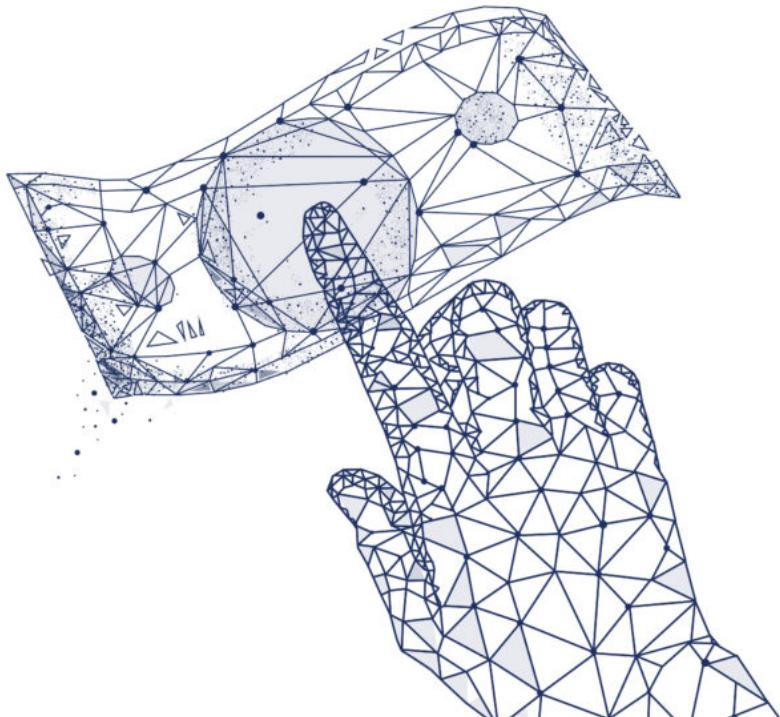


FSCA DECLARES CRYPTO-ASSETS AS FINANCIAL PRODUCTS

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written by Lucien Pierce | October 20, 2022



In a move that brings crypto-assets more into the mainstream, South Africa's Financial Sector Conduct Authority ("FSCA") yesterday published a [notice](#) declaring a crypto asset as a financial product under the Financial Advisory and Intermediary Services Act, 2022 ("FAIS").

FAIS' purpose is to regulate the rendering of certain financial advisory and intermediary services. It addresses and regulates the provision of financial advice, namely "any recommendation, guidance or proposal of a financial nature..." related to financial products. Up until yesterday (19 October 2022) the definition of financial product included some of the more traditional financial products such as shares, debentures and money market instruments.

The fact that crypto-assets have now been included is confirmation that South Africa's regulatory authorities believe that crypto assets are here to stay, and are going to become even more mainstream. In this regard, consider the recent [guidance note](#) that the South African Reserve Bank's Prudential Authority published in August of this year. It provides guidance on "*effective implementation of adequate anti-money laundering and counter-financing of terrorism (AML/CFT) controls in relation to crypto assets*".