

# S.Africa paves way for cryptocurrency regulation

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Financial institutions and watchdogs around the world are grappling with how to regulate digital currencies.

South Africa's financial watchdog on Thursday declared cryptocurrency a financial product, paving way for the regulation of the assets in the

continent's most advanced economy.

The announcement comes in the wake of financial institutions and watchdogs around the world grappling on how to regulate digital currencies.

The decision by the Financial Sector Conduct Authority (FSCA) means [financial firms](#) dealing in cryptos will have to apply for licensing next year between June 1 and November 20.

"You cannot have a situation where you have entities operating outside the [regulatory framework](#), it is not ideal, and certainly not in the [public interest](#)," FSCA Commissioner Unathi Kamlana told a news briefing.

The crypto asset, which will not be issued by the central bank, will be tradeable, transferred or stored electronically "for the purpose of payment, investment".

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