NEWS RELEASE

Banks, Governments and Crypto Industry Divided on Cryptocurrency Risk, New RUSI/ACAMS Global Survey Reveals

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A new survey by RUSI and ACAMS reveals how professionals in the cryptocurrency industry believe that governments are behind the curve on the perceived risks, opportunities and regulation of cryptocurrency.

Key Findings:

- **An overwhelming majority of respondents were concerned about the links between cryptocurrency and criminal activity. However, where other respondents ranked illicit purposes highly, the cryptocurrency industry ranked illicit purposes as the least common use.**
- **The cryptocurrency industry and other respondents were divided on their perceptions of cryptocurrency risk - 63% of banks and 56% of governments saw cryptocurrency as a risk, as opposed to only 9% of the cryptocurrency industry.**
- **Asian financial institutions appear to be more friendly towards cryptocurrency than North American and European financial institutions (42% indicated easier use than fiat currency).**
- **All respondents believed that the use of cryptocurrency for day-to-day payments will increase in the next five years.**

LONDON & CHICAGO--(BUSINESS WIRE)-- Divided opinion on the perceived risk of cryptocurrency including the links between cryptocurrency and illicit purposes were among the key findings of a global survey -- the second commissioned by RUSI and ACAMS in partnership with YouGov – and based on 566 unique responses from across the global financial and cryptocurrency industries, including cryptocurrency exchanges, financial regulators and financial intelligence units.

While the survey reflects doubts about the abilities of government, the cryptocurrency industry is 'much more confident in their own tools and preparedness than other audiences,' to mitigate potential risks in the sector.

Criminal activity remains top of mind for both governments and crypto industry professionals, with 70% of total respondents highlighting this as a concern. When asked to select any areas of concern,

respondents overall indicated they are worried about the use of cryptocurrency for money-laundering (84%), on the dark web (84%), for procurement of illicit goods (83%) by sanctioned actors (82%), by terrorist organizations (79%), to fund human trafficking (76%), and in fraudulent initial coin offering (75%).

However, the survey demonstrates a disconnect between governments and the industry on the nature of risks posed by cryptocurrency and ongoing concerns over the use of cryptocurrency for criminal activity. The cryptocurrency industry was notably less worried about each of the listed risks, considering only sanctions evasion as a high priority.

The survey finds respondents split over whether they consider cryptocurrency a risk or an opportunity – with significant gaps between government and financial industry perceptions and those directly involved in the crypto industry. The cryptocurrency industry largely believes that cryptocurrency transactions offer more transparency than traditional financial transactions, and that transactions are compatible with sanctions screening and compliance, while financial institutions and government disagreed.

While cryptocurrency professionals are aware of the risks in their industry, other actors such as the media, politicians and the general public are less aware of the risks. Overall, there is a far higher likelihood (78%) that institutions will seek guidance from non-governmental organisations such as FATF, trade bodies, and blockchain associations, than from governments. Respondents of the survey are also of the view that governments are more likely to defer to international bodies (45%) over their own regulatory systems (35%).

Kayla Izenman, research analyst, Centre for Financial Crime and Security Studies, RUSI and co-author of the survey said, *"The crypto industry appears to have a great amount of confidence in their own abilities to counter and detect risk, whereas government doesn't have nearly as much faith. Bridging this gap is essential, as all sectors agree that the use of cryptocurrency is on the rise, but we know there's no clear consensus on domestic regulatory action. This risks opening the door to illicit activities."*

Rick McDonell, executive director, ACAMS and former executive secretary of the Financial Action Task Force (FATF) and co-author of the survey said, "*The results of this survey give a unique global insight into how respondents from governments, financial institutions and the crypto industry itself think about cryptocurrency: its potential and its risks. Their views are well worth noting as policy making and regulatory enforcement continue to take shape around the world."*

Notes to editors

1. The RUSI-ACAMS Cryptocurrency Risk & Compliance Survey can be found here: Crypto Risk Survey
2. The authors are: Kayla Izenman, research analyst, Centre for Financial Crime and Security Studies, RUSI and Rick McDonell, executive director of ACAMS and former Executive Secretary of the Financial Action Task Force (FATF)
3. **About the Royal United Services Institute for Defence and Security Studies (RUSI) -** The Royal United Services Institute for Defence and Security Studies (RUSI), is the world's oldest independent defence and security think tank. Its mission is to inform, influence and enhance public debate on a safer and more stable world. RUSI is a research-led institute, producing independent, practical and innovative analysis to address today's complex challenges. RUSI's Centre for Financial Crime and Security Studies is dedicated to addressing the challenges of financial crime and threat finance to the U.K. and international security and the important role finance can play in identifying and disrupting a range of globally-recognised threats.
4. **About ACAMS® -** ACAMS is a member of Adtalem Global Education (NYSE: ATGE), a leading workforce solutions provider headquartered in the United States. ACAMS is the largest international membership

organization dedicated to enhancing the knowledge and skills of anti-money laundering (AML) and financial crime professionals from a wide range of industries. Its CAMS certification is the most widely recognized AML certification among compliance professionals worldwide. Recent product offerings include the Certified Global Sanctions Specialist (CGSS), Certified Transaction Monitoring Associate (CTMA) and Certified Know Your Customer Associate (CKYCA) certifications. Visit acams.org for more information.

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