

Regulating Cryptocurrencies in the Arab Region



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Some might wonder about the effect of Cryptocurrencies on the investment behavior in financial markets. Also how cryptocurrencies might affect the investor choices, and which kind of regulations should be put in place in order protect him from excessive volatility, frauds, and suspicious usage.

Till now, economists haven't found a way to estimate the real value of cryptocurrencies. There's still a debate around the classifications of Cryptocurrencies whether as currencies or commodities.

Blockchain will no doubt give huge possibilities on peer to peer and money transfer level, as it will decrease the time and cost of transfers. It is worth mentioning that Dubai Government is on its way to implement Blockchain technology for all public services.

While Some Arab governments are considering issuing their own digital currency as a step prior to Blockchain implementing, the question remains about the readiness of the Arab investor in differentiating between cryptocurrencies speculations and Blockchain virtues.

Several Arab Countries banned the usage of cryptocurrencies in order to inhibit money laundering and misuse, also to prevent the Arab investor from being involved in a non-transparent domain.

Several Cryptocurrencies exchanges are working nowadays on a code of conduct related to cryptocurrencies operations. This code will be proposed to the financial service authorities for approval.

Our Arab region should monitor closely the improvement of regulations concerning this matter. While being cautious entering new domain in technology, our region shouldn't miss the development opportunity that the entire world is preparing itself to adopt.