserve Bank (SARB).