BHARAT WEB3 ASSOCIATION

NEWSLETTER

July 2026

INSIDE THE ISSUE

- *Monthly Recap*
  Noteworthy Activities of the Association

- *Policy News*
  Updates from around the World

ENGAGEMENT WITH JPC CORPORATE LAWS (AMMENDMENT) BILL

Continuing with our effort to engage with a broad range of important stakeholders on issues impacting the VDA and Web3 sectors in India, the Bharat Web3 Association was privileged to be invited by the Joint Parliamentary Committee on the Corporate Laws (Amendment) Bill, 2026, where we were given the opportunity to present the sector's views on a range of relevant matters.

This engagement reflects the growing recognition of the Web3 and Virtual Digital Assets (VDA) ecosystem in India's policy discourse. We remain grateful to the Govt of India, regulators, lawmakers, and other relevant stakeholders, who have ensured that discussions and sharing of perspectives, even if divergent, has continued in the VDA and Web3 sectors.

Guided by our core pillars of Educate, Collaborate, and Promote, BWA remains committed to contributing to responsible innovation, enabling constructive dialogue, and supporting a future-ready regulatory framework for India's digital economy.

UPDATES FROM BWA MEMBERSHIP

BitDelta India launched the official logo for CrypTution, an education and certification platform focused on virtual digital assets.The platform offers structured educational content, simulated market experience, and certification programmes to enhance users' understanding of virtual digital assets before they engage in live trading.

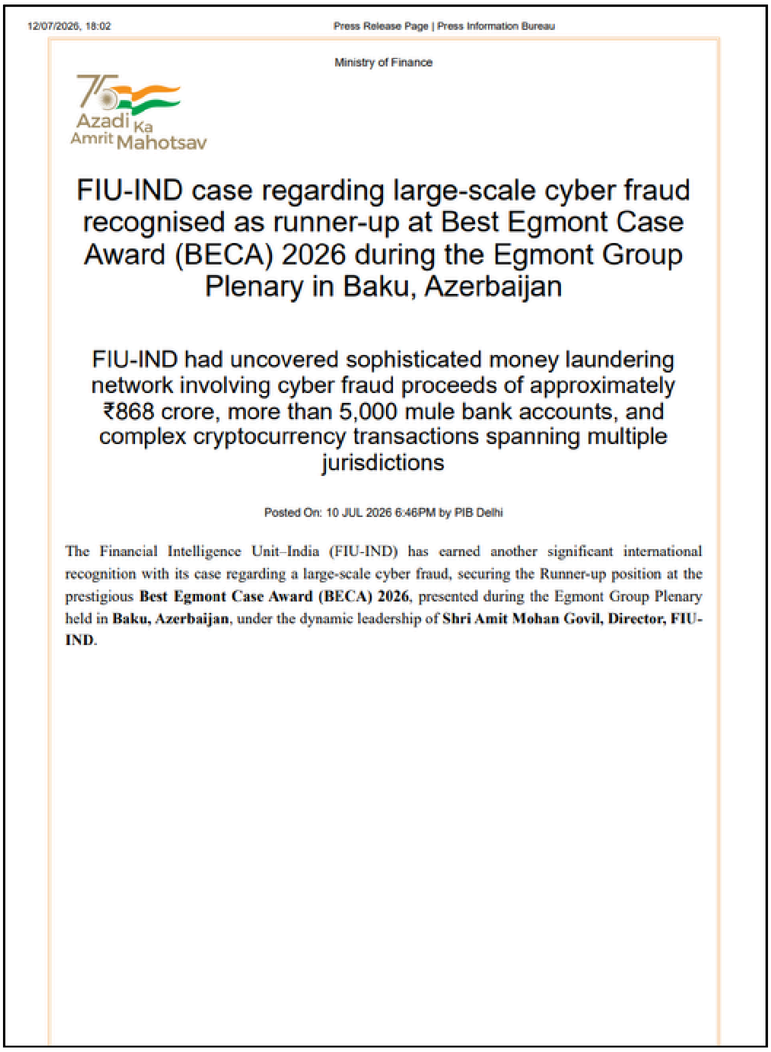
INDIA-SPECIFIC DEVELOPMENTS

FIU-IND receives global recognition at the Best Egmont Case Award 2026.

The Financial Intelligence Unit–India (FIU-IND) secured the Runner-up position at the Best Egmont Case Award (BECA) 2026 during the Egmont Group Plenary in Baku, Azerbaijan. The award recognises excellence in financial intelligence and international cooperation.

FIU-IND's analysis uncovered a sophisticated money laundering network involving approximately Rs. 868 crore in cyber fraud proceeds, 5,000+ mule bank accounts, and complex cross-border cryptocurrency transactions.

Bharat Web3 Association applauds FIU-IND's efforts in strengthening India's AML/CFT framework through intelligence-led enforcement and international collaboration.



12/07/2026, 18:02 Press Release Page | Press Information Bureau

Ministry of Finance

FIU-IND case regarding large-scale cyber fraud recognised as runner-up at Best Egmont Case Award (BECA) 2026 during the Egmont Group Plenary in Baku, Azerbaijan

FIU-IND had uncovered sophisticated money laundering network involving cyber fraud proceeds of approximately ₹868 crore, more than 5,000 mule bank accounts, and complex cryptocurrency transactions spanning multiple jurisdictions

Posted On: 10 JUL 2026 6:46PM by PIB Delhi

The Financial Intelligence Unit–India (FIU-IND) has earned another significant international recognition with its case regarding a large-scale cyber fraud, securing the Runner-up position at the prestigious **Best Egmont Case Award (BECA) 2026**, presented during the Egmont Group Plenary held in **Baku, Azerbaijan**, under the dynamic leadership of **Shri Amit Mohan Govil, Director, FIU-IND**.

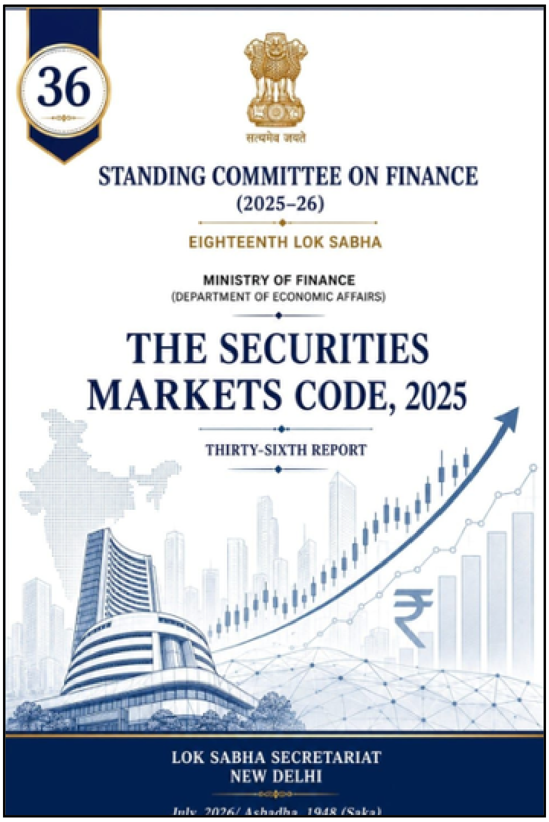
INDIA-SPECIFIC DEVELOPMENTS

Bharat Web3 Association welcomes the recommendations of the Parliamentary Standing Committee on Finance in its report on the Securities Markets Code, 2025, recommending that the Government comprehensively examine an appropriate statutory and regulatory framework for Virtual Digital Assets (VDAs).

The Committee has further recommended that, pending such a framework, the Government consider an interim regulatory mechanism through recognised Self-Regulatory Organisations (SROs) operating under the oversight of the designated regulator, with minimum standards for governance, transparency, disclosure, investor protection, grievance redressal, compliance and appropriate regulatory oversight.

BWA has been at the forefront of seeking regulatory clarity for the VDA sector in India, encapsulating the objectives of risk mitigation, investor awareness and protection, while promoting tech innovation and supporting compliant Indian startups and entities in the VDA VASP and larger Web3 sectors. Our presentation and recommendations to the Hon. Finance Committee detailed our aspirations of India as a global VDA and Web3 leader.

We sincerely appreciate the Committee's considered recommendations and look forward to continued engagement with all stakeholders to support the development of a robust and responsible regulatory framework for India's VDA ecosystem.



GLOBAL DEVELOPMENTS

Bank for International Settlements Publishes Annual Economic Report 2026

The Bank for International Settlements (BIS) has released its Annual Economic Report 2026, including a chapter titled "Anchoring Trust in Money: Innovation Beyond Stablecoins." The report sets out policy measures for stablecoin arrangements, including capital requirements for issuers, liquidity requirements for reserve assets, protections for coin holders, conditional access to central bank liquidity under safeguards, and disclosure and resolution mechanisms. It proposes a "unified ledger" architecture integrating tokenised central bank reserves, tokenised commercial bank money, other regulated private money, and tokenised assets on a common programmable platform, and addresses the need for international regulatory cooperation on cross-border risks.

IMF Publishes Analysis on Tokenisation and Global Financial Architecture

Tobias Adrian, Financial Counsellor and Director of the IMF's Monetary and Capital Markets Department, has published an analysis on the potential of tokenisation to reshape the global financial architecture across payments, securities, and financial market infrastructures. The analysis states that while tokenisation can improve efficiency, reduce settlement times, and enable programmable finance, policy decisions on interoperability, legal frameworks, governance, and oversight will determine whether tokenised finance strengthens or fragments the global financial system.

FATF Releases 7th Targeted Update on Virtual Assets and VASPs

The Financial Action Task Force (FATF) has released its 7th Targeted Update on the Implementation of the FATF Standards on Virtual Assets and Virtual Asset Service Providers. The report notes that 83% of surveyed jurisdictions have enacted legislation implementing the Travel Rule, up from 73% in 2025, and that 89% have established a regulatory approach for the sector. It identifies persistent gaps in licensing, supervision, and enforcement, and in addressing emerging risks related to stablecoins, offshore VASPs, unhosted wallets, and decentralised finance.

SEC Announces Proposed Crypto Rule Changes Under 2026 Regulatory Agenda

The U.S. Securities and Exchange Commission (SEC) has announced proposed rule changes under its 2026 regulatory agenda to clarify the regulatory framework for crypto assets. Per SEC Chair Paul Atkins, the agenda includes proposed rules relating to crypto broker-dealers, digital assets traded on alternative trading systems and national securities exchanges, and potential exemptions and safe harbors for digital assets. The SEC stated that the proposals are intended to facilitate capital formation, accommodate innovation, and ensure investors receive the information needed to make informed decisions.

GLOBAL DEVELOPMENTS

Senate Releases Updated Draft of Digital Asset Market Clarity Act

The U.S. Senate has released an updated draft of the Digital Asset Market Clarity Act (CLARITY Act), introducing ethics provisions that would prohibit the President, Vice President, Members of Congress, federal judges, other covered federal officials, and their spouses from issuing or sponsoring digital assets for compensation while in office. The draft would require covered officials to divest crypto holdings or place them in a blind trust until 20 January 2029, and proposes penalties of up to US$250,000 per day for violations. The revised bill is expected to be considered by the Senate in the coming weeks.

UK Government Publishes Update to Retail Payments Modernisation Blueprint

On 2 July 2026, the UK government published an update to its retail payments modernisation blueprint, identifying tokenisation, programmable payments, and interoperability with new forms of digital money as key components of future payments infrastructure. The roadmap supports a "multi-money ecosystem" enabling emerging forms of digital money, including stablecoins and tokenised deposits, to interact with traditional payment systems. The update aligns with the FCA crypto regulatory framework and ongoing reforms to the payments regime.

HMRC Publishes Draft Legislation on Tax Treatment of Stablecoins

On 13 July 2026, HM Revenue & Customs (HMRC) published draft legislation for the Finance Bill 2026–27 proposing a new tax framework for eligible stablecoins, effective from 6 April 2027 for individuals and trustees and from 1 April 2027 for companies. Under the proposed rules, disposals of eligible stablecoins by individuals and trustees would be exempt from Capital Gains Tax, while interest-like returns would be taxed as savings income. HMRC also published draft legislation introducing "no gain, no loss" treatment for qualifying cryptoasset lending and liquidity pool transactions. Both measures are open for technical consultation until 7 September 2026.

US Treasury and UK HM Treasury Publish Joint Roadmap on Tokenisation and Stablecoins

On 14 July 2026, the US Department of the Treasury and the UK's HM Treasury jointly published a ten-point roadmap developed by the Transatlantic Taskforce for Markets of the Future to strengthen cooperation on tokenisation and stablecoins. The recommendations include a one-year private sector-led initiative to test cross-border tokenised asset use cases, common regulatory approaches among the Bank of England, CFTC, FCA, and SEC on settlement finality for tokenised securities, and exploring the eligibility of stablecoins and tokenised money market funds as margin collateral at central counterparties.

GLOBAL DEVELOPMENTS

ESMA Requires Unauthorised CASPs to Wind Down Ahead of MiCA Transitional Period Expiry

The European Securities and Markets Authority (ESMA) has issued a Public Statement requiring unauthorised Crypto-Asset Service Providers (CASPs) to commence an orderly wind-down of activities ahead of the expiry of the transitional period under the Markets in Crypto-Assets (MiCA) Regulation on 1 July 2026. The statement requires such firms to cease onboarding new EU clients, stop marketing and solicitation, and restrict services to those necessary for the transfer, sale, reallocation, or closure of existing client positions, while maintaining clear client communication and continued compliance with AML/CFT obligations and client protection requirements.

ESMA Launches Common Supervisory Action on CASP Digital Operational Resilience

ESMA has launched a Common Supervisory Action on the digital operational resilience of authorised CASPs offering custody services. National competent authorities will assess governance, key management, transaction controls, incident response, smart contract risks, and third-party dependencies through the first half of 2027. ESMA has also issued clarifications on the regulatory treatment of crypto lending, custody, and investment advice under MiCA.

ECB Selects 36 Payment Service Providers for Digital Euro Pilot

The European Central Bank (ECB) has selected 36 payment service providers from across the euro area to participate in the digital euro pilot, which will test the technical functionality, operational processes, and user experience of a potential digital euro. Following a call for expressions of interest in March 2026, the Eurosystem received more than 50 applications from banks and non-bank payment service providers. The pilot is scheduled to begin in the second half of 2027 and run for 12 months.

South Korea FSC Launches Review of Capital Market Infrastructure Including Tokenised Securities

South Korea's Financial Services Commission (FSC) has launched a review of the country's capital market infrastructure, with tokenised securities included as part of a broader market modernisation initiative. The review will examine shorter securities settlement cycles, expanded trading hours, greater use of artificial intelligence, and enhanced settlement infrastructure for unlisted securities. The FSC stated that tokenised securities will continue to be discussed through a dedicated public-private council before incorporation into the broader reform agenda.

GLOBAL DEVELOPMENTS

South Korea MOEF Announces National Asset Basic Act to Replace State Property Act of 1950

South Korea's Ministry of Economy and Finance (MOEF) has announced plans to introduce the National Asset Basic Act, replacing the State Property Act of 1950 as part of an effort to modernise the state asset management framework. The proposed legislation would expand the definition of state assets to explicitly include digital assets and intellectual property. The ministry reaffirmed plans to pilot the tokenisation of government bonds on blockchain by 2027 and will explore the tokenisation of state-owned real estate to encourage greater retail participation.

ASIC Extends No-Action Position for Digital Asset Businesses to 30 September 2026

The Australian Securities and Investments Commission (ASIC) has extended its sector-wide no-action position for digital asset businesses until 30 September 2026, providing eligible firms additional time to apply for or vary an Australian Financial Services (AFS) licence. The extension expands the no-action position to cover businesses operating under authorised representative and intermediary authorisation arrangements with an AFS licence holder. ASIC stated that it has received approximately 30 licence applications since updating its digital asset guidance in October 2025.

South Africa SARS Publishes Draft Guidance on Crypto Asset Tax Treatment

The South African Revenue Service (SARS) has published draft guidance clarifying the tax treatment of crypto assets under the country's existing income tax and capital gains tax framework. The guidance provides that most crypto asset activities, including trading, swapping, and spending, are generally treated as disposals that may trigger tax events, subject to the specific facts and circumstances of each taxpayer. It reiterates that crypto assets are not recognised as legal tender or foreign currency for tax purposes but are treated as intangible assets.

ABOUT US

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 MEMBERSHIP

coinswitch | CoinDCX | coinbase | Delta. Exchange | wazirx

BitGo | Liminal | Ava Labs. | zebpay | Mudrex

Transak | giottus | SUNCRYPTO | COFINEX.IO Cofinex's got it all! | BitDelta India

Black Dot Public Policy Advisors | WEBTIGA | HORNET | Dorando | Intract.

FinStep Asia | Pi42

EDUCATE

Through research to keep pace with evolving Technology

COLLABORATE

To encourage Web3 and Blockchain Innovation and nurture India's Talent Pool

PROMOTE

Dialogue between key stakeholders

Office No. 1313H, 12th floor, Ambadeep Building, KG Marg, New Delhi 110001

+91 93114 07870

secretariat@bharatweb3association.com

www.bharatweb3association.com