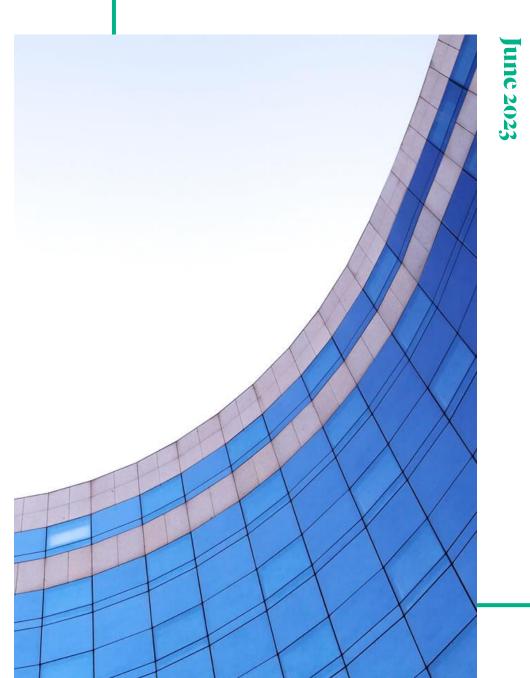
BANKING & FINANCE REGULATION OF VIRTUAL ASSETS AND

VIRTUAL BANKING IN CABO VERDE



LEGAL PARTNERS • CABO VERDE



VdA is especially dedicated to technological matters and has launched a platform – <u>VdA Tech Hub</u> – to assist all entities, from all sectors of activity, to address digital challenges. Mirroring a new manner of providing legal services, VdA provides to our clients, through VdA Tech Hub, the advice and counseling necessary to deal with the challenges arising from the digital transition.

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The relevant select committee approved a Bill regulating the provision of virtual assetrelated services and the establishment of online banks.

- Entities seeking to deal in virtual assets will be regulated or supervised by the Banco de Cabo Verde [Cabo Verde's Central Bank] and are subject to AML and anti-terrorist financing obligations;
- Entities seeking to professionally deal in virtual assets in the territory must register with the Banco de Cabo Verde [Cabo Verde's Central Bank];
- Virtual/online banks are subject to an authorization to be issued by the Banco de Cabo Verde [Cabo Verde's Central Bank] on a case-by-case basis and to the same requirements as traditional banks, including, without limitation, having:
 - o adequate equity at all times; and
 - sound corporate governance
 arrangements that are comprehensive
 and commensurate with the nature, level,
 and complexity of each financial
 institution's activities.

Upon the bill being voted in Parliament, the Banco de Cabo Verde [Cabo Verde's Central Bank] will be able to issue Orders laying down specific conditions for the registration and authorization for the establishment of professional entities and online/virtual banks.

Banking & Finance Flash News

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