

PayPal to let UK users buy, hold and sell cryptocurrencies

Online payment company PayPal is to allow users in the UK to buy, hold and sell cryptocurrencies using its platform.

Available on both its app and website, the service will initially be limited to four cryptocurrencies: Bitcoin, Ethereum, Litecoin and Bitcoin Cash.

It comes after the launch of the same service in the US which was then followed by a Checkout with Crypto feature, enabling PayPal users to actually spend their crypto when making purchases with online merchants.

The volatility and lack of regulation around cryptocurrencies, which are considered private money under English law, has often been seen as an impediment to their adoption by large payment companies such as PayPal.

Critics have often flagged how the potential anonymity offered by using crypto online has empowered cyber criminals and fraudsters operating on the internet.

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Jose Fernandez da Ponte, vice president and general manager for blockchain, crypto and digital currencies at PayPal, said his company's new service could help introduce more people to cryptocurrency.

"The pandemic has accelerated digital change and innovation across all aspects of our lives, including the digitisation of money and greater consumer adoption of digital financial services.

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"Our global reach, digital payments expertise, and knowledge of consumer and businesses, combined with rigorous security and compliance controls provides us the unique opportunity, and the responsibility, to help people in the UK to explore

cryptocurrency.

“We are committed to continue working closely with regulators in the UK, and around the world, to offer our support and meaningfully contribute to shaping the role digital currencies will play in the future of global finance and commerce.”

PayPal said the new service would begin to be available this week and all eligible customers should be able to access it through a new cryptocurrency tab within the next few weeks.

It is not clear if and when the company will allow consumers in the UK to pay merchants using cryptocurrency.

PayPal hopes its service can address concerns about the volatility of the cryptocurrency by settling the transaction in fiat cash, meaning merchants won't have to accept the risk themselves.

The company said it will not charge a transaction fee for people using a cryptocurrency at checkout, and that only one type of coin could be used with each purchase.