

STATEMENT

In relation to “Bitcoin” and Money Service Operator Licence

Under the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (“AMLO”), Chapter 615, the Customs and Excise Department (“C&ED”) regulates money service operators (“MSOs”), which include remittance agents and/or money changers, through a licensing regime. The C&ED supervises the licensed MSOs and monitors their compliance with the customer due diligence and record-keeping obligations and other licensing requirements. The C&ED also combats unlicensed operation of money service.

The C&ED has noticed that some licensed MSOs and applicants for an MSO licence carry on business related to “Bitcoin”. In this regard, the C&ED reminds licensed MSOs, applicants for an MSO licence and members of the public that, for the purposes of the AMLO, Bitcoin or other similar virtual commodities are not “money” and do not fall within the regulatory regime administered by the C&ED. An MSO licence granted by the C&ED does not give any form of approval or recognition to a business related to Bitcoin or similar virtual commodities.

**Money Service Supervision Bureau
Customs and Excise Department**

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