ECD/M&PRD/PR/01/2025-36 May 30, 2025

Legal Status of Virtual Assets in Pakistan

With reference to the news items regarding the 14th meeting of the National Assembly's Standing Committee on Finance and Revenue, it is clarified that State Bank of Pakistan (SBP), in 2018 advised its regulated entities including Banks, Development Finance Institutions (DFIs), Microfinance Banks (MFBs), Electronic Money Institutions (EMIs), Payment System Operators (PSOs), Payment Service Providers (PSPs), and Exchange Companies to avoid dealing in Virtual Assets (VAs) due to the absence of any legal and regulatory framework for the VAs; not because it was declared illegal in the country. This was done to protect its regulated entities and their customers from the risks emanating due to the absence of legal and regulatory framework for VAs in the country.

The SBP and Finance Division are currently engaged with the Pakistan Crypto Council established by the Federal Government for, among others, developing an appropriate legal and regulatory framework for VAs in Pakistan. We understand that the legal and regulatory framework would provide the requisite clarity and legal coverage about the VAs ensuring consumer and investor protection.

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