

RBA for Virtual Assets & Virtual Asset Service Providers

[Download pdf \(2.017kb\)](#)

Orlando, FL, United States – 21 June 2019. Financial innovation has drastically changed the financial landscape. New technologies, services and products offer efficient alternatives to classic financial products and can improve financial inclusion. At the same time, the speed and anonymity of some of these innovative products can attract criminals and terrorist who wish to use them to launder the proceeds of their crimes and finance their illicit activities.

This guidance will help countries and virtual asset service providers understand their anti-money laundering and counter-terrorist financing obligations, and effectively implement the FATF's requirements as they apply to this sector.

This guidance follows revisions to the FATF Recommendations in October 2018 and June 2019 in response to the increasing use of virtual assets for money laundering and terrorist financing. The FATF strengthened its standards to clarify the application of anti-money laundering and counter-terrorist financing requirements on virtual assets and virtual asset service providers. Countries are now required to assess and mitigate their risks associated with virtual asset financial activities and providers; license or register providers and subject them to supervision or monitoring by competent national authorities. Virtual asset service providers are subject to the same relevant FATF measures that apply to financial institutions.

The guidance addresses the following:

- How do virtual assets activities and virtual asset service providers fall within the scope of the FATF Recommendations? (Section II)
- How should countries and competent authorities apply the FATF Recommendations in the context of virtual assets or virtual asset service providers? (Section III)
- How do the FATF Recommendations apply to virtual asset service providers, and other

entities (including banks, securities broker-dealers) that engage in or provide virtual asset covered activities?

The guidance, which benefited from dialogue with the private sector, also includes examples of national approaches to regulating and supervising virtual asset activities and virtual asset service providers to prevent their misuse for money laundering and terrorist financing.

Source: FATF