

# India's push to regulate crypto gains support at G20

A push by Group of 20 (G20) president India to regulate cryptocurrencies gained support from both the International Monetary Fund (IMF) and the United States on Saturday as finance chiefs of the bloc wrap up two days of talks. India has said it wants a collective global effort to deal with problems posed by cryptocurrencies such as bitcoin, Reuters reported. The country's Finance Ministry said it had held a seminar for G20 member states to discuss how to come up with a common framework. Speaking to Reuters on the sidelines of the G20 meeting in Bengaluru, US Treasury Secretary Janet Yellen said it was "critical" to put in place a strong regulatory framework but added

that the United States had not suggested any outright bans.

"We haven't suggested outright banning of crypto activities, but it is critical to put in place a strong regulatory framework," Yellen said.

"We're working with other governments." Earlier, IMF Managing Director Kristalina Georgieva told reporters after co-chairing a meeting with Indian Finance Minister Nirmala Sitharaman that banning crypto should be an option.

"We have to differentiate between central bank digital currencies that are backed by the state and stablecoins, and crypto assets that are privately issued," Georgieva said.

"There has to be a very strong push for regula-

tion... if regulation fails, if you're slow to do it, then we should not take off the table banning those assets because they may create financial stability risk."

Indian Prime Minister Narendra Modi's government has for several years debated drafting a law to regulate or even ban cryptocurrencies but has not made a final decision.

The Reserve Bank of India has said that cryptocurrencies should be banned as they are akin to a Ponzi scheme.

On Thursday, the IMF laid out a nine-point action plan for how countries should treat crypto assets, with point number one a plea not to give cryptocurrencies legal tender status. Such efforts have become a priority for authorities, the fund said, after the col-



lapse of a number of crypto exchanges and assets over the last couple of years, adding that doing nothing was now "untenable".



Representations of cryptocurrencies are seen in this illustration.  
● DADO RUVIC/REUTERS

## New Brexit over Northern Ireland within sight



Ireland's Prime Minister (Taoiseach) Leo Varadkar  
● LUDOVIC MARIN/REUTERS

### International Desk

Britain and the European Union are inching towards concluding talks on revising post-Brexit trade rules for Northern Ireland and an agreement is possible, but by no means guaranteed, in the coming days, Ireland's prime minister said on Saturday.

Momentum has been building for weeks towards a deal to ease checks on trade that were introduced under the Northern Ireland Protocol — the arrangements agreed to avoid a hard border with EU member Ireland when Britain exited the EU in 2020, according to Reuters.

Lawmakers in British Prime Minister Rishi Sunak's Conservative party have been told to be in parliament on Monday, a sign that a deal could be imminent.

"I think the talks on reforming the protocol are inching towards a conclusion. Certainly, the deal isn't done yet, but I do think we are inching towards a conclusion," Leo Varadkar told reporters.

Varadkar added that there is ongoing engagement between the UK government and European Commission. A source on Number 10 Downing Street describes the negotiations as "positive," BBC reported.

The planned meeting between King Charles and Ursula von der Leyen, the president of the European Commission, was not part of the negotiations between the UK and the EU, but the fact that a meeting was planned is significant as it appears to indicate a Brexit deal was about to be done — and publicly presented — while von der Leyen was in the UK.

## Germany's Scholz in India to press on EU trade deal

German Chancellor Olaf Scholz visited India on Saturday seeking to deepen business and defence ties between the two major economies and jumpstart progress on a European Union (EU) trade deal despite differences over Ukraine. "There is huge potential for intensified cooperation, in sectors such as renewables, hydrogen, mobility, pharma, digital economy, and many more," Scholz said, AFP reported. "We want to further strengthen our bilateral relationship with India and our cooperation on global issues, such as mitigating climate change and transforming our economies in a just, green, and sustainable way," Scholz told the Times of India in an interview.

Scholz, accompanied by executives from big German firms like Siemens, met Prime Minister Narendra Modi in New Delhi and was due to head to Bengaluru to visit German software firms including SAP. Officials said Scholz would press for progress towards a trade deal between the EU and India that has long been held up by disagreements on tariffs and access for Indian workers to Europe.

A German official in Berlin said the two sides remain "quite some distance apart".

"Some people want to complete this by the end of this year. Others say that even summer next year is ambitious," the official said on condition of anonymity.

Scholz was due to discuss a bid by Germany's Thyssenkrupp Marine Systems to build six submarines in India in a deal worth around \$5 billion, Bloomberg News reported.

"Security and defence cooperation can become an important pillar of our strategic partnership. In this sector, we will continue to work to realise our untapped potential," Modi told reporters.



German Chancellor Olaf Scholz (L) shakes hands with Indian Prime Minister Narendra Modi before their meeting at the Hyderabad House in New Delhi, India, on February 25, 2023.  
● ADNAN ABIDI/REUTERS

## US targets Russian bank with UAE ties, Moscow predicts no impact

The US Treasury sanctioned a Russian bank with ties to the United Arab Emirates (UAE), signaling to allies that it will start cracking down on sanctions evasion as the war in Ukraine enters its second year, while Russian officials downplay the effects of such sanctions.

The fresh round of sanctions and export controls on more than 250 individuals and entities includes MTS Bank, which has branches in Moscow and Abu Dhabi, Bloomberg wrote.

The UAE's central bank granted MTS a license last year to operate there. Thousands of Russians went to the UAE after the war began and were the

biggest international buyers of Dubai real estate last year, according to brokerage Betterhomes.

The UK also designated MTS on Friday. Anatoly Antonov, the Russian ambassador to the United States, said the sanctions would have no impact.

Antonov said the new sanctions were "thoughtless" and designed to make Russia suffer, according to Reuters.

"Does anyone really think that this is the way to get our country to abandon its independent policies, to force it off its chosen path towards building a multipolar world based on the principle of indivisible security, on international

law, and the UN Charter?" a post on the embassy's Facebook page quoted him as saying.

In addition to financial-sector sanctions, the US unveiled measures aimed at Russia's defense and energy sectors with the goal of constraining industries key to President Vladimir Putin's war machine.

Among the targets are the Credit Bank of Moscow, one of Russia's ten largest banks, several wealth management firms, arms dealers, and suppliers of materials used in weapons and military equipment. Notably, the US is sanctioning German and Swiss nationals it says are tied to procuring western tech-

nologies for Russia.

"Over the past year, we have taken actions with a historic coalition of international partners to degrade Russia's military-industrial complex and reduce the revenues that it uses to fund its war," Treasury Secretary Janet Yellen said in a statement.

In addition, nearly 90 companies in Russia, China, and other countries will be placed on the Commerce Department's entity list for sanctions evasion, according to the White House.

The listings are meant to prevent the targeted companies from buying semiconductors, software, or other technologies manufactured in the US or with American intellectual

property.

Reports indicate that Russia has been vacuuming up consumer goods through third countries to help keep its equipment and weapons systems from breaking down.

The US and its allies will

target Russia's lucrative commodities sector with measures designed to limit Russia's energy production capabilities while keeping markets stable.

The US will also expand its sanctions on Russian metals and mining.



An MTS bank branch in Moscow  
● ANDREY RUDAKOV/BLOOMBERG



### NEWS IN BRIEF

#### Thai economy to grow 3.8% this year



REUTERS — Thailand's economy is expected to grow 3.8% this year, helped by a rebound in the vital tourism sector, while inflation should cool to its target range, the finance minister said on Saturday. Domestic spending has increased and the government will accelerate large project investment to help growth, Arkhom Termpitayapaisith told a Radio Thailand programme.

#### Pakistan, Afghanistan resume trade in Torkham



AP — The normal trade and movement of people between Pakistan and Afghanistan fully resumed on Saturday after the two sides reopened a key border crossing that was shut nearly a week ago by Afghanistan's Taliban rulers, stranding people and thousands of trucks carrying food and essential items.

The Taliban had claimed Islamabad was not abiding by an agreement with Kabul to allow sick Afghan patients and their caretakers to cross into Pakistan without travel documents for medical care.

#### World Bank promises concessions in debt restructuring



REUTERS — The World Bank will "provide as much concessionality to the debt treatment" for distressed economies as possible, its president told a meeting with the International Monetary Fund, India, China, and other creditor nations on Saturday.

The remarks come amid calls by China, the world's largest bilateral creditor, that global lenders should take haircuts on loans extended to developing nations hurt by the impact of the Russia-Ukraine war and the COVID-19 pandemic.