

People's Republic of China
The Economic and Financial Affairs Council
Regulating the Crypto Eco-system



The People's Republic of China acknowledges the significance of the crypto ecosystem as well as its need for regulation. Including the People's Republic of China, cryptocurrencies and manifold other digital assets have built a global reputation to have gained a vital role in financial systems. Contrarily, the lack of regulation in this vital field poses significant risks to the People's Republic of China and the rest of the United Nations member states.

Since 2013, the People's Republic of China has taken a role in facing the lack of regulation in the crypto ecosystem. Result of the delegation's concerns about financial volatility, fraud, and money laundering, the People's Republic of China prohibited any ICOs on September 4, 2017, and mining activities on January 2, 2018. Henceforth, the People's Republic of China proceeded with legal advancements to regulate and minimize this issue and the potential risks associated with cryptocurrencies. Subsequently, China intensified its crackdown on cryptocurrency mining in order to verify and track any transactions made in the blockchain network. While the crackdown on cryptocurrencies may seem restrictive, it is a necessary measure until more effective ways to protect consumers and ensure financial stability. The aforementioned risks associated with cryptocurrencies, such as money laundering, fraud, and financial instability, are concerns that cannot be overlooked. Therefore, until more robust regulations and safeguards can be implemented, it is prudent for the People's Republic of China to impose restrictions on the use of cryptocurrencies to protect its citizens and the overall continuity of the financial system.

We believe that a promising way to tackle the matter of cryptocurrency regulation is the initiation of an international task force, given how the People's Republic of China asserts the importance of an integrated strategy which is fundamental for the issue. Thus, we believe that the formation of an international network through the United Nations is a feasible and efficacious framework to approach the ongoing crypto crisis. The forenamed framework will improve the current precautionary yet insufficient approach towards subjects such as; consumer advocacy, anti-money laundering, and counter-terrorism funding alongside addressing and promoting transparency and liability while sustaining an unfissured environment where developments stand expressed. Likewise, the People's Republic of China believes that a CRS (common reporting standard) is necessary for the deterrence of crypto-crimes, which is precisely why we trust that an international framework of such will succeed in curtailing criminal activities, both globally and domestically. To conclude, the People's Republic of China is loyal to its purpose of spreading awareness and precaution in providing the world with a sustainable and anti-criminal crypto ecosystem. According to the People's Republic of China, international cooperation is indispensable. The People's Republic of China is glad to be here at MEFMUN'23 and to be working with the rest of the UN member states. We hope to produce efficient, ethical, and sustainable solutions at the end of our debate for the agenda item "Regulating the crypto eco-system".

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