

PRESS RELEASE

ASIFMA Launches First-of-its-Kind Report on Best Practices for Digital Asset Exchanges

The comprehensive new report provides best practices developed by ASIFMA, its membership and market participants

Hong Kong, 20 June 2018 – [ASIFMA](#), the financial industry's leading regional trade association, today released its report "[ASIFMA Best Practices for Digital Asset Exchanges](#)". This comprehensive new report provides best practices developed by ASIFMA, its membership and market participants including professional advisors, technical experts, and exchanges. The report was developed to guide digital asset exchanges towards international best practices in eight key areas: (1) listing process, (2) market manipulation, pricing and liquidity, (3) regulatory considerations: licensing and authorization, (4) anti-money laundering and know your customer, (5) custody, (6) cybersecurity, (7) risk mapping, and (8) engagement with external stakeholders.

"As traditional financial institutions increasingly look at digital assets, we believe this report provides timely recommendations and best practices for digital asset exchanges to be in line with international standards," said Mark Austen, CEO of ASIFMA.

The best practices presented are not law nor have they been endorsed by any regulatory body. Certain jurisdictions have already begun to regulate digital asset exchanges. However, many transnational bodies and regulators are still debating the most effective regulations. As best practices and laws continue to develop, ASIFMA plans to contribute to the dialogue on this important part of the digital economy.

"There has been a lot of fraud in this space which has been detrimental to those trying to develop the crypto market. What we see is that exchanges want regulation and best practices and they are coming to organisations, such as ASIFMA, to keep these bad actors out." Mr. Austen added, "Of course these best practices are by no means exhaustive and they continue to evolve."

In addition to sensible regulation, the development of infrastructure similar to traditional markets is needed. These include systems related to custody, screening, and operational risk control. There also remain concerns about the reliability of reporting figures and information asymmetry.

"There is really no single easy solution ahead but rather a series of inter-related actions and initiatives which will ultimately lead to the improvement of digital asset exchanges. We believe the recommendations in this report will help to chart that path forward," concluded Mr. Austen.

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The full report can be downloaded [here](#).

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About ASIFMA

[ASIFMA](#) is an independent, regional trade association with over 100 member firms comprising a diverse range of leading financial institutions from both the buy and sell side, including banks, asset managers, law firms and market infrastructure service providers. Together, we harness the shared interests of the financial industry to promote the development of liquid, deep and broad capital markets in Asia. ASIFMA advocates stable, innovative and competitive Asian capital markets that are necessary to support the region's economic growth. We drive consensus, advocate solutions and effect change around key issues through the collective strength and clarity of one industry voice. Our many initiatives include consultations with regulators and exchanges, development of uniform industry standards, advocacy for enhanced markets through policy papers, and lowering the cost of doing business in the region. Through the [GFMA](#) alliance with [SIFMA](#) in the United States and [AFME](#) in Europe, ASIFMA also provides insights on global best practices and standards to benefit the region.

More information about ASIFMA can be found at: www.asifma.org.