BHARAT WEB3 ASSOCIATION

NEWSLETTER

June 2026

INSIDE THE ISSUE

- *Monthly Recap*
  Noteworthy Activities of the Association

- *Policy News*
  Updates from around the World

BHARAT WEB3 ASSOCIATION

CHAIRPERSON REMARKS AT SKOCH SUMMIT

In June 2026, Bharat Web3 Association Chairperson Mr Dilip Chenoy, spoke at the 108th SKOCH Summit. He shared perspectives on "Innovation and Moving India Up the Value Chain," commenting on India's innovation ecosystem, the role of emerging technologies in economic growth, and the need for continued collaboration between industry and policymakers.

UPDATES FROM BWA MEMBERSHIP

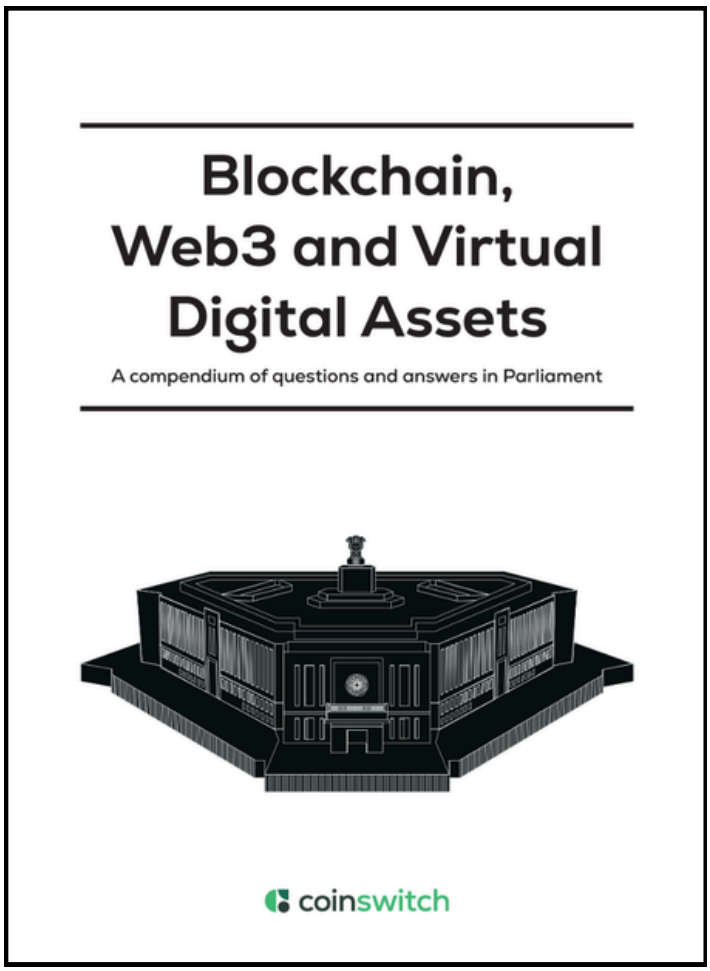
Our member **CoinDCX** has published a report titled ‘Agentic Payments and the Case for Crypto Rails’.

The report covers how the emergence of AI agents could reshape digital payments and examines the role of crypto rails in enabling autonomous, programmable, and cross-border transactions. It also discusses the infrastructure, policy, and regulatory considerations necessary to support agentic payments, including wallet architecture, digital identity, interoperability, compliance, and secure value transfer.

UPDATES FROM BWA MEMBERSHIP

BWA is pleased to share the 2025–26 Parliamentary Q&As Compendium on Blockchain, Web3 and Virtual Digital Assets, prepared by our member, CoinSwitch.

The compendium consolidates parliamentary questions and government responses on the sector, providing a single reference source for key policy, regulatory, taxation, and compliance developments relating to Virtual Digital Assets in India.



UPDATES FROM BWA MEMBERSHIP

BWA Welcomes BitDelta India as Newest Member

The Bharat Web3 Association welcomed BitDelta India as its newest member, reaffirming its commitment to constructive dialogue, industry best practices, and sustainable growth of India's VDA ecosystem.

As India’s virtual digital asset ecosystem continues to evolve, BWA looks forward to working closely with BiTDelta India to advance our shared vision of fostering a robust, compliant, and innovation-driven virtual digital asset ecosystem in India.

Together, we remain committed to supporting constructive dialogue, industry best practices, and the sustainable growth of the sector.

Member Mudrex Publishes Report on India's Crypto Trader Behaviour

BWA member Mudrex has published "How India Trades Crypto 2026: A Behavioural Profile of India's Crypto Traders," examining the growing adoption of long-term investment strategies and rising participation among women investors. The report includes a foreword by BWA Chairperson Dilip Chenoy on balanced regulation, responsible innovation, consumer protection, and collaborative policymaking.

INDIA-SPECIFIC DEVELOPMENTS

Authored Article on India's VDA Tax Framework

R Venkatesh, SVP and Head of Public Policy at CoinSwitch authored an opinion article in Moneycontrol examining India's VDA tax framework and the case for moving from tax clarity to competitive policy design. The article argues that while the 2022 framework established compliance discipline, evolving global reporting standards may warrant reassessment of transaction-level taxation, loss treatment, and alignment with capital market principles.

GLOBAL DEVELOPMENTS

Japan's Ruling Party Proposes Crypto Tax and ETF Reforms
Lawmakers from the Liberal Democratic Party's Parliamentary Association for the Promotion of Blockchain have submitted recommendations to Finance Minister Satsuki Katayama on advancing Japan's digital asset ecosystem. The recommendations cover reforms to VDA taxation, support for yen-denominated stablecoins, a framework for VDA ETFs, CBDCs, broader blockchain applications, and an increased leverage cap for retail VDA derivatives trading.

Japan's Lower House Passes Bill to Bring VDAs Under Financial Instruments Framework
Japan's Lower House has passed a bill subjecting virtual digital assets to financial instrument regulations similar to those applicable to stocks and bonds, pending Upper House approval. The legislation could create a pathway for VDA-linked ETFs and proposes replacing the current tax rate of up to 55% with a flat 20% rate aligned with stocks and bonds, expected to take effect in 2028.

Bhutan Launches Accelerated Licensing Pathway for Digital Asset Firms
Bhutan's Gelephu Mindfulness City has introduced a fast-track licensing process for globally regulated digital asset firms already licensed in jurisdictions including Singapore, Abu Dhabi Global Market, and Hong Kong. Licensed firms will receive access to corporate banking services through DK Bank.

Hong Kong Concludes Consultation on Virtual Asset Advisory Licensing Regime
The Financial Services and the Treasury Bureau and the Securities and Futures Commission have concluded consultations on proposed licensing regimes for virtual asset advisory and management service providers. The framework will align virtual asset activities with existing securities advisory and asset management regulations under a "same business, same risks, same rules" principle, with legislation targeted by year-end.

FDIC Board Approves AML/CFT Rulemaking for Stablecoin Issuers
The FDIC Board has approved a Notice of Proposed Rulemaking to establish Bank Secrecy Act, AML/CFT, and sanctions compliance standards for FDIC-supervised permitted payment stablecoin issuers under the GENIUS Act. Affected issuers would be required to comply with FinCEN and OFAC requirements, including AML/CFT programs, sanctions compliance, customer identification, and reporting obligations. Public comments will be accepted for 60 days following Federal Register publication.

GLOBAL DEVELOPMENTS

UK FCA Proposes Allowing Authorised Funds to Hold Crypto ETNs
The Financial Conduct Authority has proposed permitting certain authorised investment funds, including eligible UCITS and non-UCITS retail funds, to hold cryptoasset exchange-traded notes subject to a 10% limit of scheme property. The proposal, part of Quarterly Consultation Paper No. 52, follows the FCA's earlier decision to permit retail investor access to crypto ETNs.

SEC Releases Draft Strategic Plan for FY2026–2030
The U.S. Securities and Exchange Commission's Draft Strategic Plan identifies digital assets and distributed ledger technologies as the first regulatory objective under Goal 1. Priorities include clarifying the application of securities laws to digital assets, facilitating tokenized capital formation, supporting on-chain financial infrastructure, and coordinating with the CFTC on custody, trading, and staking oversight.

SEC and CFTC Issue Joint Interpretation on Crypto Assets and Securities Laws
The SEC and CFTC have issued a joint interpretation introducing a five-part taxonomy for crypto assets. Digital commodities, digital collectibles, and digital tools are generally classified as non-securities, while tokenized traditional financial instruments remain securities. The interpretation clarifies application of the Howey test and states that network validation, certain staking arrangements, staking receipt tokens, crypto asset wrapping, and specific airdrops generally do not involve the offer or sale of securities.

US Lawmakers Introduce Federal Cryptocurrency Theft Enforcement Bill
Representatives Lance Gooden and Josh Gottheimer have introduced the Federal Cryptocurrency Theft Enforcement and Coordination Act, proposing a DOJ-led task force to coordinate investigations into cryptoasset theft and related crimes across the FBI, Homeland Security Investigations, and FinCEN. The bill also proposes best practices for blockchain forensics, law enforcement training, international cooperation, and annual reporting to Congress.

Bank of England Publishes Draft Code of Practice for Systemic Stablecoins
The Bank of England has published a Policy Statement and draft Code of Practice for systemic stablecoin issuers. The framework permits up to 70% of backing assets to be held in short-term UK government debt, with the remainder in central bank deposits, and introduces a temporary £40 billion issuance guardrail per stablecoin. Feedback is invited by 22 September 2026, with the Code targeted for finalisation by end-2026 and systemic stablecoins expected to operate from 2027

GLOBAL DEVELOPMENTS

Malta's MFSA Seeks Feedback on DeFi Regulatory Framework Under MiCA
Malta's Financial Services Authority has released a discussion paper on a potential regulatory framework for decentralized finance under the EU's MiCA regulation, proposing a new legal category for "software-based organizations" covering DAOs and other software-governed DeFi entities. The consultation closed on 10 July 2026.

CEPR and LTI@UniTo Publish Report on Blockchain Decentralisation
CEPR and LTI@UniTo have released "Can Blockchain Decentralise Money, Contracts, and Finance?", examining the conditions underpinning blockchain decentralisation, the economic value of decentralised money and contracts, and challenges including coordination failures and new DeFi intermediaries.

GDF, Block, TRM Labs, and Coinbase Publish Report on Self-Custody Wallets
Global Digital Finance and Block, in partnership with TRM Labs and Coinbase, have published a report on self-custody wallets, analysing their role in payments, remittances, financial inclusion, and DeFi based on transaction data covering more than 318,000 wallet addresses and approximately $40.6 billion in transaction volume. The report addresses common misconceptions on illicit finance risk and offers policy recommendations.

Standard Chartered and Zodia Markets Report on Non-USD Stablecoins
Standard Chartered and Zodia Markets have published "Beyond Concentration: Where Non-USD Stablecoins Can Scale," noting that USD-backed stablecoins account for over 98% of total market capitalisation while identifying accessibility, speed, and stability as key drivers of demand for non-USD alternatives in cross-border payments.

IMF Publishes Country Focus Note on Stablecoins in Nigeria
The International Monetary Fund has published a Country Focus note examining the growing use of stablecoins in Nigeria's cross-border payments ecosystem, covering opportunities for payment efficiency and financial inclusion alongside considerations for monetary stability, regulatory oversight, and financial integrity.

BHARAT WEB3 ASSOCIATION

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, BYBIT, COFINEX.IO Cofinex's got it all!
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

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