

29 OUT OF 42 VIRTUAL ASSET SERVICE PROVIDERS GRANTED BUSINESS REGISTRATION APPROVAL

The Korea Financial Intelligence Unit (KoFIU) announced the result of business registration review on virtual asset service providers on December 23. Out of 42 VASPs that have filed registrations with the authority, the KoFIU announced that 29 entities (24 crypto exchanges¹ and 5 wallet or depository service providers) have gained approvals with the decision on 5 entities being postponed and 8 others withdrawing their decision to register.²

The KoFIU has carried out a review on the registrations filed by 29 crypto exchanges and 13 wallet or depository service providers between September 25 and December 23 led by a review committee made up of experts from various professional backgrounds.

Over the course of the registration process, the authorities have made available consulting and assistance to VASPs on a continuing basis while closely monitoring illegal business activities by unregistered entities and notifying foreign-based VASPs with operations targeting Korean users about their duty to register. In the registration review process, the authorities have looked closely at whether the businesses are adequately prepared to comply with the anti-money laundering (AML) duties. Those that are subject to reevaluation due to inadequate preparation for AML duties will be given one month to demonstrate a proof of adequate AML preparation.

The registered entities are subject to the AML duties specified under the Act on Reporting and Using Specified Financial Transaction Information, including customer due diligence, suspicious transaction report and the travel rule.

The KoFIU will work to ensure transaction transparency in the virtual asset market by carrying out site inspection and supervision on VASPs on a regular basis.

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For press inquiry, please contact Foreign Media Relations at fsc_media@korea.kr.

¹ Virtual asset trading platforms (crypto exchanges) include 4 entities offering both KWR-to-crypto and crypto-to-crypto exchange services and 25 others that only offer crypto-to-crypto exchange services.

² For a complete list of the registered entities (available in Korean only), please check out KoFIU's [website](#).