

DIGITAL CURRENCY CIRCULATION BILL: MOVING TO REGULATED MARKET INFRASTRUCTURE

20 April 2026

*On April 1, 2026, the Government of the Russian Federation introduced a comprehensive draft law "On Digital Currency and Digital Rights" (hereinafter referred to as the "**Draft Law**") to the State Duma ¹, which amends and supplements the existing regulation established by the Law on Digital Financial Assets (DFA)².*

The Draft Law introduces a licensed model for the crypto market in Russia, within which transactions with digital currencies are permitted solely through a limited set of authorized participants (exchanges, brokers, management companies, and depositories) supervised by the Bank of Russia, while simultaneously imposing requirements for investor access, information disclosure, and transaction control.

This material is based on information from public sources and is for reference purposes only. It does not constitute advice or a legal opinion. If you have any questions regarding this alert, please contact us at: info@whitesquarepartners.com.

¹ Draft Federal Law No. 1194918-8 "On Digital Currency and Digital Rights" (version introduced to the State Duma of the Federal Assembly of the Russian Federation on April 1, 2026) (available via [link](#)).

² Federal Law No. 259-FZ dated July 31, 2020 "On Digital Financial Assets, Digital Currency and on Amendments to Certain Laws of the Russian Federation".

The primary objectives of the Draft Law include:

- *Introducing comprehensive regulation for the circulation of digital currency and digital rights to replace the current fragmented legislation;*
- *Increasing market transparency, establishing uniform service standards, and protecting investors' rights;*
- *Implementing FATF recommendations in the area of anti-money laundering and creating conditions for attracting investments;*
- *Legalizing and enabling the controlled use of digital assets in foreign economic activity while prohibiting direct P2P transactions between residents of the Russian Federation (permissible only through licensed intermediaries authorized by the Bank of Russia).*

The main rules will become effective on July 1, 2026, if adopted. The complete ban on digital currency transactions without licensed entities takes effect on July 1, 2027. Existing market participants must align their activities with the new requirements and obtain the necessary licenses or be included in the relevant registers by July 1, 2027.

Key Changes:

1. Establishment of market infrastructure

- The Bank of Russia is empowered with extensive regulatory authority. Specifically, the Bank of Russia will be entitled to establish requirements regarding capital adequacy; internal control and risk management systems; KYC requirements; and procedures for investor qualification testing.
- The Draft Law introduces a list of five types of entities authorized to facilitate

the circulation of digital currency and digital rights within the territory of the Russian Federation:

- 1) trade organizers (exchanges, trading systems);
- 2) digital depositories;
- 3) brokers;
- 4) management companies; and
- 5) digital currency exchange organizations.

All of the aforementioned entities are required to obtain a license and/or be included in the Bank of Russia's register.

2. Prohibition of direct (P2P) transactions for residents

- As a general rule, residents of the Russian Federation are now permitted to purchase, sell, and exchange digital currency only through licensed professional intermediaries (crypto exchanges, brokers, exchange operators)³.
- Only entities holding a management company license (for investment funds or a professional securities market participant license for securities management) may manage third-party cryptocurrency⁴.

3. Legalization of settlements in cross-border transactions

- Cryptocurrency is officially permitted for use as counter-performance under foreign trade contracts with non-residents⁵. Such transactions may be conducted without the mandatory participation of Russian entities conducting activities related to the circulation of digital currency⁶.

³ Part 1, Article 16 of the Draft Law.

⁴ Article 5 of the Draft Law.

⁵ Part 6, Article 1 of the Draft Law.

⁶ Part 2, Article 16 of the Draft Law.

4. Restrictions on conducting transactions⁷

- **Quantitative threshold.** A limit is introduced for non-qualified investors regarding the purchase of cryptocurrency, set at a maximum amount to be established separately by the Bank of Russia (the Bank of Russia's Concept indicated an amount of RUB 300,000⁸).

Qualified investors have access to crypto-assets without restrictions on the amount.

- **Testing.** Additionally, it will be mandatory to pass a qualification test administered by a broker or exchange operator to confirm understanding of the risks. The test result is valid for one year.
- **Risk disclosure notice.** Investors must acknowledge receipt of a risk disclosure notice from the trade organizer concerning the risks associated with acquiring digital currency.
- **Public circulation.** Acquisition is permitted only in respect of digital currency admitted to public circulation on organized trading venues operated by a Russian trade organizer.

For admission to trading, a cryptocurrency must be included in a special list maintained by the Central Bank of the Russian Federation, which will comprise only the most highly liquid assets (specifically, those with an average daily trading volume exceeding RUB 1 trillion and market capitalization exceeding RUB 5 trillion over the preceding two years)⁹.

5. Digital depositories

- Asset custody, record-keeping of rights, and their transfer will be carried out

by specialized organizations – digital depositories included in the Bank of Russia's register. They will replace self-custody in personal wallets for most legal transactions within the country¹⁰.

6. Digital control of operations

- All professional market participants are obliged to screen transactions and crypto wallet addresses for any connection with activities entailing criminal or administrative liability. Should any suspicions arise, the intermediary is obliged to refuse to execute the transaction¹¹ and report to Rosfinmonitoring no later than the next business day.

7. Digital currency mining

- Mining of digital currency will be permitted for individual entrepreneurs and legal entities only after their inclusion in the register of persons engaged in digital currency mining (maintained by the Federal Tax Service). However, individuals who are not registered as individual entrepreneurs may conduct mining without registration in the register, provided that their energy consumption does not exceed limits established by the Government of the Russian Federation.

8. Blacklisting of foreign platforms

- The Draft Law provides for the creation of a special list of foreign payment service providers that transfer funds in favor of persons facilitating cryptocurrency circulation outside the Russian legal framework (i.e., without the involvement of legal Russian crypto intermediaries)¹².
- Russian banks, payment agents, telecommunication operators, and post

⁷ Part 1, Article 17 of the Draft Law.

⁸ Concept for the Regulation of Cryptocurrencies in the Russian Market, prepared by the Bank of Russia (available via [link](#)).

⁹ Part 13, Article 17 of the Draft Law.

¹⁰ Article 6 of the Draft Law.

¹¹ Article 24 of the Draft Law.

¹² Part 8, Article 19 of the Draft Law.

offices are strictly prohibited from transferring money to such persons.

- Entering into contracts with entities on the "blacklist" is prohibited, and existing contracts must be terminated within 15 days following the publication of the list.

9. Mandatory protection against fraud

- Prior to executing any transaction, digital currency exchange organizations are required to conduct checks for indications that the client's consent is not freely given (including signs of deception, abuse of trust, or other undue influence).
- If a suspicious transaction is not identified and prevented, the digital currency exchange organization bears the obligation to compensate the individual for the full amount of lost funds at its own expense within a prescribed period (30 days from the receipt of the application)¹³.

10. Restrictions on advertising

- Dissemination of information (including advertising) that suggests digital currency or digital rights can be used as a means of payment for goods, works, or services within Russia is prohibited¹⁴.
- Offering and advertising digital currency and digital rights to persons who are not legally entitled to acquire them (e.g., non-qualified investors who have not passed the required tests) is prohibited¹⁵.

11. Admission of foreign digital rights

- Foreign digital rights (issued in foreign information systems) are officially admitted for circulation in Russia.

The same circulation rules applicable to digital currency shall apply to them¹⁶.

12. Acquisition of cryptocurrency abroad

- Residents are permitted to conduct transactions without the participation of Russian crypto intermediaries, provided they do not utilize Russian payment systems, accounts with Russian banks, Russian securities, or domestic digital depositories¹⁷.
- However, residents' claims for the protection of such assets in court will only be satisfied if the resident has informed the tax authorities of the facts of ownership of such cryptocurrency and the transactions conducted therewith, in accordance with tax legislation¹⁸.

13. Administrative and criminal liability

- A draft law has also been submitted to the State Duma providing for the inclusion of Article 15.29 in the Code of Administrative Offences of the Russian Federation, establishing administrative liability for digital currency exchange operators conducting transactions with residents who are not qualified investors in violation of established restrictions. The fine for legal entities ranges from RUB 700,000 to RUB 1,000,000¹⁹.
- According to media reports, the Government has also proposed introducing Article 171.7 into the Criminal Code of the Russian Federation, establishing liability for facilitating the circulation of digital currency without registration or a license from the Bank of Russia²⁰.

¹³ Article 33 of the Draft Law.

¹⁴ Part 7, Article 1 of the Draft Law.

¹⁵ Part 8, Article 1 of the Draft Law.

¹⁶ Part 4, Article 1 of the Draft Law.

¹⁷ Part 2, Clause 2, Article 16 of the Draft Law.

¹⁸ Part 4, Article 16 of the Draft Law.

¹⁹ Draft Federal Law No. 1194944-8 "On Amendments to the Code of the Russian Federation on Administrative Offences" (version introduced to the State Duma of the Federal Assembly of the Russian Federation on April 1, 2026) (available via [link](#)).

²⁰ Information based on RBC reporting, article: "Authorities Propose Imprisonment for Illegal Crypto Trading in Russia" (available via [link](#)).

* * *

The Draft Law transitions the cryptocurrency market into a fully regulated framework: transactions within the Russian Federation will primarily be possible through licensed intermediaries, with stringent requirements for investors, infrastructure, and transaction monitoring.

The White Square team is ready to provide expert support on digital asset regulation, as well as advise on all aspects related to digital currency trading, mining and market participant requirements, taking into account your business needs.

Dubai
Anantara
Business Bay

Moscow
20/7 Chaplygina street
Chaplygin House

Hong Kong
Central Plaza, Office 1904
18 Harbour Road, Wan Chai

info@whitesquarepartners.com
whitesquarepartners.com

