

OpenVoiceNews U.S.

Transparent. Unbiased. Yours.

Cyprus SEC Blacklists 10 Illegal Crypto, FX Firms

July 12, 2025

— Categories: *Crypto*



The Cyprus Securities and Exchange Commission (CySEC) has blacklisted 10 companies for illegally offering foreign exchange (FX) and cryptocurrency trading services without the required regulatory licenses. The move underscores the regulator's continued efforts to protect retail investors and clamp down on fraudulent financial activity in the digital asset space.

In a statement released this week, CySEC revealed that the blacklisted platforms were found to be operating without proper authorization, violating the country's financial laws.

Among those named was Fasat-gpro, market-trading.Ltd, iqforextrade.net, and several others. These platforms, according to the commission, have been deceiving investors by pretending to be affiliated with licensed Cyprus Investment Firms (CIFs) or misusing regulatory details to appear legitimate.

CySEC emphasized that its decision is part of a broader strategy to combat the growing number of bad actors in the crypto and online trading sectors. Many of these firms have used aggressive marketing tactics and misleading advertising, including claims of regulation or legitimacy that they do not possess. The commission noted that some of these platforms exploit consumer trust by associating themselves with regulated brokers, creating a false sense of security among potential investors.

As part of the crackdown, CySEC has updated its public warning list and reiterated that any company offering investment services in Cyprus without proper licensing is in breach of the Investment Services and Activities and Regulated Markets Law. Offenders face hefty penalties, including fines up to €350,000 (approximately USD 370,000) and prison terms of up to five years, or both.

This recent action follows a worrying trend identified by CySEC's research into retail investor behavior. The commission found that a significant portion of retail investors, many drawn in by social media influencers or gamified apps, fail to perform adequate research before committing funds. Alarming, only 30% of surveyed investors visited CySEC's website to verify if a broker was licensed, while over 50% relied solely on online reviews. A further 15% admitted they didn't check regulatory credentials at all.

CySEC also issued a warning about so-called "finfluencers", social media personalities who promote speculative or unregulated financial products without accountability. The regulator argues that this trend contributes to a risky environment where inexperienced individuals are more vulnerable to financial scams.

While CySEC has been proactive, the broader European regulatory landscape continues to lag behind the pace of innovation in digital finance. Critics argue that enforcement needs to be matched with stronger preventative measures and better investor education.

Unfortunately, in countries like Cyprus, where financial regulation often collides with international investment flows, governments have been slow to fully address this issue. In the meantime, CySEC is signaling that it intends to stay vigilant and won't hesitate to name and shame rogue operators moving forward.

