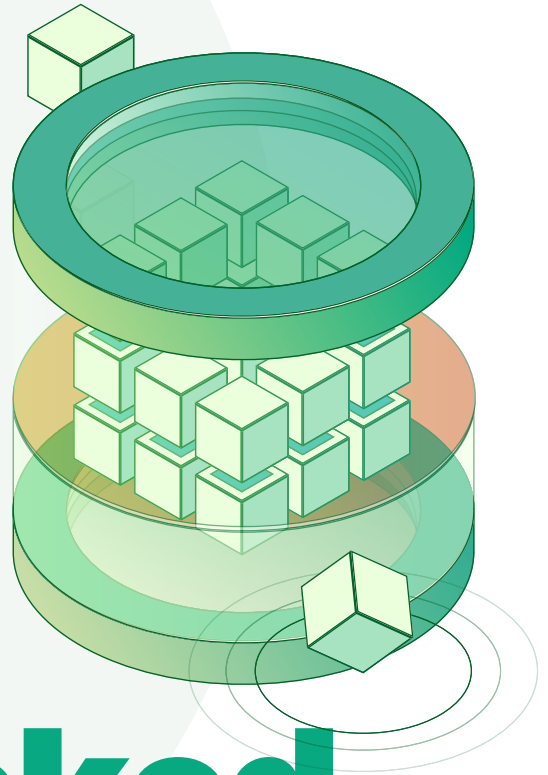




Educate
Collaborate
Promote

Web3 Unpacked

BWA Newsletter 
July '24



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Introduction

AI and Web3 have often been thought of as separate verticals, but recent years have witnessed a significant convergence between these two domains. AI has the potential to demystify Web3, bridging the gap between cutting-edge innovation and practical usability.

This integration enhances how decentralized systems and artificial intelligence can be implemented together, addressing key challenges of scalability, usability, and accessibility within the blockchain. Artificial Intelligence can also help manage the more technical aspects of Web3 such as managing digital wallets, using smart contracts, and navigating dApps, which can be an arduous task for those new to the technology, creating a rift between the technology's potential for change and its practical adoption.

AI can Enhance Web3

AI and Web3 have often been thought of as separate verticals, but recent years have witnessed a significant convergence between these two domains. AI has the potential to demystify Web3, bridging the gap between cutting-edge innovation and practical usability.

User Experience

Further, integrating AI into Web3 applications can also help improve the experience of users by personalizing user experiences, tailoring recommendations and automating transactions based on individual preferences.

User Experience

Today, several companies are engaged in the integration of machine learning algorithms to enhance the user experience in Web3, emphasizing simplicity, and accessibility. These firms are addressing the dual challenge of leveraging smart contracts within blockchain platforms while making their interfaces more intuitive and user-friendly through AI-driven personalization.

Brave, a browser focused on privacy has also ventured into the Web3 space through the use of Rewards and the Basic Attention Token that integrates blockchain technology for advertising, content creators, and users. Brave uses AI and ML to further personalize the user experience without compromising privacy, offering an example of how Web3 applications can tailor experiences in a user-centric manner.

Fraud Prevention

Another critical area where AI can significantly aid Web3 in achieving mass adoption is in enhancing security and fraud detection. As Web3 platforms have grown in popularity, they have become more attractive targets for malicious activities.

Being a relatively nascent concept, the Web3 sector is more susceptible to phishing, fraudulent transactions, and concerns related to safety causing financial losses to investors. AI can help mitigate these risks by analysing patterns, detecting anomalies that may indicate fraudulent

Fraud Prevention

activity, and enhancing the overall security infrastructure of blockchain networks. By leveraging AI's predictive capabilities, Web3 platforms can proactively identify and respond to security threats, ensuring a safer ecosystem for users and fostering greater trust in blockchain technology.

Global Convergence

International efforts towards the integration of AI and Web3 are underway across different regions, focusing on fostering innovation and addressing mutual shortcomings in these technologies. This can be seen in several initiatives listed below.

In Dubai, the establishment of a 'Dubai AI & Web 3.0 Campus' within the Dubai International Financial Centre represents a commitment to building a global nexus for AI and Web3 research and development with licences being issued in a range of activities such as Distributed Ledger Technology Services, among others.

A recent report by the European Blockchain Observatory and Forum (EUBOF) highlighted the convergence of the two technologies with the European Commission being tasked with preparing for the convergence of blockchain technology and artificial intelligence. As per the EUBOF, the merging of blockchain and AI is growing as a trend in the tech industry that is being explored in the sectors of finance and health care.

Global Convergence

Further, to power its blockchain AI ecosystem, the Qtum Foundation introduced 10,000 Nvidia graphics processing units (GPUs), demonstrating a commitment to leveraging AI to enhance Web3 applications and drive innovation in digital interactions.

These examples showcase the broad range of activities where AI and Web3 are being integrated to drive technological advancement and economic growth globally. The initiatives also highlight the interest in creating ecosystems that not only promote technological innovation but also aim at economic prosperity and the creation of new market opportunities.

Challenges in Integration

The integration of AI and Web3 is a growing field which holds significant potential to transform the digital landscape. However, this growing convergence comes with its own set of challenges that must be addressed to realise the full potential of such an ongoing convergence. These challenges include technical hurdles due to the differences in the underlying technologies, issues of governance and regulation as Web3 is a decentralized network, operating without a central authority, and hurdles related to the interoperability of different blockchain platforms and the challenge of embedding AI into them, as well as the need for a continuous upskilling of talent to keep up with these issues.

Challenges in Integration

Addressing these challenges will be the key to the mass adoption of Web3 technologies and require the combined efforts of researchers, technologists, and regulators to ensure that the convergence of these two emerging technologies leads to productive outcomes without compromising on the core tenets of either AI or Web3. Overcoming these challenges will open the doors to a user-friendly, AI-enhanced Web3 that also increases trust and security in the crypto ecosystem.

Indian Perspective

India, a country with immense tech talent accounting for 12 per cent of the world's Web 3 developers in 2023 and often thought of as a growing hub of AI skilled workers, is uniquely positioned to play a pivotal role in the convergence of AI and Web3. With initiatives such as the Digital India mission, a strong IT sector and an openness to embracing emerging technologies, India has the potential to drive innovation in the convergence of AI and Web3.

Indian Perspective

However, similar to global trends, India faces challenges in terms of regulation, and technical expertise related to these technologies.

Conclusion

Thus, the integration of AI into Web3 platforms is not just a technical enhancement but a paradigm shift toward making blockchain accessible to a wider audience. By simplifying the user experience and reducing the barrier to entry, AI has the potential to catalyse the mass adoption of Web3. Together, AI and Web3 are reshaping the digital landscape into one that is more accessible, empowering, and inclusive for all.



BWA meets with Dr. T Sumathy, MP Lok Sabha, South Chennai



BWA had the incredible opportunity to meet with Dr. T. Sumathy, Member of Parliament, Lok Sabha (DMK) from South Chennai at her residence in New Delhi. We had an insightful discussion about the Web3 sector, India's Web3 landscape, and its' potential. We also discussed the various challenges faced by VDASPs and the need to regulate the sector.

BWA is grateful to Dr. T. Sumathy for her time and insightful discussions. This meeting strengthens our resolve to collaborate closely with policymakers, industry leaders, and stakeholders to drive the web3 revolution in India.

Meeting with Shri Jayant Singh Ji, MoS, MSDE



BWA had the honour of meeting with Shri Jayant Singh Ji, Hon'ble Minister of State (I/C) Ministry of Skill Development and Entrepreneurship & Hon'ble Minister of State for Education. The discussion focused on how BWA can contribute to preparing the new generation for Web3 opportunities and building an entrepreneur-friendly ecosystem.

As Web3 continue to transform industries and create new opportunities, we must equip our workforce with the necessary skills to thrive in this new era. BWA is committed to working with the Ministry towards:

1. Developing Web3-related curriculum and training programs
2. Fostering innovation and entrepreneurship in the Web3 space
3. Creating a robust skilling ecosystem for Web3 adoption

We're excited to explore collaboration opportunities with the Ministry to drive Web3 adoption, innovation, and skilling in India.

ASSOCHAM 2nd India International Fintech Festival: Session on Payments in Web 3.0 and Metaverse

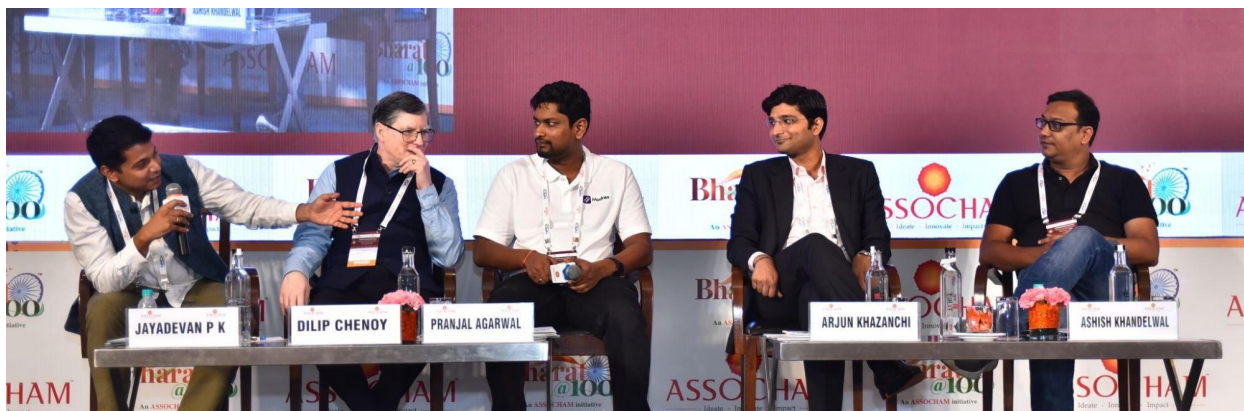


BWA and its member firms had the opportunity to participate in an insightful session on "Payments in Web 3.0 and Metaverse: Evolving growth of decentralization in global finance" at the ASSOCHAM (The Associated Chambers of Commerce and Industry of India) Second India International Fintech Festival in Delhi!

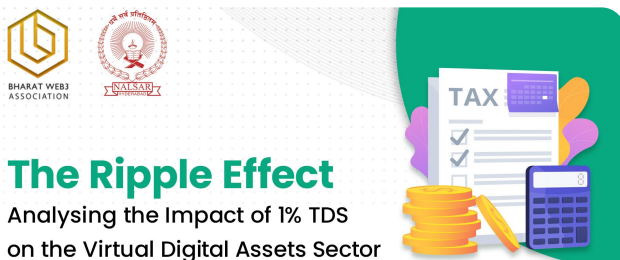
At the event, our chairperson spoke about the transformative potential of Web3 technologies in global finance in his keynote address.

The panel included:

- ➡ Moderator: Mr. Jayadevan P K (JPK), Head - Corporate Communications, PeepalCo
- ➡ Mr. Pranjal Agarwal, India Market Head, Mudrex
- ➡ Mr. Arjun Khazanchi, CEO, Rooba Finance
- ➡ Mr. Ashish Khandelwal, Founder, ANQ



LinkedIn Live session on "The Ripple Effect of 1% TDS on the Virtual Digital Asset Sector"



Moderator

Speakers

- Avinash Shekhar**
CEO, Taxnodes
- Professor Neha Pathakji**
Associate Professor, NALSAR
- Pranav Pagaria**
VP – Strategic Initiatives, CoINDCX
- Karan Ganna**
Senior Associate, Trilegal
- Vibhore Batwara**
Associate, Trilegal

Friday, 19th July 2024
6.00 PM to 6.50 PM
Bharat Web3 Association LinkedIn Page

During the session, we deep-dived into the recently published policy paper on the Effects of the 1% TDS on Tax Revenue and User Trends, authored by Professor Neha Pathakji, Associate Professor at NALSAR, and Meyyappan Nagappan N, Partner at Trilegal.

India Blockchain Tour 2024



Our Chairperson, Mr. Dilip Chenoy, recently attended the India Blockchain Tour in Hyderabad, where he engaged with some of the industry's leading minds. He also presented a session on "Transition from Web2 to Web3" highlighting the key differences and potential benefits of Web3. Mr. Chenoy was also part of an esteemed panel where the discussion focused on the "Importance of Community in Web3."

BWA welcomed new Affiliates to the Association!



Jumbo Blockchain

JumboBlockchain is revolutionizing the global blockchain landscape from India, setting a new standard for scalability, speed, and environmental sustainability. At the heart of its innovation lies the proprietary Proof of Nexus consensus mechanism, a groundbreaking approach that significantly reduces operational demands while boosting network efficiency.

Intract



At its core, Intract facilitates seamless exploration of new projects for Web3 enthusiasts while empowering dApp enterprises to cultivate a dedicated user base. It is a learn2earn platform that aims to empower viewers or users in marketing transactions. From mitigating the scourge of airdrop hunter bots to fostering authentic on-chain interactions, Intract spearheads a paradigm shift towards more equitable and meaningful user engagement strategies

Onmeta



Founded in April 2022, Onmeta provides enterprise on-ramp and off-ramp solutions (API/widget integration) for India & the Philippines to web3 companies to help them improve their user experience of buying/selling crypto on their platforms and accelerate their adoption by mainstream users. Onmeta is registered with the FIU as a reporting entity and engages in KYC, AML & taxation compliance in accordance with the applicable regulations in India.

Alabama legislator pushing for crypto, blockchain bill

Alabama Representative Mike Shaw, a Republican from Hoover, has announced plans to introduce legislation to regulate crypto and blockchain technology, as these technologies become more important to the state's residents.

This announcement follows a meeting last month between Alabama crypto stakeholders, including lawmakers and businesses, to discuss beneficial regulations for the crypto market and blockchain technology.

During a Wednesday address at a town hall meeting in Montgomery organized by Coinbase, a crypto exchange firm, Shaw stated that the proposed legislation will be introduced next year. He acknowledged that while the specifics of the legislation are still unclear, he is committed to developing a proposal, though it will require some time.

[Read more](#)

RBI Deputy Governor highlights urgent need to evolve deposit insurance system

BI Deputy Governor, Michael Patra on Tuesday emphasised the need for advancement in banking, especially in the field of deposit systems, and highlighted blockchain technology in digitising deposits in Indian banking.

Mr. Patra's speech addressed the rise of tokenised deposits, which act as digital representations of traditional bank deposits on blockchain.

He noted the benefits of tokenised deposits, such as faster settlements and increased liquidity, while noting the need for regulatory frameworks and the possibility of operational challenges.

[Read more](#)

Russia to allow crypto payments in international trade

Russian lawmakers approved legislation allowing companies to utilize crypto for international trade.

The new legislation mandates that only Russian legal entities and individual entrepreneurs registered with the government can engage in crypto mining. However, individual miners are allowed to participate without registration as long as their energy consumption stays within government-set limits.

[Read more](#)

California DMV puts 42 million car titles on blockchain to fight fraud

California's Department of Motor Vehicles (DMV) has digitized 42 million car titles using blockchain technology to detect fraud and streamline the title transfer process, the agency and its technology partners told Reuters on Tuesday.

In collaboration with tech company Oxhead Alpha on Ava Labs' Avalanche blockchain, the project will enable California's more than 39 million residents to claim their vehicle titles through a mobile app, the first such initiative in the United States.

Digitizing car titles will lessen the need for in-person DMV visits, and the blockchain technology will also serve as a deterrent against lien fraud.

[Read more](#)

Crypto Is Booming Again in NY as Sentiment Turns Positive

More than a dozen crypto-related companies, both large and small, have opened or are planning to open offices in New York this year. This shift is largely due to the increasingly favorable sentiment toward crypto as the sector recovers from years of turmoil. Additionally, Silicon Valley is now focusing on the latest hot sector—artificial intelligence.

During the previous crypto bear market, combined with increased regulatory crackdowns in the US, many crypto startups and founders left the city over the past two years. However, the US Securities and Exchange Commission has faced setbacks in its ongoing battles with the industry. The approval and launch of Bitcoin exchange-traded funds in the US earlier this year have also been celebrated as a significant milestone for the sector.

[Read more](#)

Bitget to host its first-ever meetup in Sri Lanka to spread crypto

Bitget, the leading crypto exchange and Web3 company, announced its first-ever meetup in Sri Lanka, aimed at raising awareness about crypto and blockchain technology among its users in the country.

This event is open to the entire crypto community, including key opinion leaders (KOLs), influencers, crypto traders, and blockchain enthusiasts. Attendees will have the chance to engage in insightful discussions on crypto, blockchain, and emerging technologies. Additionally, there will be a session introducing Bitget, offering valuable insights into its services and vision.

[Read more](#)

National News

Investment advisers, analysts must disclose AI tool usage to clients: Sebi

Sebi has proposed that registered Investment Advisers and Research Analysts who employ artificial intelligence (AI) tools in their services must disclose the extent of usage to clients, emphasizing the importance of strong security measures to avoid unintended data exposure.

This transparency is crucial for clients to understand how AI tools contribute to their investment decisions and to make informed choices about their advisory services.

[Read more](#)

Indian City of Raipur Puts Real Estate Records on Blockchain With Airchains

Raipur, Chhattisgarh, has started bringing its real estate records on to the blockchain with the help of Airchains, which builds blockchain-based bespoke privacy models through its use of zero-knowledge fully homomorphic encryption (zk-FHE)

The Raipur Municipal Corporation administers the area issuing more than 8,000 building permits, work orders, and colony development permissions annually. The corporation floated a tender to have its records on blockchain and Airchains emerged as the partner through that process, Abinash Mishra, Commissioner, Raipur Municipal Corporation told CoinDesk in an interview.

[Read more](#)

Binance All Set to Return, Registers with FIU-IND

World's largest crypto exchange Binance is back with a bang in India, as its website and app go live following nearly seven months of ban for not registering with the Financial Intelligence Unit in India (FIU-IND).

The exchange announced the same on August 15, adding that this marks its 19th global regulatory milestone and its commitment to compliance with anti-money laundering (AML) standards in India as well as any other jurisdiction it operates in.

[Read more](#)

Trifecta to raise \$240-M for fourth venture debt fund

Venture Debt firm Trifecta Capital has launched its fourth fund, aiming to raise up to INR 2,000 crore (around USD 240 million), including a greenshoe option of Rs 500 crore. Trifecta Capital expects to draw interest from investor classes including global financial institutions, domestic conglomerates, banks, insurance firms and development financial institutions.

It will deploy the funds across sectors excluding "risky sectors" such as crypto, gaming and peer-to-peer (P2P) lending. The firm, which has backed the likes of Zepto, Meesho, BlueStone and Urban Company, has so far deployed INR 6,000 crore from its three funds, including recycled capital.

[Read more](#)

International News

Capula, Schonfeld, Point72 among hedge funds riding Bitcoin ETFs

Hedge funds, pensions and banks continued to lavish capital into exchange-traded funds that invest directly in Bitcoin, as more traditional investors embrace the asset class that US regulators begrudgingly helped push into the mainstream at the beginning of the year. Among the most well-known buyers that have emerged are hedge funds like Millennium Management.

[Read more](#)

BloFin Announced as Diamond Sponsor for European Blockchain Convention 2024

BloFin Exchange, a leading crypto exchange, proudly announces its role as a Diamond Sponsor for the European Blockchain Convention (EBC) 2024. Set to take place in Barcelona, EBC is one of Europe's premier blockchain events, gathering industry professionals, innovators, and thought leaders from around the globe for meaningful dialogue and collaboration.

[Read more](#)

WSPN Appoints Stablecoin Expert Austin Campbell as Head of Strategy

WSPN, a globally recognized digital payments company known for its flagship stablecoin product Worldwide USD ("WUSD"), announced the appointment of Austin Campbell, a recognized expert in stablecoin and digital asset markets, as its new Head of Strategy.

[Read more](#)

Crypto Democrats rally behind Harris campaign in push for policy revamp

Billionaire Mark Cuban, Wall Street financier Anthony Scaramucci and congressman Adam Schiff were among a group of crypto advocates who called on Kamala Harris to reset the Democratic party's policy on digital assets ahead of the November election.

[Read more](#)

Ripple Partners with DIFC Innovation Hub in Dubai

In a pronouncement that breaks waves in blockchain and crypto solutions, Ripple has formed a landmark partnership with the DIFC Innovation Hub, the premier innovation ecosystem of the Dubai International Financial Centre. This decision sees the joint venture look to advance with innovations in the blockchain and digital asset landscape across the UAE

[Read more](#)

Europe Fantasy Token a Pioneering Web3Based Fantasy Football Game

The Europe Fantasy League (EUFT) is a pioneering web3based fantasy football game that integrates the excitement of real-world football with the cutting-edge technology of blockchain. Launched in conjunction with Euro 2024, EUFT offers an immersive experience for football enthusiasts and fantasy sports players alike.

[Read more](#)

International News

CoinEx Sponsors CONN3CT Cebu Philippines: Empowering the Local Web3

CoinEx recently took center stage as a Gold Sponsor at CONN3CT CEBU, an innovative event series dedicated to connecting the people of Cebu with the fast-evolving world of Web3. Spanning three weeks, the event captured the attention of a highly engaged audience, eager to explore the latest in Web3.

[Read more](#)

Robinhood's Q2 revenue surges on strong trading in stocks, crypto

Robinhood reported a surge in second quarter revenue, boosted by strong trading in equities and crypto assets, sending shares up 2% after the bell. Its equity trading volumes surged 82% in April and 76% in May, compared with a year earlier.

[Read more](#)

Economist Raoul Pal on Crypto Plunge: Literally Nothing, Regular Day in Trenches

While more and more crypto traders and analysts are sharing bearish views on the current market phase, Raoul Pal sees nothing to worry about. He also shared his views on meme coin performance and unveiled whether his Solana (SOL) bags are underwater.

[Read more](#)

Sony Bank's new NFT App Connect

Sony Financial Holdings' subsidiaries are independently exploring Web3 to connect with the next generation of consumers. In a recent move, Sony Bank introduced an NFT app called 'Connect.' This app allows customers to hold, trade, and collect digital collectibles, all through their phone.

[Read more](#)

Bitunix Awarded 2024 Most Trusted Exchange, Reaching Key Milestone in

Global tax authorities, through the Joint Chiefs of Global Tax Enforcement (J5), have issued risk indicators for financial institutions to help detect illicit activities involving crypto assets. These indicators aim to combat tax evasion and money laundering facilitated by crypto.

[Read more](#)

Solana Token's Rally Reflects Protocol's Potential, Says Web3 Advocate

Meanwhile, when asked about venture capitalists' interest in Web3 projects in 2024, Zhu noted a more measured approach compared to three years ago. While there has been renewed interest from venture capital firms, their pace of investment appears less frenzied, he said. Factors such as the maturity of the crypto market and increased institutional investor participation contribute to this trend.

[Read more](#)

Indian City of Raipur Puts Real Estate Records on Blockchain With Airchains

- Raipur, the capital city of Chhattisgarh in India, has embarked on digitizing its real estate records by utilizing blockchain technology, with support from Airchains. Airchains specializes in creating bespoke privacy models on blockchain using zero-knowledge fully homomorphic encryption (zk-FHE).
- The Raipur Municipal Corporation, responsible for the administration of the area, annually processes over 8,000 building permits, work orders, and colony development permissions.
- Through a tender process initiated by the Raipur Municipal Corporation to migrate its records onto blockchain, Airchains was selected as the implementation partner.
- The Corporation, which issues building permission certificates, previously faced challenges like document forgery. To address these, they collaborated with Airchains to develop the current blockchain solution and are now exploring the digital documentation of other essential services typically provided by urban bodies, such as birth, death, and marriage certificates.

[Read more](#)

California digitizes car titles, putting 42 million vehicles on the blockchain

- In an effort to fight fraud and speed up transfer times, the California DMV has digitized 42 million car titles. The DMV intends to allow users to claim their vehicle's title through an app from next year.
- California is planning to develop an app and a digital wallet that will enable residents to access their vehicle titles. However, since the infrastructure and app are still being refined, digital access to titles won't be available for owners until early 2025.
- Oxhead Alpha is managing the digitization process using its Avalanche blockchain platform. According to Oxhead Alpha, vehicle owners will be able to claim their titles within minutes through a secure wallet app, allowing them to track and manage pink slips in a single location. This will reduce the need for trips to the DMV and post office, significantly speeding up a process that previously could take weeks.

[Read more](#)

AI-Enhanced Smart Contracts



AI-Enhanced Smart Contracts are smart contracts that incorporate AI algorithms to make more complex decisions and automate more sophisticated processes. For example, AI can be used to predict market trends and automatically adjust contract terms based on those predictions, making smart contracts more dynamic and responsive.

Tokenized Machine Learning Models



Tokenized Machine Learning Models involve creating tokens that represent the ownership or usage rights of a machine learning model. These tokens can be traded on a blockchain, allowing decentralized access and monetization of AI models. This can democratize AI by allowing smaller entities to access and utilize powerful machine learning models.

About Us

Bharat Web3 Association (BWA)



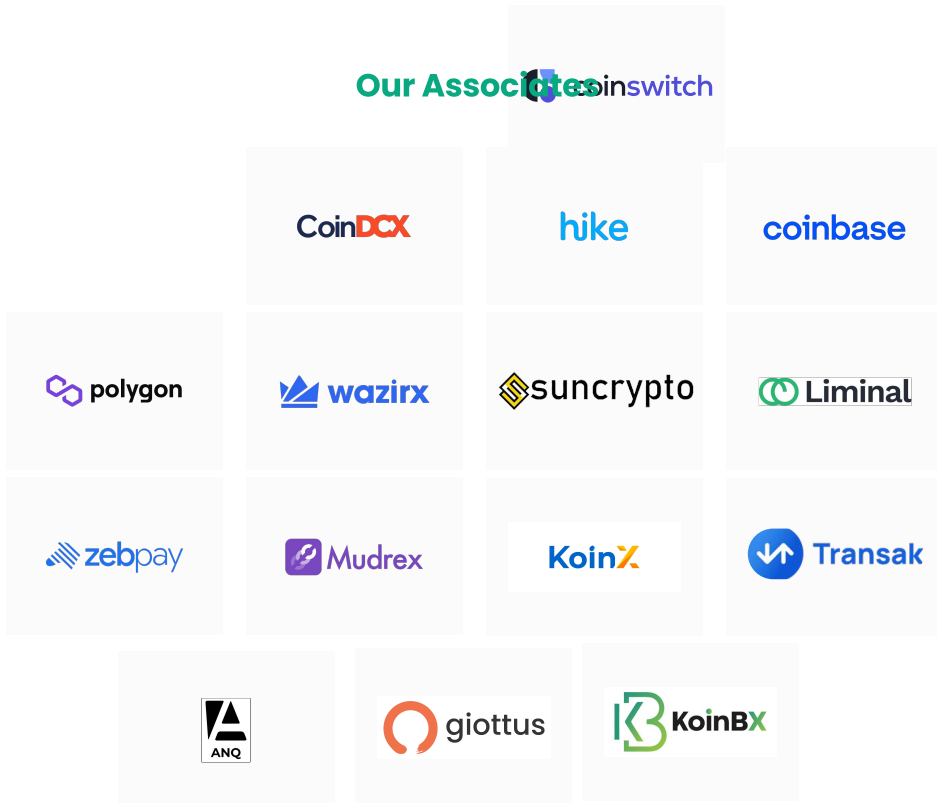
**BHARAT WEB3
ASSOCIATION**

Educate Collaborate Promote

Bharat Web3 Association (BWA), is a platform that brings together leading Web3 players to enable and support the growth of India's Web3 ecosystem which includes Virtual Asset Service Providers (VASPs), Web3 Developers and infrastructure providers.

BWA believes that India has the potential to lead the world over the next decade by building a strong Web3 ecosystem in the country, in line with the government's "Make-in-India" and Digital India initiatives.

Our Associates



Meeting with Ms Nidhi Khare, Secretary, Department of Consumer Affairs



The Bharat

Workshop with EGrow Foundation on 'Digital India: The Way Forward'



The Bharat Web3