

9 July 2015

## **Views sought on regulation of virtual currency**

The Government of Jersey is asking for views on how virtual currencies, such as Bitcoin, should be regulated.

The creation of a business-friendly framework that encourages innovation, jobs and growth in both the financial services and digital sectors is a priority for the Government of Jersey. Virtual currency systems can be significant building blocks of a modern digital economy. The introduction of an appropriate and proportionate regulatory regime in this area is intended to encourage confidence and innovation in the sector.

The consultation paper, which will be published by the Chief Minister's Department on Thursday (9 July 2015), sets out the most prominent money laundering and terrorist financing risks associated with virtual currencies and the options that are available for regulating them. The approaches adopted by other jurisdictions and the views of leading organisations have also been taken into account. The consultation paper also considers whether there is a case for adopting a standard for 'distributed ledger' technology (including block-chain technology) and the possibility of potential future pan-Channel Island work in this area.

The Jersey Financial Services Commission, the Joint Financial Crime Unit of the States of Jersey Police, the Law Officers' Department, Jersey Finance and Digital Jersey have all been involved in the preparation of the consultation.

Assistant Chief Minister, Senator Philip Ozouf, said: "Virtual currency systems represent new and empowering technology. This consultation will allow us to take into account a wide range of views when putting in place an appropriate and proportionate regulatory environment. This is about creating a modern digital economy that encourages innovation and the creation of jobs and growth whilst protecting Jersey from the unacceptable use of virtual currency. In the

virtual currency marketplace we have a real opportunity to leverage Jersey's leading position in financial regulation to create a business-friendly framework. I am optimistic about our opportunities in FinTech and virtual currency is an important part of this area."

The consultation will run from 9 July 2015 to 7 August 2015 and will include a consultation seminar to be held at the Town Hall, York Street, St Helier, Jersey on Monday 3 August 2015 from 12 noon until 2pm. Those wishing to attend the consultation seminar should register for a ticket, which is free of charge, through the website below.

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**Notes to editors:**

1. To access the consultation, visit <http://www.gov.je/Government/Consultations/Pages/default.aspx>
2. To register for a ticket for the Consultation Seminar on 3 August, please go to <http://www.eventbrite.com/e/regulation-of-virtual-currency-consultation-seminar-tickets-17632915525>
3. For further information, please contact Sam Le Quesne: [s.lequesne@gov.je](mailto:s.lequesne@gov.je); +44 (0) 1534 440429.