



BBA May 2025 Highlights



PRESIDENT'S MESSAGE

It has been another exceptionally productive month at the BBA.

Next week, the **UK Parliament's** All-Party Parliamentary Group on Blockchain Technologies will host a high-level **Blockchain & Digital Assets Roundtable** at the **Houses of Parliament**. Parliamentarians from both the House of Lords and the House of Commons have confirmed their participation, alongside select industry leaders. We are proud to facilitate this important dialogue in our role as the Secretariat of the APPG.

Earlier this month, I spoke at the **Financial Times Crypto & Digital Assets Summit** on the panel, "*How to build world-class Blockchain and Digital Assets Ecosystems*". I shared my thoughts on the strategic value of

National Blockchain Roadmaps, the need for Semantic Interoperability when building Web3 infrastructure, up-skilling policymakers to drive informed crypto-asset governance, and addressing human bottlenecks when scaling decentralised ecosystems.

We have [submitted](#) our response to the **HM Treasury's Draft Statutory Instrument on Crypto-asset regulation**. The BBA continues to work [closely](#) with legislators to shape policies that are evidence-led, future-ready, and fit for purpose.

If you'd like to contribute to our work - or explore membership opportunities, please contact our Head of Partnerships, Deborah Cleary, at secretary@britishblockchainassociation.org.

Until next time,

Professor Dr Naseem Naqvi MBE

[President, The BBA](#)

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[BBA Policy Advocacy and Working Domains](#)

UK Parliamentary Roundtable on Blockchain & Cryptoassets



BLOCKCHAIN TECHNOLOGIES

All-Party Parliamentary Group



All-Party Parliamentary Group on Blockchain Technologies

BLOCKCHAIN AND DIGITAL ASSETS ROUNDTABLE

3 June 2025

Portcullis House, Houses of Parliament

APPG Officers:

Matt Vickers MP, Rt. Hon. Lord McNicol of West Kilbride, The Lord Goddard of Stockport, John Lamont MP

APPG Secretariat: Prof Naseem Naqvi MBE, President, The British Blockchain Association

<https://britishblockchainassociation.org/appg>

The APPG will be hosting a **Parliamentary Roundtable on Blockchain and Crypto Assets** on **3 June** at the Houses of Parliament.

The Roundtable will bring together APPG Members, Officers, and interested Members of Parliament from both the **House of Commons** and the **UK House of Lords**, alongside industry stakeholders and subject-matter experts.



EVIDENCE. POLICY. IMPACT.



BLOCKCHAIN TECHNOLOGIES

All-Party Parliamentary Group



BLOCKCHAIN & DIGITAL ASSETS ROUNDTABLE

3 June 2025 | Houses of Parliament

APPG OFFICERS, MEMBERS & EVIDENCE GIVERS



Rt. Hon. Viscount Camrose
(Member)



Lord Goddard of Stockport
(Vice Chair)



Matt Vickers MP
(Chair)



Rt Hon The Lord Triesman
(Member)



John Lamont MP
(Vice Chair)



Prof Dr Naseem Naqvi MBE
(APPG Secretariat)



Racheal Muldoon
The BBA



Dr Nikhil Vadgama
UK CBT



Emmanuel Young
World Mobile



Lord Gilbert of Panteg
(Member)

[Read more](#)

BBA President at Financial Times Summit



"We have scaled transactions and throughput — but how do we scale trust? How do we scale compliance?"

Our BBA President, Prof. Dr. Naseem Naqvi MBE FBBA, delivering his powerful insights at the Financial Times Digital Assets Summit.

[Read more](#)



We spotted a few attendees reading the **latest issue** of *The JBBA* at the Financial Times Digital Assets Summit!

Seeing global decision-makers and industry leaders engaging with evidence-based blockchain research in real time is always encouraging.

BBA Responds to HM Treasury's Crypto Consultation



HM Treasury

18 May 2025

HM Treasury
Cryptoassets Team
1 Horse Guards Road
London, SW1A 2HQ

Also sent electronically to:
cryptoasset.legislation@hmtreasury.gov.uk

Rt Hon Emma Reynolds MP, Economic Secretary (HM Treasury)
emma.reynolds.mp@parliament.uk

The British Blockchain Association's Response To HM Treasury's Draft Statutory Instrument (DSI) FSMA 2000 (Regulated Activities and Miscellaneous Provisions Cryptoassets Order 2025 Consultation

1. Overall Assessment and Scope, and Executive Summary

We commend HM Treasury's proactive regulatory approach in extending the FSMA perimeter to capture key cryptoasset-related activities. However, in seeking to regulate a rapidly evolving sector, the definitions and scope require additional refinement to ensure proportionality, clarity, and operational feasibility.

The Draft SI demonstrates a well-calibrated move from principles to technical codification, with notable parallels to the EU's MiCA and existing UK financial promotion regimes. We welcome HM Treasury's invitation for technical comments on the draft statutory instrument and accompanying explainer on forthcoming statutory provisions to create new regulated activities for cryptoassets. While the DSI does codify a broader oversight, some areas remain high-level and open to interpretation. Our response highlights key ambiguities, evidence gaps, and policy considerations requiring further attention.

1. Amendment of the Regulated Activities Order (Chapter 2B: **Cryptoassets Issuing qualifying stablecoin**)

1A. In Section 3 of Part 2, Amendment of the Regulated Activities Order (p. 2), the definition of a "qualifying cryptoasset trading platform" lacks clarity regarding whether both decentralised

Last week, **BBA submitted its official response to HM Treasury's Draft Statutory Instrument on Cryptoassets (FSMA 2000 – Regulated Activities and Miscellaneous Provisions Order 2025).**

We commend HM Treasury for taking a proactive and consultative approach to extending the FSMA perimeter to cover cryptoasset-related activities. The draft SI marks a significant step towards regulatory clarity, aligning, in parts, with the EU's MiCA framework and the UK's financial promotions regime.

[Read more](#)

Access to Banking for Crypto Firms and our Work at the APPG



Written questions, answers and statements

[UK Parliament](#) > [Business](#) > [Written questions, answers](#)

Bank Services: Cryptoassets

▼ [Show full question](#)

Question for Treasury

UIN 51762, tabled on 12 May 2025

At the previous **APPG on Blockchain Technologies Roundtables** in January and May 2024, one of the key issues raised by industry stakeholders was the difficulty crypto and digital asset firms face in accessing banking services. **The British Blockchain Association convened more than 100+ industry leaders.....**

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DeFi, Ethereum, Exchange Fee and Automated Markets

THE JBBA THE JOURNAL OF THE
BRITISH BLOCKCHAIN
ASSOCIATION

PEER-REVIEWED RESEARCH

OPEN ACCESS

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The Impact of the Exchange Fees on Impermanent Loss of Liquidity Providers for Conservative Automated Market Makers

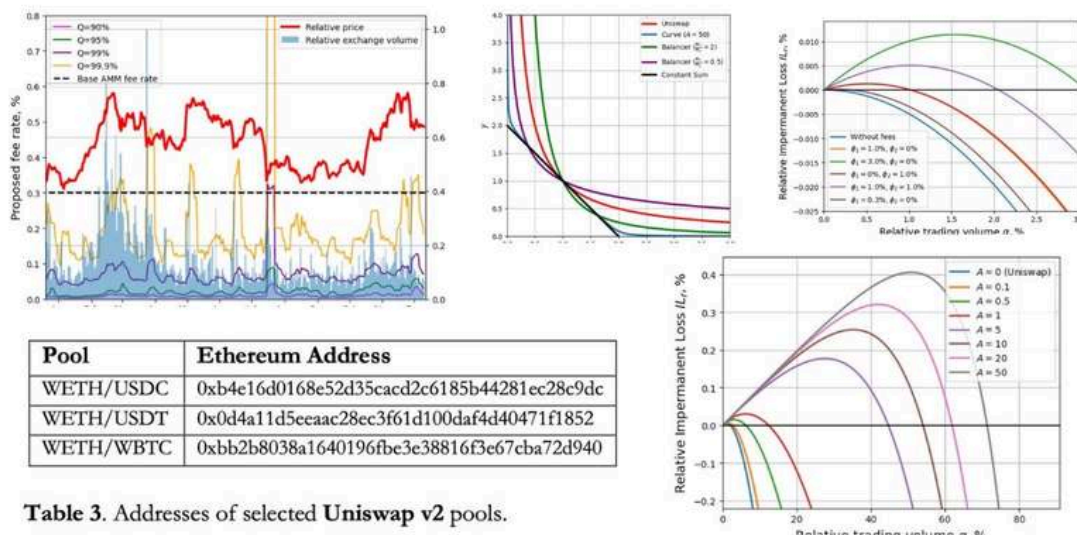
Vlasov Roman¹, Vladimir Gorgadze¹, Artem Barger²

¹Blockchain Department, Moscow Institute of Physics and Technology, Moscow, Russia

²Idea Blockchain Research Lab, Haifa, Israel

Correspondence: vlasov.ri@phystech.edu

Received: 9 January 2025 Accepted: 30 March 2025 Published: 27 May 2025

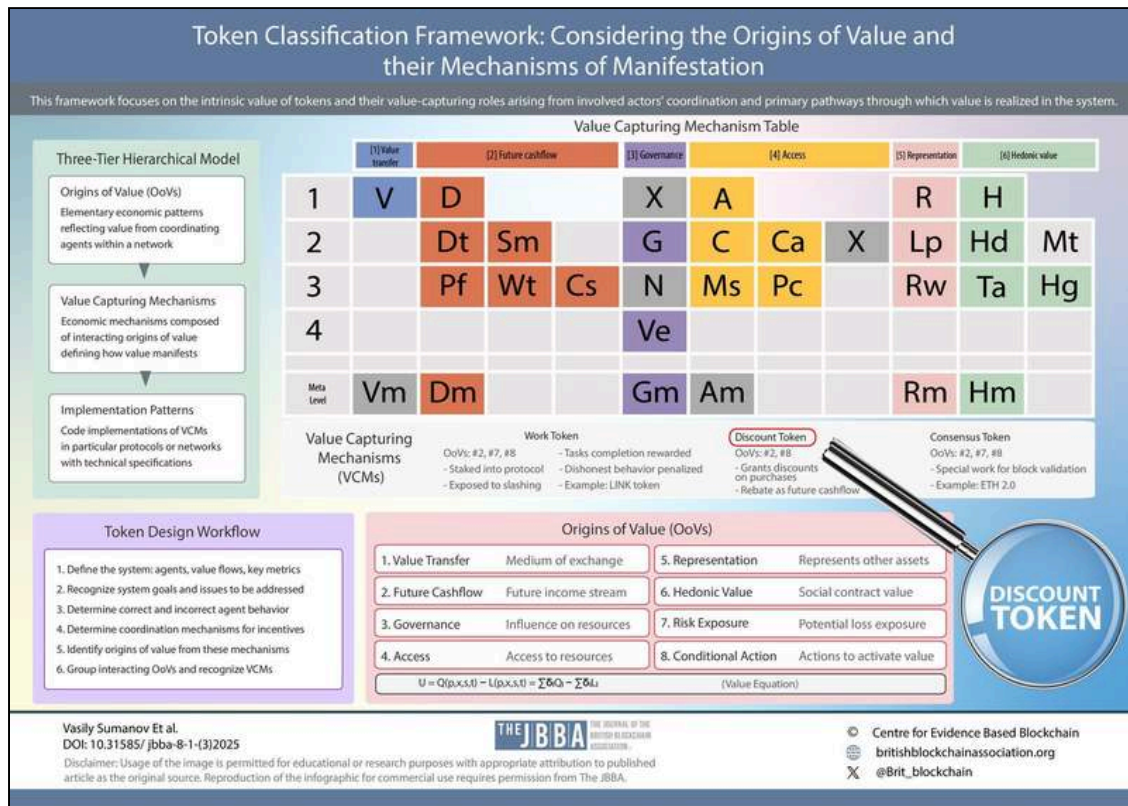


The Impact of the Exchange Fees on Impermanent Loss of Liquidity Providers for Conservative Automated Market Makers (AMM)

This study challenges the long-held belief that liquidity providers (LPs) in AMMs are destined to suffer impermanent losses. For the first time, the authors provide closed-form formulas and data-driven modelling showing that impermanent gain is not only possible but prevalent in systems like Uniswap, Balancer, and Curve, when non-zero exchange fees and small trade volumes intersect.

Read more

Blockchain Made Easy for Policymakers: Turning Research Into Infographics



“Can you help me convert my research into an easy-to-understand infographic?”, Vasily asked.

“Sure,” we said.

And our team at the Centre for Evidence-Based Blockchain (CEBB) got straight to work.

NOW LIVE!

[Read more](#)

DAOs Need a Constitution

Building the Foundation: A Constitutional Framework for Decentralised Autonomous Organisations

Paul van Vulpen^{1,2}, Mats van Dijk¹, Slinger Jansen¹

¹Utrecht University, Utrecht, The Netherlands

²Centric Netherlands BV, Public Sector Solutions, Gouva, the Netherlands

Correspondence: p.v.vanvulpen@uu.nl

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Abstract

Decentralised Autonomous Organisations (DAOs) are organisations whose operations are written down in smart contracts and blockchain technology. DAOs can use a constitution to codify the fundamental principles on which they operate. Despite their increasing prevalence, the contents of DAO constitutions and their role in governing these organisations remain relatively unexplored. This study aims to fill this gap by investigating the contents of existing DAO constitutions. To investigate the content of constitutions, we collected a sample of 27 constitutional documents from active DAOs. These documents were systematically coded using a grounded theory approach, resulting in a framework of unified concepts that populate DAO constitutions.

Our findings reveal several thematic areas in DAO constitutions, including technology, governance, finance, and community. After its creation, expert interviews validated the framework, confirming its relevance and suggesting refinements. This research contributes to a deeper understanding of the governance mechanisms within DAOs and provides a foundational framework for future studies in this area.

Keywords: *Decentralised Autonomous Organisations, DAO Governance, DAO Constitutions, Blockchain Technology, On-Chain Governance*

JEL Classifications: *D02, D03, L22, O33, L86*

1. Introduction

Decentralised Autonomous Organisations (DAOs) are co-operatives of stakeholders that operate on decentralised blockchain infrastructure [1]. A DAO can be defined as *mediated by a set of self-executing rules deployed on a public blockchain* [2]. Although the term DAO is relatively new and there is limited academic literature on this topic, Rikken et al.'s empirical findings reveal that, at the start of 2023, there were over 1,800 active DAOs with more than 26,000 members [3]. Furthermore, these authors estimate double that number are in preparation for launch.

A DAO is a complex entity consisting of diverse elements. This complexity necessitates the governance of these different elements. Kondova and Barba describe DAO governance as an effective decision-making process [4], whereas Beck et al. refer to blockchain governance as *the framework for decision rights and accountabilitys to encourage desirable behaviour in the use of IT* [5].

Any form of democratic governance faces two threats: anarchy and tyranny [6]. Anarchy arises when the freedom and equality of individuals that characterise democracy are pushed to the

boundary, where they refuse to accept order and governance. Tyranny of the majority occurs in a democracy when the majority votes and governs in a manner that threatens minorities.¹

Creating a constitution allows a DAO to codify its governance principles and thereby shift power away from initial founders and reduce dependence on individual participants. These constitutions frequently contain passages defining the division of power and, in the words of Ziolkowski et al., *how regulations are agreed upon before being enforced* [7].

The constitution can become the essential governance document protecting against the two threats to democratic government. Clarifying the role of constitutions for DAOs can therefore lead to better defences against anarchy and tyranny, resulting in more stable projects. This is particularly necessary as the current generation of DAOs remains unstable; more than 80% show no activity one year after their launch [8].

¹These remarks about the nature of democracy, derived from the book of Kinneking, originate in the Greek philosophical tradition of Plato, Aristotle, and Xenophon. They received renewed interest with the discovery of America in the works of the founding fathers.

No DAO can thrive without a Constitution.

What makes a Decentralised Autonomous Organisation truly autonomous?

It's not just the code. Not just the tokens. Not just the community.

It's the Constitution.

[Read more](#)

Semantic Interoperability: Web3's Missing Link



The Elephant in the Room?

Not scalability. Not regulation. Not throughputs. Not Transactions per second.

It's Semantic Inter-operability.

[Read more](#)

16,000 Strong --- Thank You!



 [We've reached 16,000 followers on LinkedIn!](#)

 A heartfelt thank you to each one of you for being part of our journey since 2017.

Your continued support, engagement, and belief in our mission to drive responsible blockchain innovation keeps us going.

 Here's to building a more connected, transparent, and evidence-led digital future — together.

Role of Blockchain Roadmaps In Economic Growth

UK NATIONAL BLOCKCHAIN ROADMAP (NBR) (VISION 2030)

AN EXCELLENCE STANDARDS FRAMEWORK

JULY 2021



The British Blockchain Association
Advocating Evidence Based Blockchain

RECOMMENDATIONS BY
THE CENTRE FOR EVIDENCE-BASED BLOCKCHAIN



www.britishblockchainassociation.org

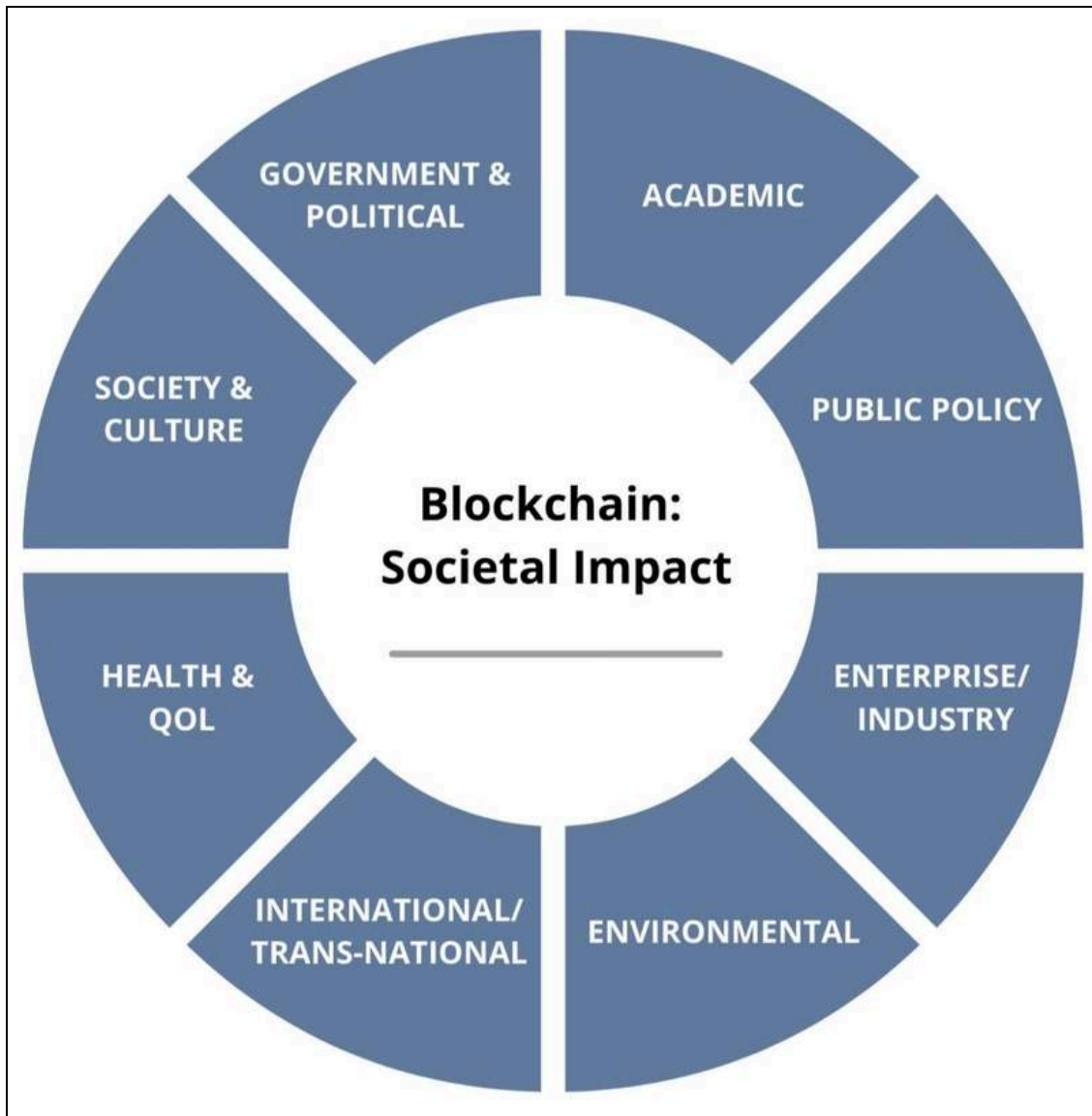
What is the role of National Blockchain Roadmaps in growing a country's economy?

How do we foster evidence-informed policymaking?

How do we create Sustainable Societal Impact by supporting high-quality Blockchain programmes?

[Read more](#)

Contribute to the UK National Blockchain Roadmap (NBR)



- 👉 How do you know you are making an Impact in Web3?
- 👉 Are you measuring the Impact of your services, product or company?
- 👉 Are you connected with the other 3 components of Blockchain Quadruple Helix?

BBA would like to hear from you on how you are making a difference in Web3 by advancing one or more recommendations of the **UK National Blockchain Roadmap**.

Share with us your success story at info@britishblockchainassociation.org

BBA's Policy Advocacy Domains



The British Blockchain Association

Advocating Evidence Based Blockchain

Policy Advocacy Domains & Working Groups

2025

www.britishblockchainassociation.org

We have been working closely with policymakers and industry stakeholders toward the evidence-based advancement of Web3 technologies.

To contribute to or lead one of the working domains, contact us at:

secretary@britishblockchainassociation.org

[Read more](#)

Learn More about The BBA

BBA ECOSYSTEM

2025



The British Blockchain Association

Advocating Evidence Based Blockchain

May 2025

info@britishblockchainassociation.org

Established in 2017, The British Blockchain Association has been at the forefront of blockchain innovation, policy, and research, bringing together a global network of leaders, institutions, and pioneers driving real-world impact.

[Read more](#)

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Our mailing address is:

The British Blockchain Association
Centre for Evidence-Based Blockchain
Kemp House
124 City Road
London, EC1V 2NX
United Kingdom

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