



## PRESS RELEASE

### **BRUNEI DARUSSALAM CENTRAL BANK REMINDS PUBLIC OF THE RISKS IN CRYPTOCURRENCIES, CRYPTO MINING AND SCAMS RELATED TO SAID ACTIVITIES**

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1. Brunei Darussalam Central Bank (BDCB) has previously published two statements on cryptocurrencies on 4 Rabiulakhir 1439H corresponding to 22 December 2017M; and 8 Sya'aban 1439H corresponding to 24 April 2018M.
2. BDCB wishes to reiterate that cryptocurrencies are not legal tender in Brunei Darussalam and are not regulated by BDCB as they operate independently from monetary authorities or central banks. Nevertheless, the activities surrounding them may be regulated if they constitute any of the activities regulated in the relevant legislation under BDCB's purview where compliance to specific requirements must be adhered to. This may include, but is not restricted to, businesses or individuals providing financial services to the public in the form of deposit-taking, extension of loans, remitting funds across the border, foreign exchange services, and the issuance of securities.
3. To date, BDCB has been closely monitoring developments surrounding cryptocurrencies to ensure that the regulatory measures are commensurate with the risks posed. BDCB is aware that, considering the rapid growth of cryptocurrencies globally, there has been heightened interest from the public. To this end, BDCB is currently developing an appropriate legal and regulatory framework for the licensing and supervision of cryptocurrencies and related activities.
4. BDCB is aware that an activity gaining traction is crypto mining. Crypto mining is a process of verifying transactions on a blockchain network to generate new cryptocurrencies by solving complex cryptographic puzzles through the use of machines with extensive computing power, which requires a massive consumption of electricity. In this regard, the activity of using computers or other machines specifically to perform crypto mining falls outside of BDCB's purview. Nevertheless, BDCB will work closely with relevant government agencies in tackling any issue concerning crypto mining.
5. BDCB plays a vital role in protecting the public interest and the integrity of Brunei Darussalam's financial system. As such, BDCB would like to remind members of the public to exercise extreme caution prior to dealing with cryptocurrencies as well as its related products and to fully understand the risks associated with them. Members of the public are also reminded to be wary of the rampant cryptocurrency fraud and scams which promise high returns on investments that tend to be advertised online and via social media.

6. For further enquiries and information, members of the public may contact BDCB at 8318388, email [info@bdcg.gov.bn](mailto:info@bdcg.gov.bn), visit BDCB's website at [www.bdcg.gov.bn](http://www.bdcg.gov.bn); or by following BDCB on Instagram at @centralbank.brunei.

**Brunei Darussalam Central Bank**

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