

State Bank Pakistan Reopens Doors to Crypto Banking After Eight Year Ban

After eight years, the State Bank of Pakistan has lifted its long-standing restrictions on crypto-related banking activities, marking an important shift in the country's approach to digital finance.

The move does not legalize unrestricted crypto currency trading. Instead, it allows licensed crypto currency companies to open bank accounts with Pakistani banks for the first time since the 2018 ban. Minister of State for Blockchain and Crypto, Bilal Bin Saqib, described it as a regulated pathway rather than an open endorsement of crypto trading.

Banks themselves remain prohibited from buying, holding, or trading crypto currencies using their own funds or customer deposits. Their role is limited to providing banking services to licensed crypto businesses under strict compliance and regulatory oversight.

What has changed is the relationship between two sectors that were previously kept separate. Crypto companies now have a formal connection to the banking system, creating greater transparency, accountability, and traceable financial operations.

While the step is cautious and limited by design, it signals a meaningful policy shift. For Pakistan, it marks the beginning of a more structured approach to digital assets and financial innovation.

