

The current crypto market is like a dangerous plane, BoE official says

Crypto Market - Jon Cunliffe, the deputy governor of financial stability at the Bank of England, called for a clear regulatory framework for [digital currencies](#) to address the risks posed by the recent recession and market collapse. In a speech at the British High Commissioner`s Residence in Singapore, Cunliffe said regulators need to incorporate cryptocurrencies and blockchain into current regulatory frameworks. He also addressed events such as the significant drop in the price of Bitcoin in recent months, the collapse of Terra, and the bankruptcy of Three Arrows Capital. Cunliffe believes that [crypto](#) technologies offer the prospect of fundamental innovation and improvement in finance. To be successful and sustainable, innovation must happen within a risk-managed framework. According to the deputy governor, regulators must find a place for digital currencies in the current frameworks based on the principle of "same risk, same regulatory outcome". For instance, if a stablecoin is used as a 'settlement asset' in transactions... it has to be as secure as other forms of currency," he said. In the end, the senior official stated that for the "same risk, same regulatory outcome"

approach to be effective, it should be included in the domestic regulatory regimes. Source: The Pipsafe Team