

South Korean Crypto Firms Prepping to Meet the FATF Travel Rule

South Korea is known for embracing disruptive forces of technology, and the country has made significant strides in this space. The crypto regulatory mechanism in the county has been subjected to various changes to make it extremely seamless for the general public.

The prominent merchants, entities & organizations are collaborating with each other to usher in a great technological evolution. Such entities are also constantly working in close association with the regulators to formulate & incorporate the best practices imaginable. The majority of the countries have now come to grips with the fact that cryptocurrency will dictate financial trends. Even the most conventional countries like North Korea have also been quite in using cryptocurrency overtly & covertly. If you are interested in bitcoin trading, visit <https://bitcoincircuit.cloud/> to acquire an utter guide to crypto trading.

As many as 30 firms of the country are reported to be in collaboration with the CODE. It is also being done to make sure that all the prescribed guidelines are strictly adhered to. Meeting the pre-existing guidelines of FATF, i.e., Financial Action Task Force, is the predominant requirement. But why is it all being pursued so aggressively, and what significance does it hold at the end of the day? Well, such adaptation will eventually lead to higher transparency in the system, and such rules will help people to successfully navigate through the crypto industry without any discernible complications.

Picture 1 of South Korean Crypto Firms Prepping to Meet the FATF Travel Rule

FATF guidelines need to be followed by all virtual service providers

The travel rule that has been laid down by FATF is being practiced & incorporated in the majority of the countries. The prescribed guidelines for all the virtual assets help organizations around the world to steer clear of any possible complications that may lead to something unfavourable. All the service providers that are currently active in the virtual asset domain are supposed to follow the rules laid down by FATF meticulously. Such rules not only help service providers to maintain their integrity but also deters any potential chances of money laundering.

Needless to say, that money laundering is a harsh reality that runs rampant on digital platforms, which is why it became extremely necessary for FATF to formulate stringent laws. In addition to money laundering, there is yet another stigma that has plagued the decentralized network. Yes, it is called terrorist financing, which is also being done on a large scale. Hence, all the virtual asset service providers are now mandated to disclose the customer information if the overall transaction amount goes beyond the \$1,000 mark. FATF has always been vocal about the repercussions of indulging in unlawful activities, and it is quite obvious that such rules set the trends now.

Curbing the prevalent stigma of money laundering through FATF

The majority of the regulatory exchanges are coming together to formulate solutions to the sting of unlawful activities in this digital space. One such example of a joint venture came in the form of Korbit, CoinOne, Bithumb. The South Korean market has registered unprecedented growth in the last couple of years due to such joint ventures. Shareholders have finally gained the confidence to dive deep into the crypto world while establishing firm rapport with organizations. The changes are unravelling the mysteries of the crypto industry, and they seem to benefit the overall economy quite profusely.

The Korean Government has always been quite vocal about embracing new technologies, which displays the Government's openness to change, innovation & efficiency. However, some of the cryptocurrencies in the country have witnessed tightening regulations which should not be overlooked either. The Government might be open about the concept of cryptocurrency, but it is in no way lenient about any force that may undermine the national security or integrity of financial institutions. We all have witnessed the rife example of Ukraine, which received colossal donations in the form of cryptocurrency. South Korea has already realized the inevitable impact of cryptocurrency on the financial ecosystem and continues to refine the experience for the citizens of the country.

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