



2023

# INDONESIA CRYPTO & WEB3 INDUSTRY REPORT

Compiled & reported by



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# GLOBAL CRYPTO MARKET

## 2023

Overview

# 2023 Crypto Market in Headlines





Overview

# Global Market 2023

After the significant market cap decline of 64.1% in 2022 due to the collapse of FTX, crypto market in 2023 still remain positive.

There was a decrease in total crypto market capitalization by about 10% in Q3 2023, but still up by 35% year-to-date (YTD).

Total Crypto Market Cap & Bitcoin vs. S&P 500 (Jan – Sep 2023)

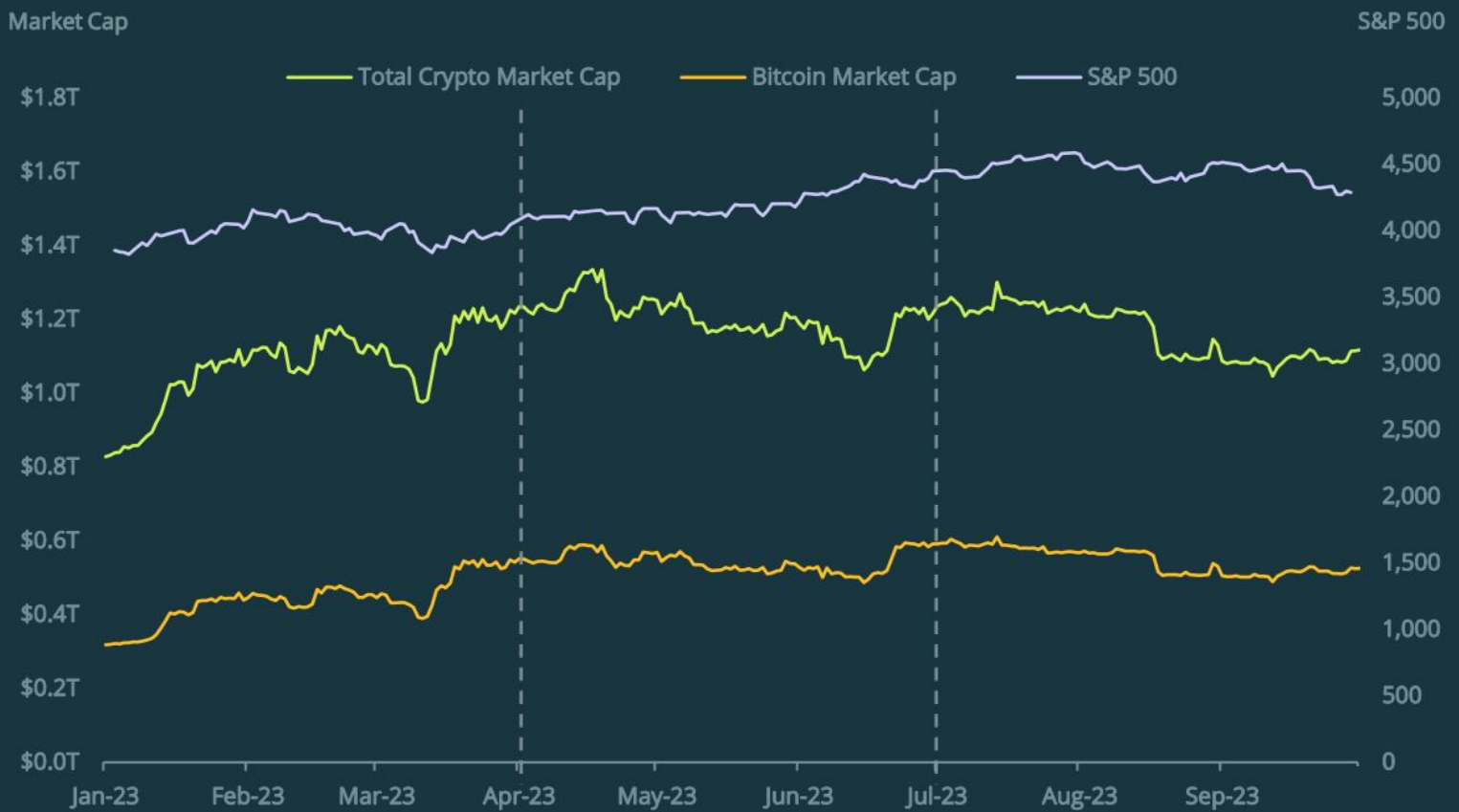


Image 1.1 Q3 Coingecko report Total Crypto Market Cap & Bitcoin vs. S&P (Jan – Sep 2023)

Overview

# Global Market 2023

According to Chainalysis report, despite the overall downturn, there has been a marked recovery in grassroots crypto adoption since the time FTX exchange imploded. However, the level of adoption is still significantly lower than its all-time highs.

Index score by country income bracket

Q3 2020 - Q2 2023

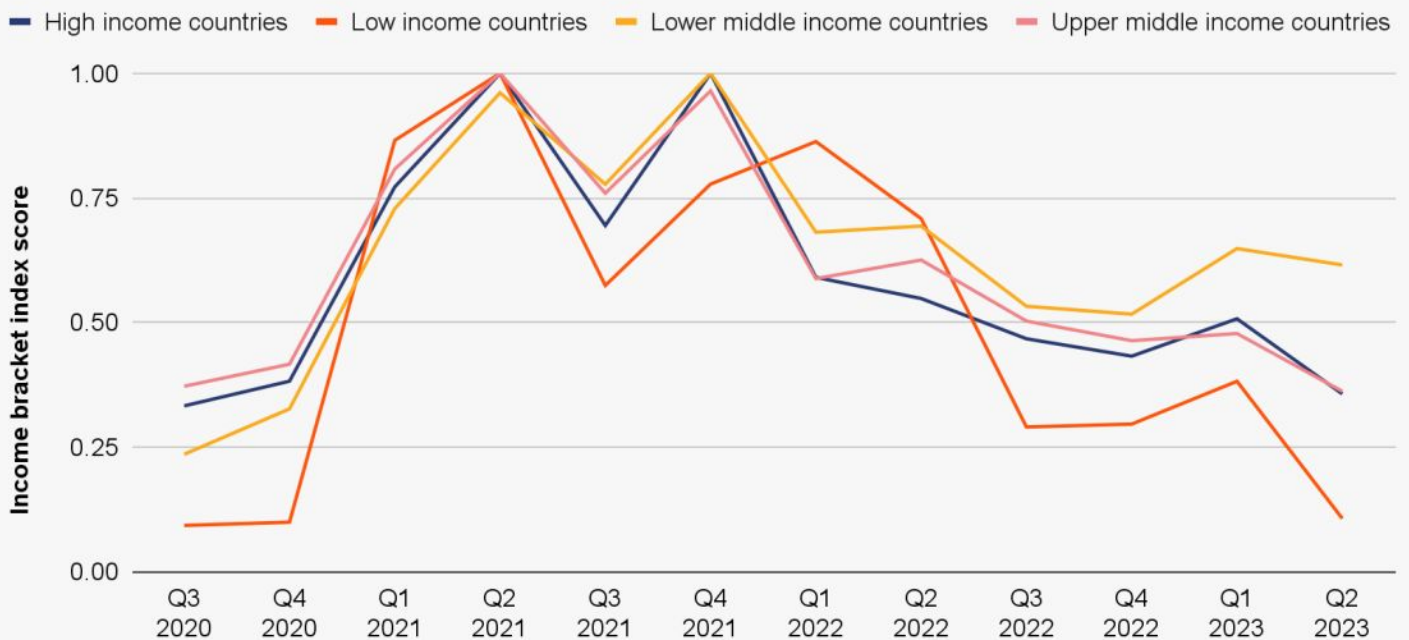


Image 1.2 Chainalysis 2023 Geography of Cryptocurrency Report

Interestingly, the decline in crypto adoption is not uniform across all regions or economic segments. Lower middle-income (LMI) countries have experienced a much stronger recovery in grassroots crypto adoption compared to other areas.

This suggests a divergence in adoption trends based on economic classification, with LMI countries showing more resilience or quicker recovery in crypto adoption compared to others.

## Overview

# Global Market 2023

**Cryptocurrency value received by North America**  
Compared to rest of world, Jul 2022 - Jun 2023

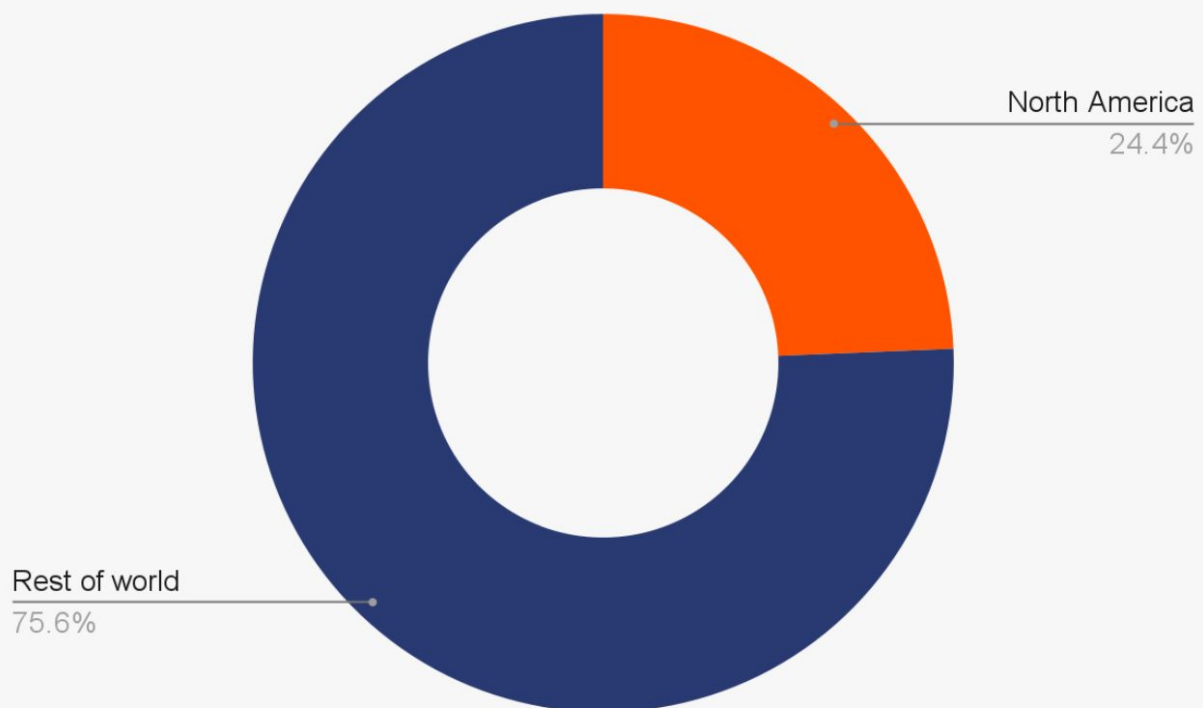


Image 1.3 Chainalysis 2023 Geography of Cryptocurrency Report

Based on The 2023 Geography of Cryptocurrency Report by Chainalysis, North America is the largest cryptocurrency market, with an estimated \$1.2 trillion in value received on-chain between July 2022 and June 2023. This represents 24.4% of global transaction activity during that period.

The Central & Southern Asia and Oceania (CSAO) region, which includes Indonesia, is a significant player in the cryptocurrency landscape. It is the third largest region, accounting for nearly 20% of global crypto activity.

## Overview

# Crypto in Asia

**Cryptocurrency value received by Central & Southern Asia and Oceania**  
Compared to rest of world, Jul 2022 - Jun 2023

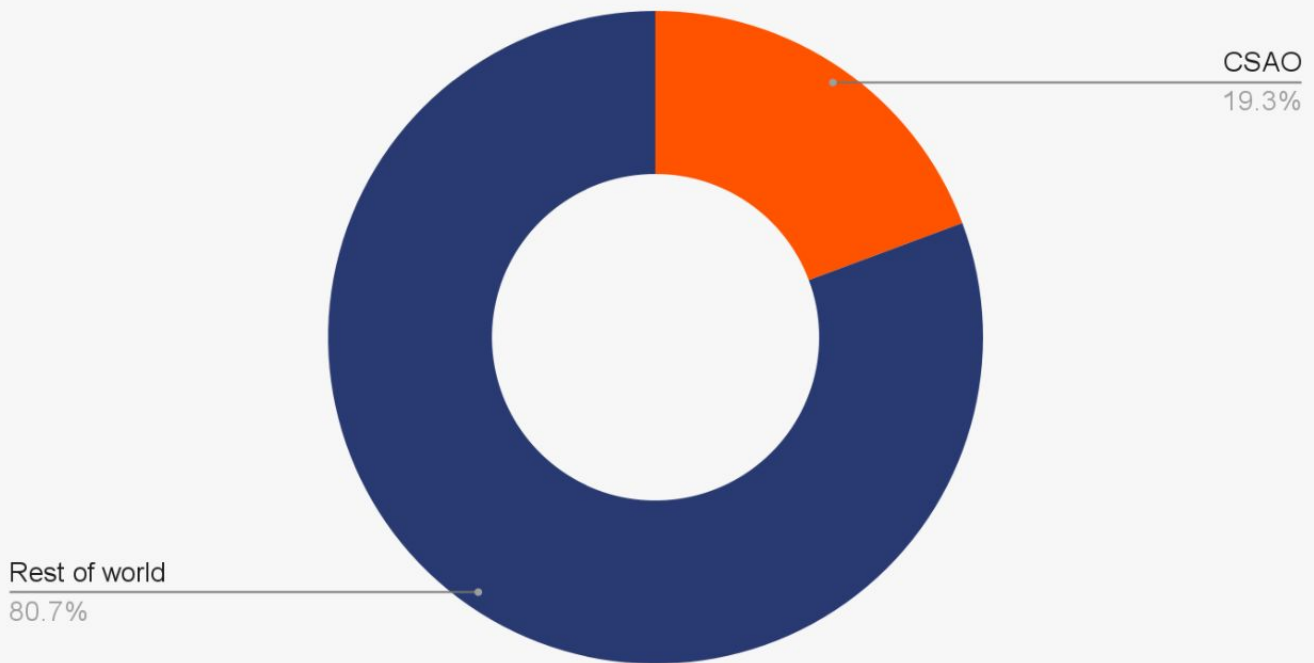


Image 1.4 Chainalysis 2023 Geography of Cryptocurrency Report

Central & Southern Asia and Oceania experienced an increase in its share of the global cryptocurrency market from 15.8% in 2022 to just under 20% in 2023, reflecting a growing influence and activity in the cryptocurrency space within this region.

The region dominates the top of the Global Crypto Adoption Index with several countries from this area, including Indonesia, ranking high.

## Overview

## Crypto in Asia

Regional transaction volume by transfer size  
Jul 2022 - Jun 2023

Image 1.5 Chainalysis 2023 Geography of Cryptocurrency Report

There has been a significant increase in decentralized finance (DeFi) activities in the region, accounting for about 55.8% of the regional transaction volume between July 2022 and June 2023. This is a substantial increase from the 35.2% in the previous year.

Additionally, institutional adoption has also grown, with 68.8% of the total transaction volume coming from transfers valued at \$1 million or more.

## Crypto Crimes

## Hacks

“ **Total loss of US\$1.33 billion due to hacking in 2023** globally throughout Q1 – Q3 2023. ”

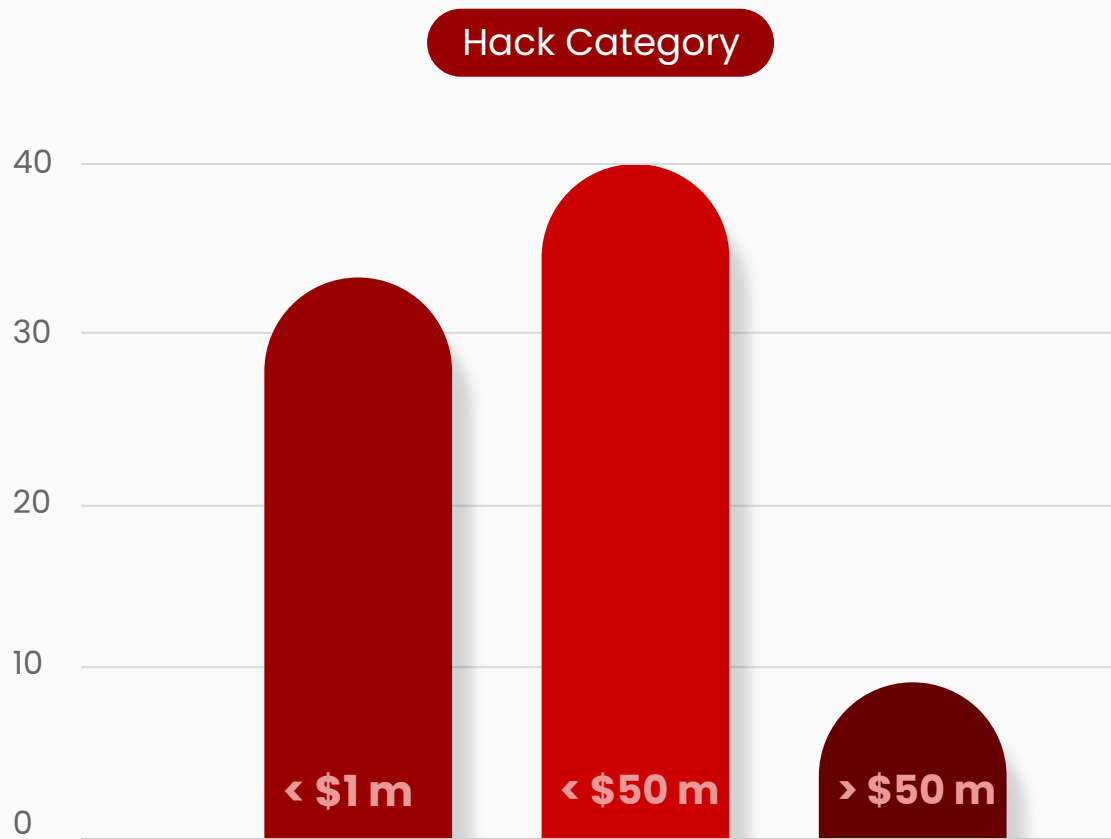


Image 1.6 Coinvestasi research based on Defillama - Hack Category

Hack categories are divided into three based on the amount of funds hacked.

A small hack is a hack worth less than US\$1 million. Medium hacks are hacks with a value between US\$1 million and US\$50 million. The big hack was a hack worth more than US\$50 million.

There were 34 small-scale hacks, 40 medium-scale hacks, and 8 large-scale hacks from Q1 until Q3 2023.

Crypto Crimes

# Hacks

Total Hacks

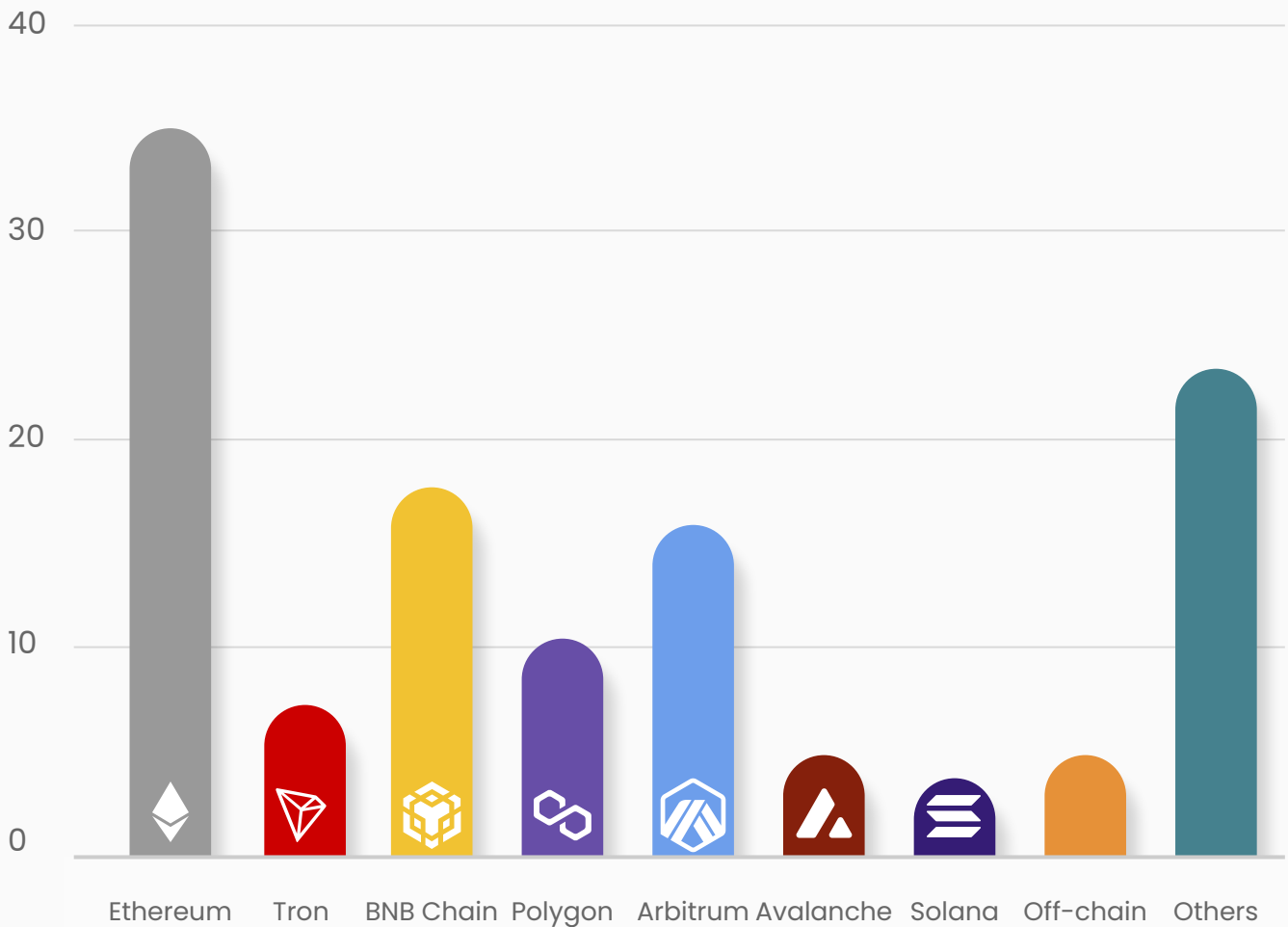


Image 1.7 Coinvestasi research based on Defillama - Hacks on different chains

**dApps on the Ethereum chain became the most targeted for hacks with 35 hacking cases.**

Meanwhile, Solana is the chain with the fewest hacks in this category, with only 2 hacking cases.

## Market Dominance

# Bitcoin

“ Bitcoin dominance in January was on its lowest with less than 40%. Along with the current bitcoin rally, **the dominance increased and stayed above to 50%** since October 17th to the end of 2023. ”

### Bitcoin Dominance

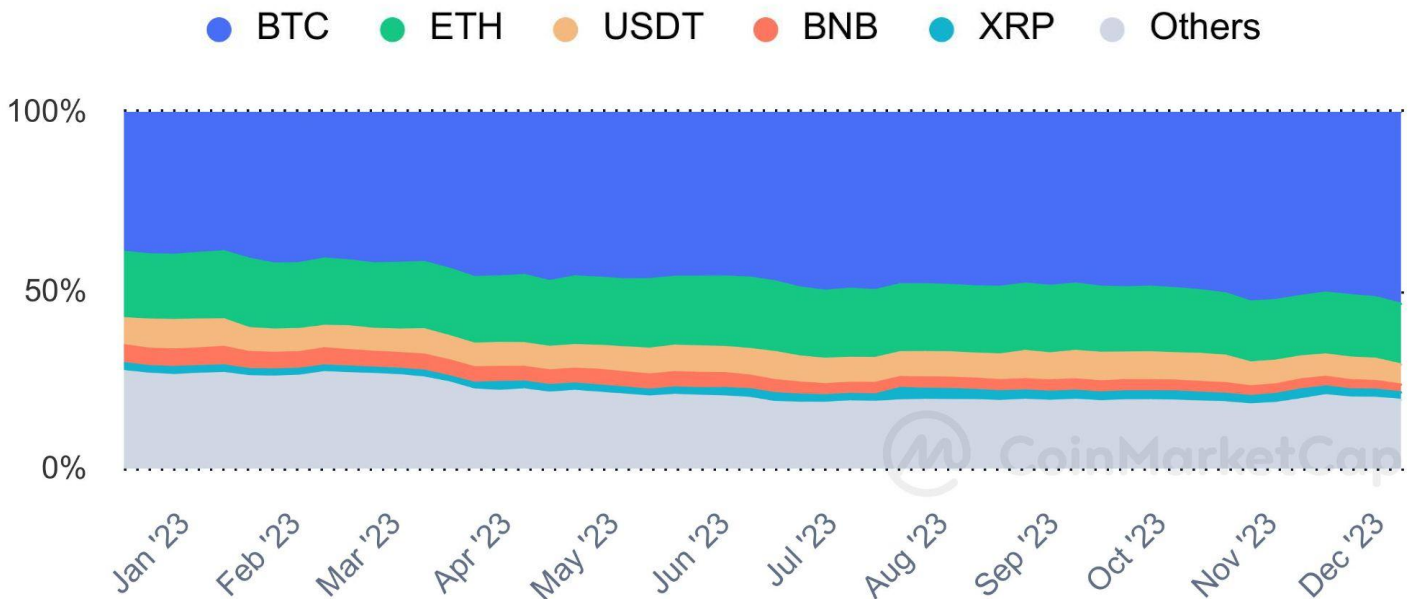


Image 1.8 Coinmarketcap - Bitcoin Dominance in 2023

### The impact of Bitcoin dominance on the market:

**Market Sentiment:** High Bitcoin dominance can be seen as a sign of risk aversion among investors, while low dominance can indicate a greater appetite for risk.

**Altcoin Price Movements:** When Bitcoin dominance decreases, it often means that altcoins are gaining in value faster than Bitcoin. This can lead to altcoin seasons, where many altcoins experience significant price increases.



## Market Dominance

# Top Exchanges by Volume

### Top 10 Spot CEX Trading Volume Breakdown (Jan-Sep 2023)

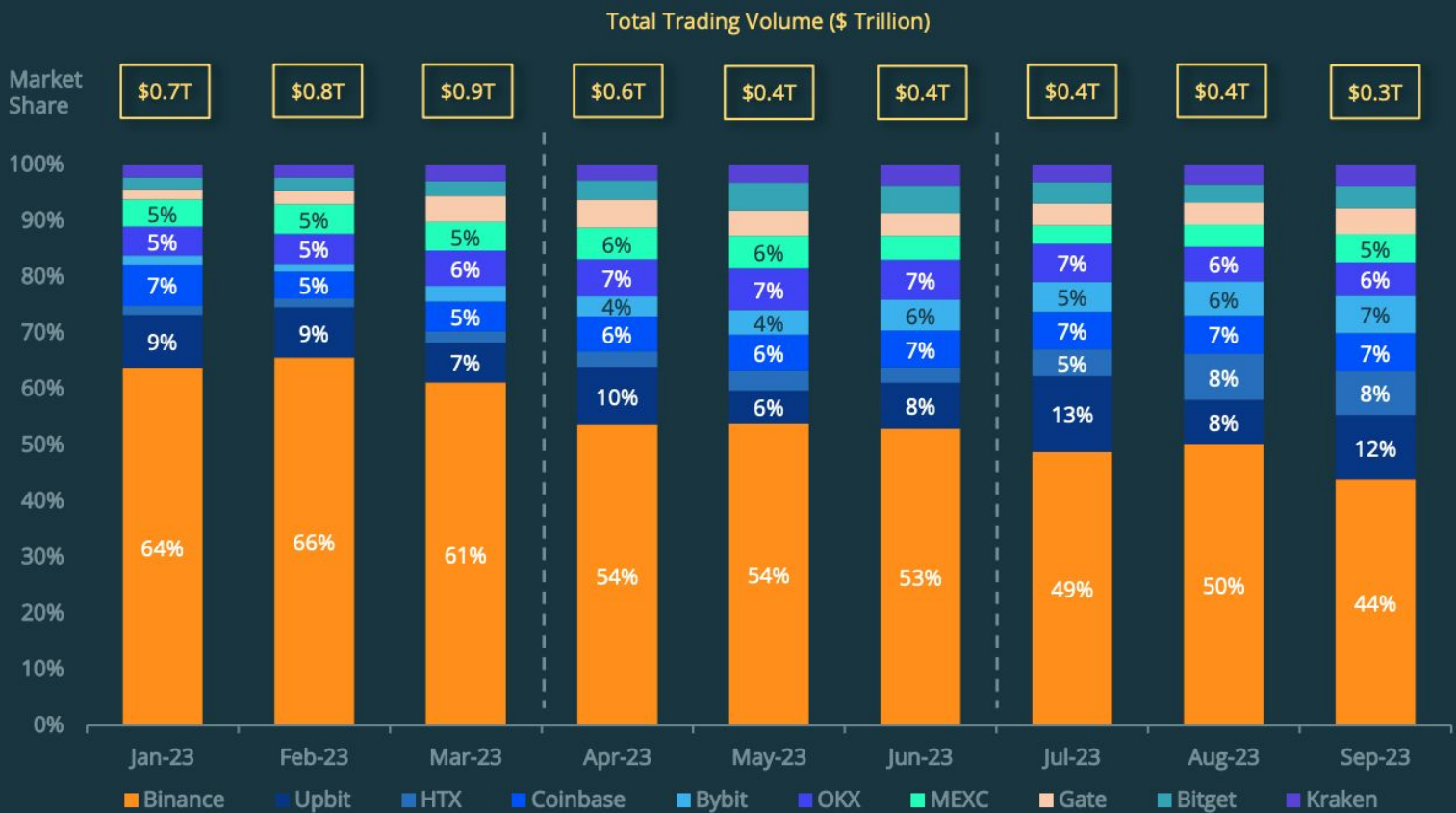


Image 1.9 Q3 Coingecko report - Top 10 Spot CEX trading volume (Q1 - Q3 2023)

### Crypto transactions are still dominated on centralized exchange platforms.

Globally, Binance dominates the market share of crypto spot centralized exchange with over 50% almost every month.

## Market Dominance

# Decentralized Finance

Q1 2023 was the best quarter for DeFi coins/tokens with a valuation increase of **+58.08%** from the beginning of 2023, from US\$16.48 billion to US\$26.04 billion.

However, in Q2 and Q3 it decreased to US\$21.17 billion. Overall, the DeFi valuation from the beginning of 2023 to the 3rd quarter experienced a change of **+28.50%**.

## Valuation of Crypto DeFi Sector 2023

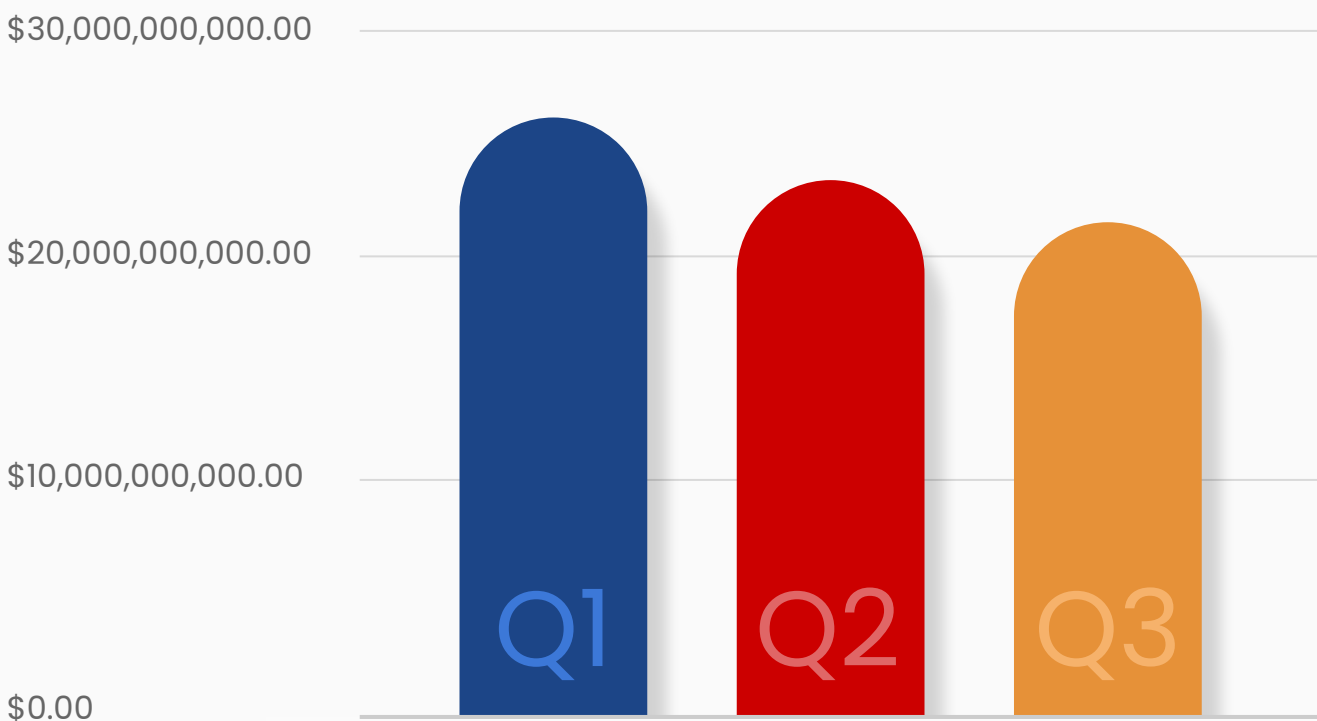


Image 1.10 Coinvestasi Research - valuation of DeFi Sector Q1-Q3 2023

## Market Dominance

# Leading Sectors in DeFi

In terms of valuation. The DEX sector has the highest overall value across all three quarters in 2023 but has decreased steadily over each quarter, from **\$8,899,000,000 in Q1** to **\$5,999,000,000 in Q3**.

No	Q1		Q2		Q3	
	Sector	Valuation	Sector	Valuation	Sector	Valuation
1	DEX	\$8,899,000,000.00	DEX	\$7,015,000,000.00	DEX	\$5,999,000,000.00
2	Oracle	\$4,824,000,000.00	LSDGov	\$3,471,000,000.00	LSDGov	\$2,806,000,000.00
3	LSDGov	\$4,217,000,000.00	Derivatives	\$2,177,000,000.00	Derivatives	\$1,990,000,000.00
4	Derivatives	\$2,653,000,000.00	Lending	\$2,556,000,000.00	Lending	\$3,131,000,000.00
5	Lending	\$2,586,000,000.00	RWA	\$487,000,000.00	RWA	\$470,000,000.00
6	YieldFarming	\$1,047,000,000.00	YieldFarming	\$816,000,000.00	YieldFarming	\$673,000,000.00
7	Bridge	\$611,000,000.00	Oracle	\$3,888,000,000.00	Oracle	\$5,233,000,000.00
8	Insurance	\$607,000,000.00	Bridge	\$525,000,000.00	Bridge	\$421,000,000.00
9	RWA	\$600,000,000.00	Insurance	\$517,000,000.00	Insurance	\$447,000,000.00

Table 1.1 Coinvestasi Research - valuation of DeFi Sector Q1-Q3 2023

Market Dominance

# Leading Sectors in DeFi

While the market celebrates the stellar year-to-date performances of Lending and Derivatives, DEX casts a more subdued shadow. Its valuation, has dimmed by 10.69% over the year, marking the weakest showing among all sectors.

In stark contrast, Lending has defied expectations, witnessing a phenomenal surge of 86.81%, while Derivatives has carved its own path to success with a commendable **62.05% increase**.

Total (YTD)

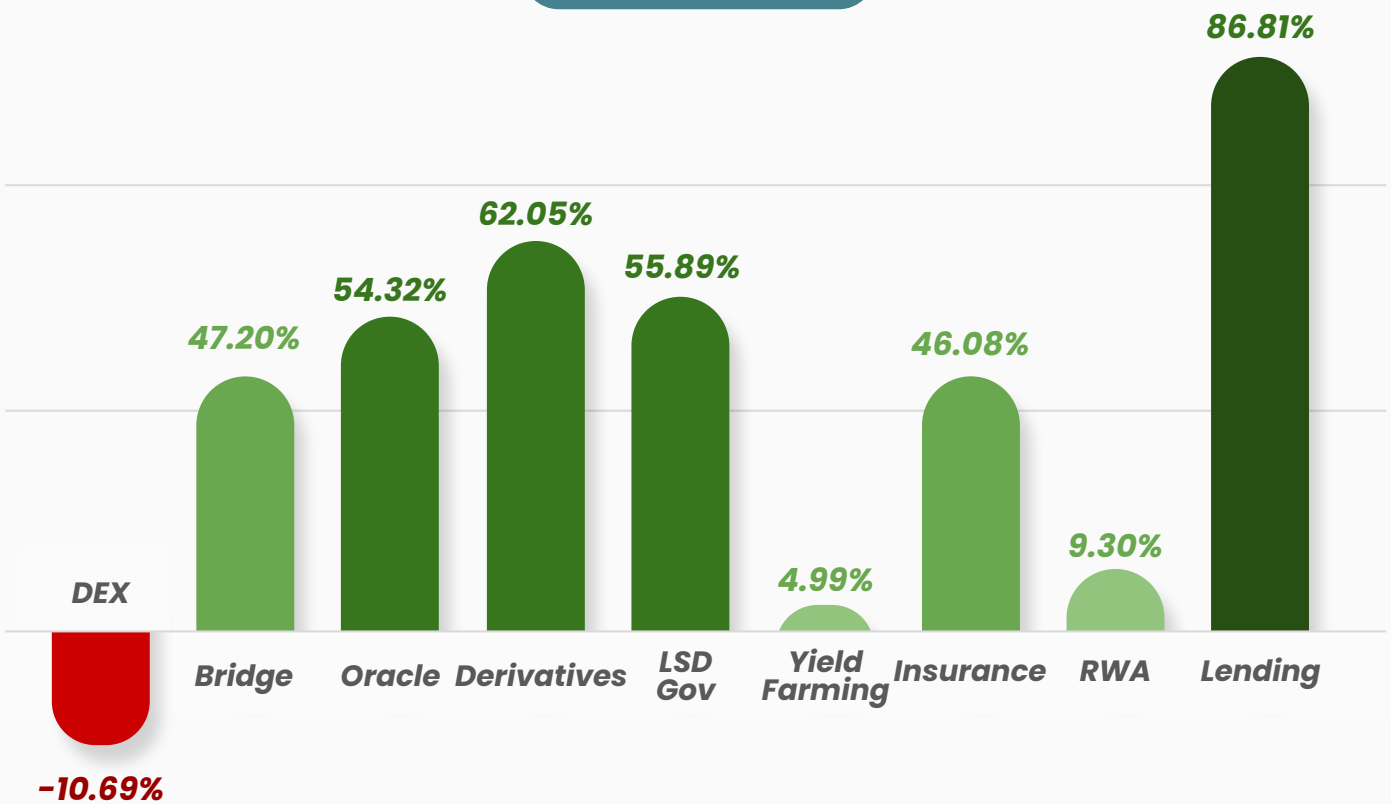


Image 1.12 Coinvestasi Research - YTD Change in Valuation of DeFi Sector (Q1-Q3 2023)

## Market Dominance

Decentralized  
Exchange











No.	Protocol	Ticker	Market Cap in Billions USD			
			Starting	Q1	Q2	Q3
1	 Uniswap	UNI	3894	4573	3974	3364
2	 THORChain	RUNE	386	431	310	579
3	 Pancakeswap	CAKE	528	676	328	265
4	 Curve DAO	CRV	343	724	658	454
5	 Osmosis	OSMO	347	447	298	193
6	 1inch	1INCH	300	465	299	278
7	 Sushiswap	SUSHI	178	213	132	116
8	 Balancer	BAL	199	281	202	144
9	 Trader Joe	JOE	44	210	134	87
10	 VVS Finance	VVS	91	120	96	77

Table 1.2 Top 10 Decentralized Exchange Tokens based on Market cap in 2023

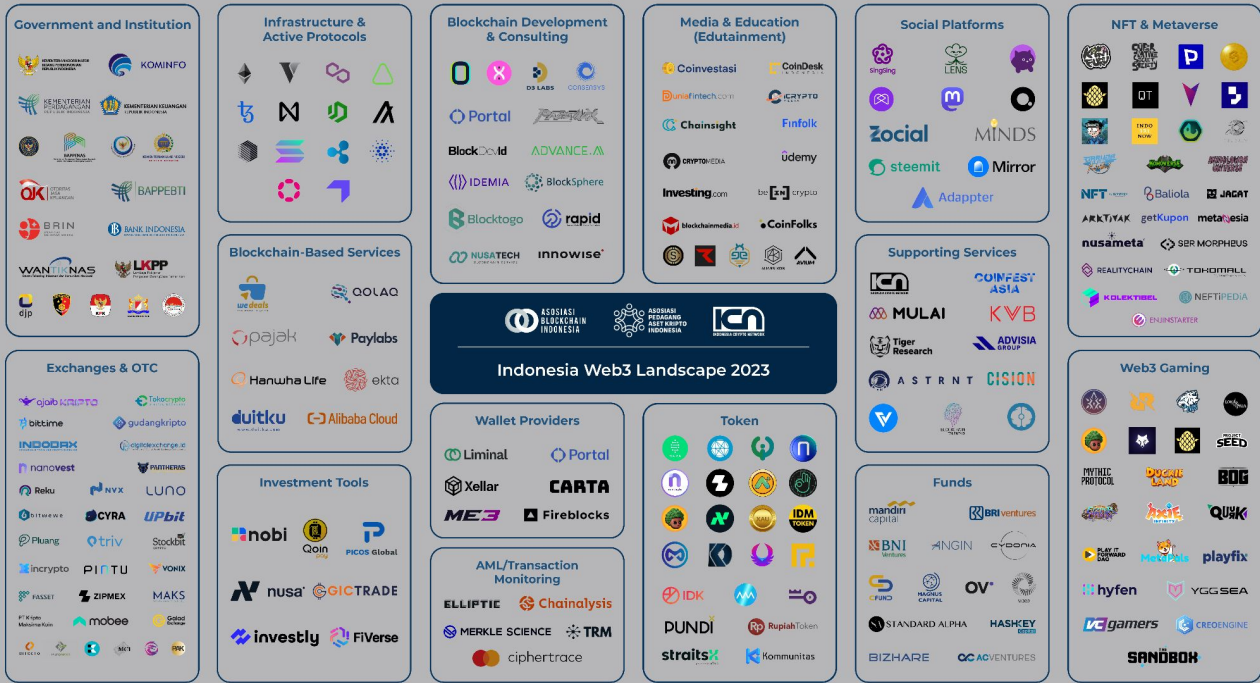
Q1 2023 was the best quarter for DEX tokens with a valuation increase of +32.48% from the beginning of 2023 of US\$6.72 billion to US\$8.90 billion.

Uniswap is the leading DEX protocol with a dominant valuation always above 50% every quarter. This shows that DEX users still trust pioneer protocols like Uniswap even though many new DEXs are emerging.



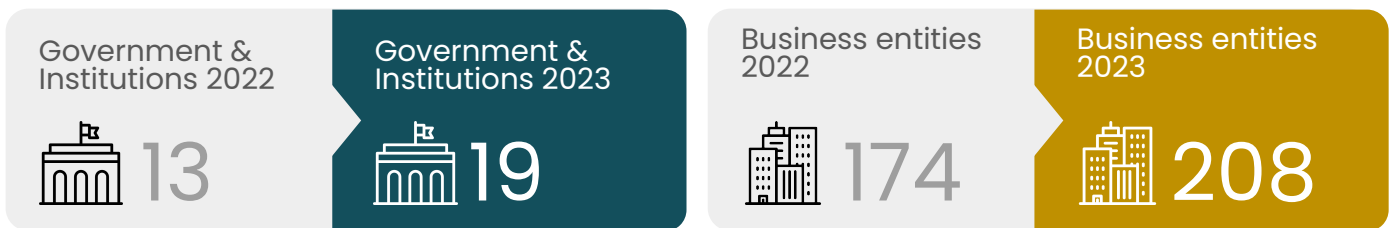
# INDONESIAN LANDSCAPE

# Indonesian Web3 Landscape



Published on December 29th, 2023

Image 2.1 Indonesia Web3 Landscape 2023



From the standpoint of businesses and enterprises in Indonesia, innovation has progressed rapidly, particularly in transaction-related aspects such as reporting, transaction monitoring, wallets, and other services. Various platforms are increasingly leveraging blockchain technology as a primary foundation or key supporter to enhance the efficiency and reliability of their services.

The global evolution of regulations has also contributed to garner increased attention from governments, institutions, and policymakers. Throughout the year 2023, numerous intensive discussions have transpired, resulting in a substantial expansion of the scope of blockchain and crypto asset development.

# Indonesian Crypto Overview

Overall Index Ranking	Country		Region
1		India	Central & Southern Asia and Oceania
2		Nigeria	Sub-Saharan Africa
3		Vietnam	Central & Southern Asia and Oceania
4		United States	North America
5		Ukraine	Eastern Europe
6		Philippines	Central & Southern Asia and Oceania
7		Indonesia	Central & Southern Asia and Oceania
8		Pakistan	Central & Southern Asia and Oceania
9		Brazil	Latin America
10		Thailand	Central & Southern Asia and Oceania

Table 2.1 Chainalysis 2023 Geography of Cryptocurrency Report - Global Adoption Index

Central and South Asia and Oceania, stands tall as a champion of grassroots crypto adoption.

A staggering 60% of the top 10 countries in the Chainalysis Global Crypto Adoption Index hail from this dynamic region, including **Indonesia, whose impressive climb from 20th place in 2022 to 7th place in 2023 showcases the immense potential of the CSAO region.**



# Indonesian Crypto Overview

| 18.25 million crypto investors

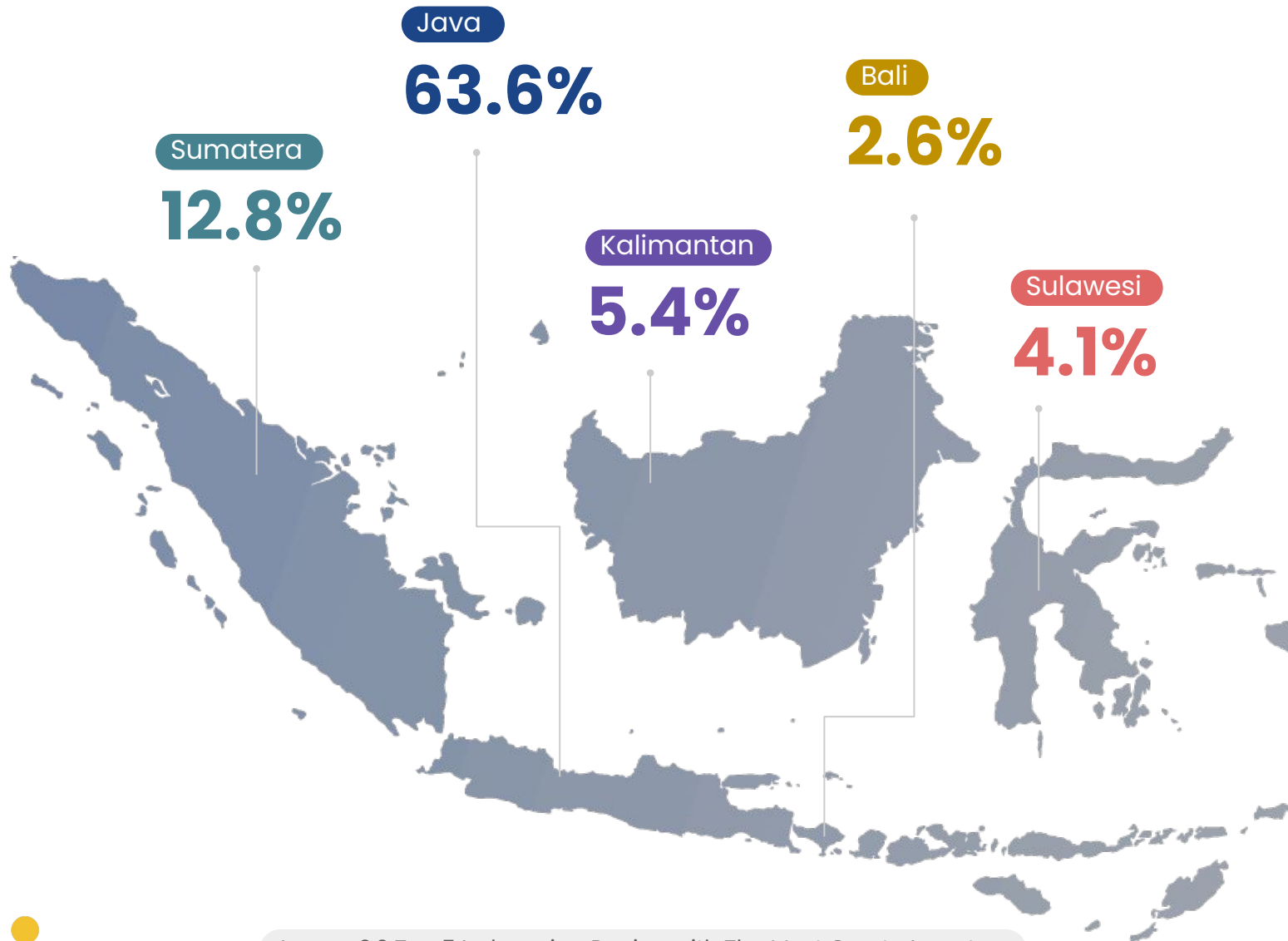


Image 2.2 Top 5 Indonesian Region with The Most Crypto Investors

According to data from the Commodity Futures Trading Regulatory Agency (Bappebti/CoFTRA), the total number of crypto investors in Indonesia reached 18.25 million as of November 2023.

The average monthly increase in the number of registered customers is 437,900 customers. Java is the region with the highest number of crypto investors, at 63.6%.

# Indonesian Crypto Overview

The total transaction value of crypto assets traded in Indonesia amounted to **Rp122 trillion**, despite the bear market conditions and the fluctuating dynamics from January to September, November 2023 experienced a significant upswing.

## Crypto Transaction Value in Indonesia January – November 2023

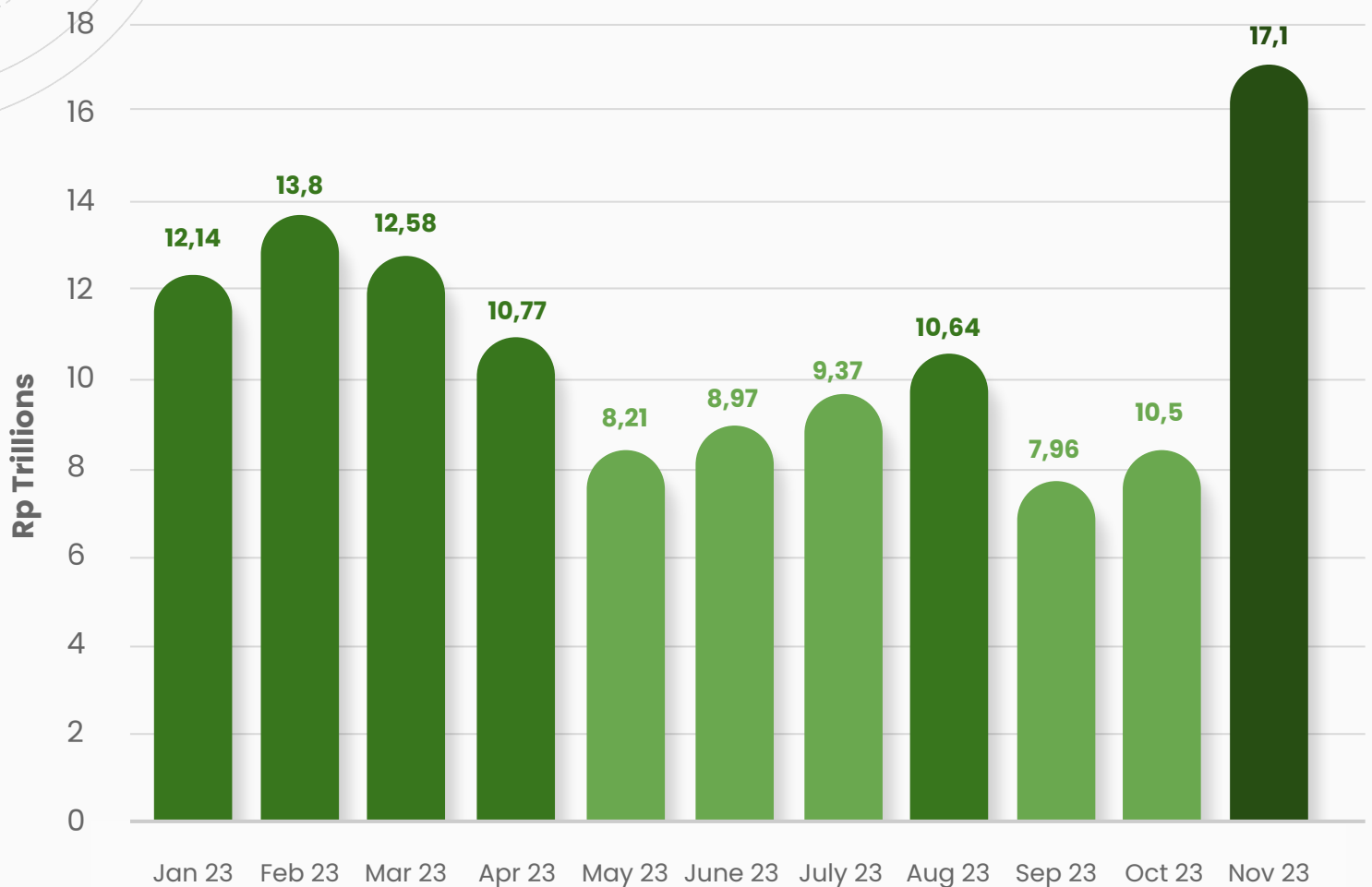


Image 2.3 Crypto Transaction Value January – November 2023. Source: CoFTRA

# Web3 & Crypto Regulation



Indonesia's regulatory framework for Web3 and Crypto is still evolving, but the government has taken a proactive stance toward the market. Web3, often associated with blockchain, crypto assets, decentralized finance (DeFi), and non-fungible tokens (NFTs), is currently under observation and study by Indonesian regulators, with comprehensive regulations in a state of flux.

The Indonesian government has expressed interest in exploring blockchain and its applications, recognizing its potential across various sectors such as finance, supply chain, and governance. However, given the dynamic and evolving nature of Web3 technologies, regulatory bodies are diligently working to understand the associated risks and benefits before formulating comprehensive guidelines.

# Web3 Regulation

1

The Ministry of Communication and Informatics (Kominfo) actively monitors blockchain activities to prevent potential illegal activities and ensure consumer protection in electronic operations. To regulate business activities and set product **standards for the development of blockchain technology (KBLI 62014)**, Kominfo has issued **Ministry Regulation No. 3 of 2021**. In partnership with pertinent stakeholders, Kominfo advocates for the creation of **regulatory sandboxes** in diverse tech-related sectors such as fintech, telecommunications, and digital services. These sandboxes serve as controlled environments where innovative technologies or business models can be tested under relaxed regulatory conditions. This initiative aims to facilitate the growth of the industry while maintaining a vigilant regulatory approach.

2

Within the financial services sector, the Financial Services Authority (Otoritas Jasa Keuangan/OJK) has established a **regulatory sandbox** to promote innovation while ensuring regulatory oversight through **OJK Regulation No. 13/POJK.02/2018 concerning Financial Digital Innovation in Financial Services Sector**. This sandbox provides an opportunity for fintech startups and companies to test their innovative financial products, services, or business models in the evolving landscape of financial technology, including blockchain-based business innovation.

As of November 2023,  **97 companies** have undergone the registration process for OJK's regulatory sandbox.

- 37 organizers in the aggregator cluster
- 17 organizers of innovative credit scoring
- 8 organizers of transaction authentication
- 7 organizers of financial agents
- 6 organizers of electronic-know your customer (e-KYC)
- 5 organizers in the regulatory technology and electronic signature (regtech & e-sign)
- 4 organizers of financial planning
- 3 organizers of funding agents
- 3 organizers of insurance and technology/insurtech)
- 2 organizers on tax and accounting administrators
- 2 organizers in the wealth management technology (wealthtech)
- 1 organizer of online distress solutions
- 1 organizer of regtech-Politically Exposed Person (PEP)
- 1 organizer of insurance centers (insurance hub)

# Crypto Regulation



Crypto asset transactions in Indonesia currently fall under the jurisdiction of the Commodity Futures Trading Supervisory Agency (Bappebti/CoFTRA), treating them as **commodities**. This arrangement will persist until the **transition to the oversight of the Financial Services Authority (OJK)** is finalized, in accordance with **Law Number 4 of 2021**. The regulatory framework for these transactions is **mainly governed by CoFTRA Regulation Number 13 of 2022 and CoFTRA Regulation Number 8 of 2021**, which provide guidelines for organizing crypto asset trading on the futures exchange. These regulations emphasize compliance within the dynamic landscape of crypto asset transactions.

In the past few years, crypto asset transaction regulations in Indonesia have developed with the issuance of several regulations. By the end of 2023, the regulatory framework is as follows:

# Indonesian Crypto Trading ecosystem



CoFTRA Regulation Number 8 of 2021 and Number 13 of 2022 concerning Guidelines for the Crypto Asset Trading Implementation in the Futures Exchange.

Highlights **licensing requirements, rights and responsibilities** for crypto exchanges, **Self Regulatory Organizations** (Crypto Asset Futures Exchange, Clearing House, and Depository), **trading processes**, and **supervisory & monitoring provisions**. This regulation established as foundation for SROs monitoring activity. In mid-July 2023, CoFTRA gave licensing approval for Crypto Asset Futures Exchange, Futures Clearing House for Guaranteeing and Settlement of Crypto Asset Physical Market Trades, and Crypto Asset Storage Managers (Depository).

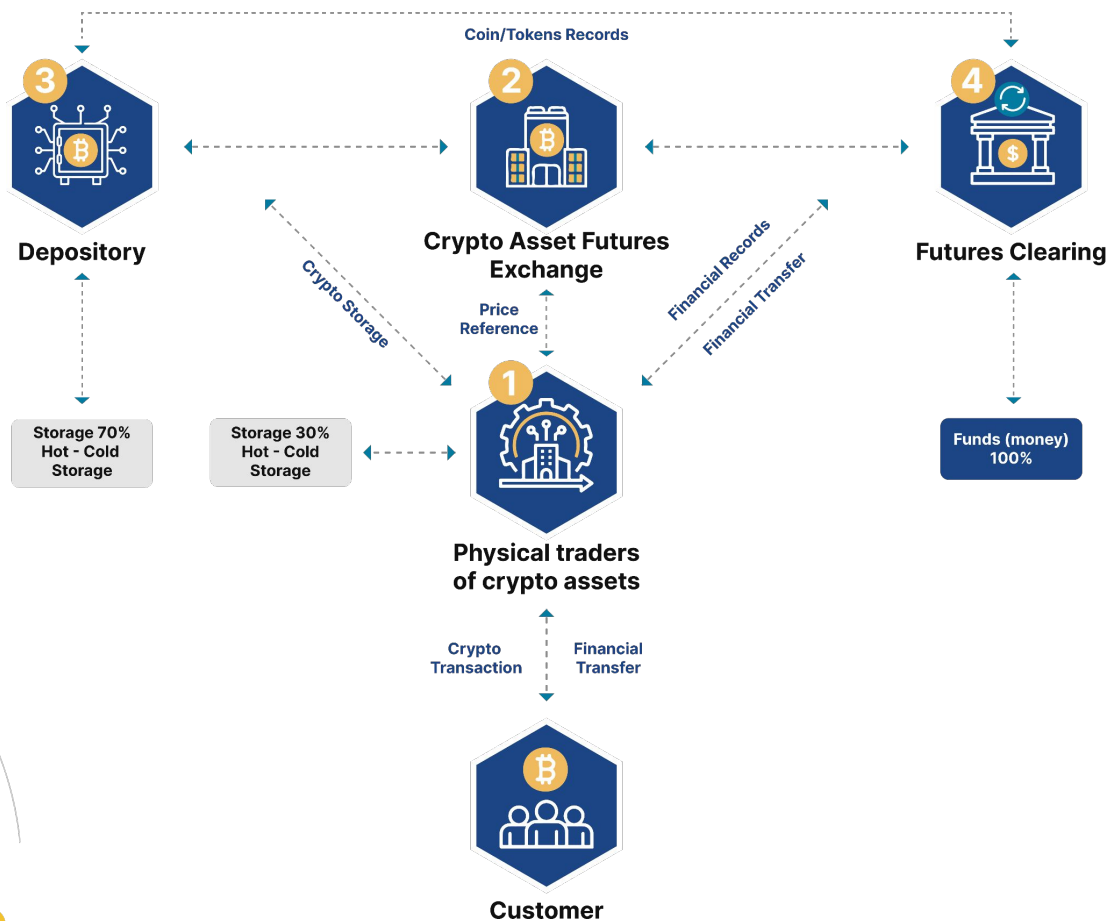


Image 2.4 Indonesian crypto asset trading ecosystem. Source: CoFTRA

# Indonesian Crypto Trading ecosystem




Self-Regulatory Organization (SRO)	Company	Function
Crypto Asset Futures Exchange	 PT Bursa Komoditi Nusantara	Crypto Exchangers, as per CoFTRA licensing, are required to report, handle transactions, monitor markets in real-time, and develop crypto futures and other derivative products. They also play a role in making system recommendations and building membership.
Futures Clearing House	 PT Kliring Berjangka Indonesia	Financial settlement, Delivery versus Payment (DvP) function, financial integrity monitoring, transaction suspend function.
Depository	 Tennet Depository PT Tennet Depository Indonesia	Manage the storage, supervision and/or delivery of customer crypto assets belonging to Crypto Asset Exchanges.

Table 2.2 Key Players in Indonesian Crypto Trading Ecosystem

## Transaction Process

1. Potential customers open an account in the Crypto Exchanges. After passing the **KYC procedures** and being approved as customers, they can transact through the Crypto Exchanges platform for the following transaction types: Fiat (IDR) with Crypto Assets (or vice versa), Swap, or place quotations for crypto assets.
2. **Customers deposit** funds into a Segregated Account of the Crypto Exchanges that is controlled by the Futures Clearing House (100%). The intended funds are used to purchase Crypto Assets.
3. The crypto assets that have been transacted (public and private keys) will be **stored by the Depository**, both in the form of "Hot Wallet" and "Cold Wallet".
4. There will be financial record-keeping between the Crypto Exchanges and the Futures Clearing House, including **records of ownership of crypto assets**. The Futures Clearing House will verify the monetary amount with the crypto assets held at the Depository.
5. Reporting of transactional data from the Crypto Exchanges, Futures Clearing House, and Depository will be delivered to the Crypto Asset Futures Exchange as the baseline for **price reference and market supervision**.



# Registered Exchanges in Indonesia

There are 32 registered local exchanges in Indonesia.  
This number grew from 25 exchanges in 2022.


**NVX**

**Pluang**

**PAK**


**triv**

**CYRA**

**ajaib KRIPTO**

**Stockbit**

**PANTHERAS**  
ONE-STOP CRYPTO EXCHANGE


**bitwewe**

**NagaExchange**

**Galad Exchange**

**BITOCTO**

**nanovest**

**gudangkripto**

**LUNO**

**Reku**

**Tokocrypto**
**PINTU**

**ZIPMEX**

**bittime**

**incrypto**

**VONIX**

**UPbit**

**digitalexchange.id**  
The Future of Digital Assets Exchange in Indonesia


**INDODAX**  
INDONESIA BITCOIN AND CRYPTO EXCHANGE

**PT. KRIPTO MAKSIMA KOIN**

**MAKS**  
MITRA KRIPTO SUKSES


**mobee**

**Fasset.**

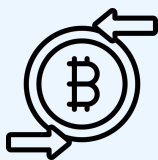
**KRIPTOSH**

**MCI** PT. Medi Crypto International  
Global Cryptocurrency Trading


**PlutoNEXT**



# Crypto Whitelist



CoFTRA Regulation Number 4 of 2023 concerning Amendments to CoFTRA Regulation Number 11 of 2022 concerning Determining the List of Crypto Assets that Can Be Traded on the Physical Crypto Asset Market (Positive List).

Updating the positive list that previously contained a list of 383 (three hundred thirty-eight) crypto assets to **501 (five hundred one) crypto assets**. In ensuring crypto asset customers' protection and the continuity of the crypto asset industry with integrity, CoFTRA considers the following matters as criteria:



Public ownership in a reasonable range (more than 30%)



Sufficient coin/token project information about security, profile, business model governance, system scalability, and development roadmap)



Developer integrity according to the team's track record and transparent fund management



Integrity in project development



Fairness, where the benefits of coin/token ownership are commensurate with the price, can be sustainable and are based on a fair price (free from monopoly and manipulation)



Provide access to updated information



Have had an assessment of the feasibility and sustainability of the business model, system security and risks, either from independent institutions, communities or associations



Have a strong and stable community

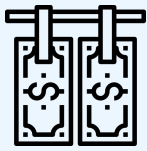


Transparency on supply and distribution of crypto assets



Receive funding support

# Anti Money Laundering & Transaction Monitoring



CoFTRA Regulation Number 8 of 2023 amends CoFTRA Regulation Number 5 of 2023, focusing on Guidelines for Preventing Funding for the Proliferation of Weapons of Mass Destruction by Futures Brokers, Prospective Crypto Asset Physical Traders, and Crypto Asset Physical Traders (Crypto Exchanges).

Guided by the National Risk Assessment, Sectoral Risk Assessment, and Indonesia's membership in the Financial Action Task Force (FATF), Bappebti establishes guidelines for Crypto Exchanges to **identify, assess, and comprehend risks associated with crypto asset transactions**. Within this framework, Crypto Exchanges are mandated to implement a monitoring policy and Anti-Money Laundering/Countering the Financing of Terrorism (AML-CFT) & Prevention of Weapons of Mass Destruction (PWMD) **risk management and mitigation procedures**, encompassing:



Identify and verify potential customers, customers and beneficial owners



Data monitoring and updating



Maintaining accurate CDD/EDD, transaction and DPPSPM data



Reporting on ML-FT & WMD prevention programs

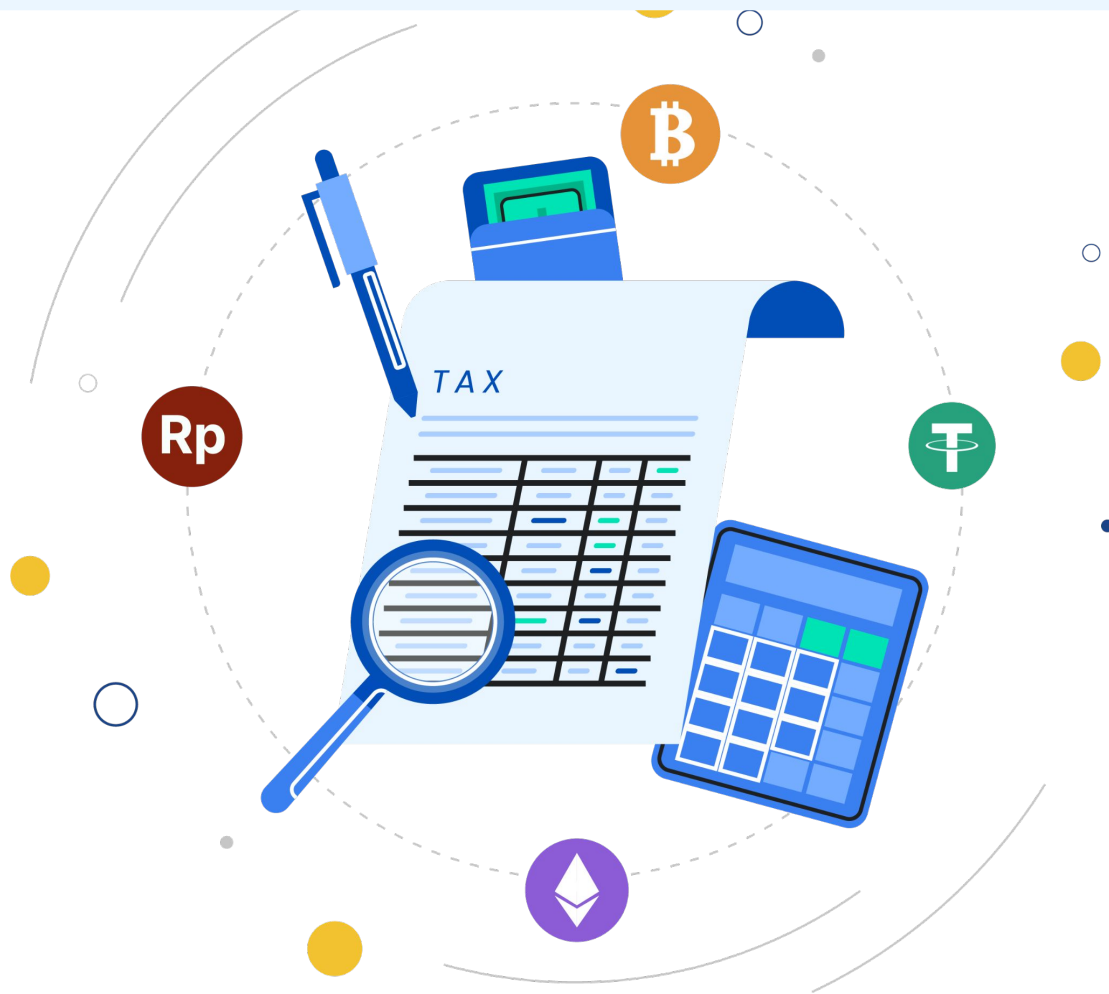


Reporting to PPAK/INTRAC

# Crypto Accounting Classification



CoFTRA Regulation Number 3 of 2023 concerning Guidelines for Criteria for Public Accountants and Public Accounting Firms in the Commodity Futures Trading Sector.



Standard criteria are set for Public Accountants or Accounting Firms auditing the Annual Financial Report for Crypto Exchanges. The criteria define **qualifications and expectations**.

Businesses must report their intended use of these services to Bappebti in advance, ensuring transparency and regulatory oversight.

# Top Crypto Assets Traded in Indonesia

Based on data provided by Bappebti/CoFTRA, USDT and BTC emerge as the leading crypto assets in terms of transaction value for the period spanning January to November 2023. Among the frequently featured digital assets in the top 5 rankings are SHIB, DOGE, and XRP.

However, in November 2023, SOL claimed the third position, surpassing ETH, while AXS made its appearance and secured the fifth spot in the rankings.
























































No	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
1	 USDT	 USDT	 USDT	 USDT	 USDT	 USDT	 USDT	 USDT	 USDT	 USDT	 USDT
2	 BTC	 BTC	 BTC	 BTC	 BTC	 BTC	 BTC	 BTC	 BTC	 BTC	 BTC
3	 ETH	 ETH	 ETH	 ETH	 ETH	 ETH	 ETH	 ETH	 ETH	 ETH	 SOL
4	 SOL	 SHIB	 SHIB	 DOGE	 DOGE	 DOGE	 DOGE	 XRP	 XRP	 XRP	 ETH
5	 DOGE	 DOGE	 DOGE	 SHIB	 SHIB	 SHIB	 XRP	 DOGE	 DOGE	 DOGE	 AXS

Table 2.3 Top 5 Crypto Assets in Indonesia Based on Transaction Value



# 2024 PROJECTIONS

# Bitcoin Halving

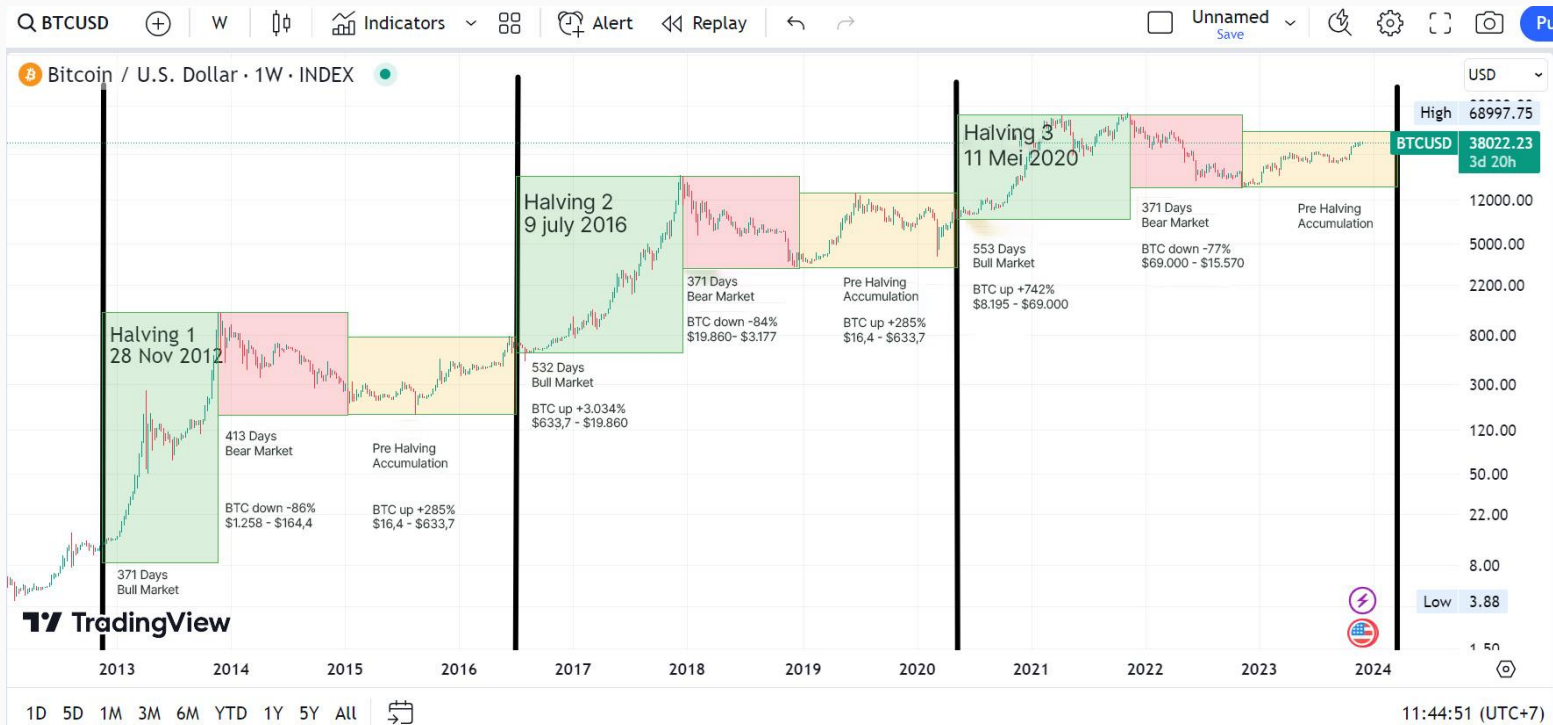


Image 4.1 Bitcoin Historical Price Movement Pre and Post-Bitcoin Halving

Bitcoin Halving is a mechanism in Bitcoin blockchain, which reduces 50% of the reward of Bitcoin mining. This happens every 210,000 Block transactions or around four years.

Every four years, give or take, the number of Bitcoin distributed to the market will be decreased by half. Essentially this mechanism helps Bitcoin to control its supply and distribution, to ensure Bitcoin stays deflationary.

That is the reason why Bitcoin halving is a highly anticipated moment in crypto world. Bitcoin Halving is often considered as the trigger of a crypto bull-run, sending Bitcoin and other cryptocurrencies to new all-time highs.

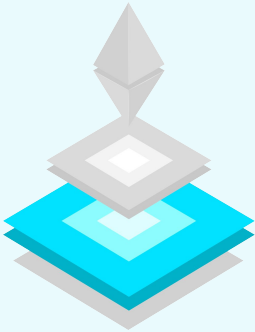


# Crypto Narratives to watch in 2024



## Real World Assets (RWA)

RWA's notable growth in 2023, with Total Value Locked (TVL) reaching \$5.97 billion, comprising 6.2% of DeFi protocol TVL. Reasons include substantial TVL growth, potential adoption by large institutions, and global access to previously restricted investments.



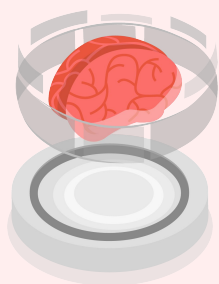
## Layer-2 Solutions

The sector has seen significant growth, especially in ETH assets, with a TVL increase of +233% from \$7.29 billion to \$24.31 billion. Factors contributing to potential hype: Ethereum Improvement Proposal (EIP) 4844 release and limited Layer-2 projects compared to Layer-1.



## Bitcoin Infrastructure

Focuses on protocols developing functionalities on the Bitcoin network. Hype potential due to Bitcoin's leading status and limited protocols dedicated to Bitcoin development.



## Artificial Intelligence in Crypto

AI-themed projects experienced a +244% market cap increase (from US\$769 million to \$2.65 billion) since early 2023. Potential attributed to ongoing technological innovation, a relatively small market share, and global AI trends.



# Sources

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Primary Data of Crypto Transaction Value from Bappebti/CoFTRA.

Primary Data of Registered Crypto Customers from Bappebti/CoFTRA.

Primary Data of Top Crypto Traded from Bappebti/CoFTRA.

# Related Regulation

Financial Services Authority/OJK Regulation No. 13/POJK.02/2018.

Financial Services Authority/OJK Law Number 4 of 2021.

CoFTRA/Bappebti Regulation Number 8 of 2021.

CoFTRA/Bappebti Regulation No.13 of 2022.

CoFTRA/Bappebti Regulation Number 3 of 2023.

CoFTRA/Bappebti Regulation Number 4 of 2023.

Ministry of Communication and Information Regulation No.3 of 2021.





**ASOSIASI  
BLOCKCHAIN  
INDONESIA**



**ASOSIASI  
PEDAGANG  
ASET KRIPTO  
INDONESIA**

**Asosiasi Blockchain dan Pedagang Aset Kripto Indonesia is an association composed of business entities implementing blockchain technology and registered crypto exchanges in Indonesia.**



The association primarily focuses on establishing a high-quality business environment to promote understanding, utilization, progression, and competitiveness in the Web3 market at both national and international levels.



Driven by the values of equality, decentralization, empathy and responsibility, the Association is committed to supporting the massive, transparent, and systematic penetration of blockchain technology and crypto asset ecosystem while upholding ethical standards and best practices within this dynamic space.



**Website** : [asosiasiblockchain.co.id](https://asosiasiblockchain.co.id) — [aspakrindo.org](https://aspakrindo.org)



**Instagram** : [aspakrindo\\_abi](https://www.instagram.com/aspakrindo_abi)



**Telegram** : [ABI-Aspakrindo & Friends](https://www.telegram.com/join/ABI-Aspakrindo)



**LinkedIn** : [Asosiasi Blockchain & Pedagang Aset Kripto Indonesia](https://www.linkedin.com/company/asosiasi-blockchain-pedagang-aset-kripto-indonesia)



# Coinvestasi

**Organizer of Coinfest Asia & the leading cross-platform crypto & blockchain media in Indonesia since 2017.**

Coinvestasi provides daily informative and creative contents for Indonesian crypto and blockchain enthusiasts on Coinvestasi.com, YouTube, Instagram & daily discussion on Twitter, Telegram and Discord Community.

A part of the crypto media group,  
Indonesian Crypto Network (ICN)



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**Join** Coinvestasi community on  | 





Get exclusive access to the largest web3 audience in Indonesia.  
Growth is what we do best.

## OUR SERVICES



**Foundational Content Marketing**  
Remove barriers for users with foundational contents



**Press Release and Media Monitoring**  
Get the word out across all crypto media and mainstream media outlets too.



**Events and Roadshow**  
Engage and interact face-to-face with potential users



**Influencer Marketing**  
Connect, manage and market through the right influencers



**Community Building & Management**  
Building a strong local community of users

## KEY CHANNELS

Access the largest crypto & blockchain audience in Indonesia



Coinvestasi



CoinDesk  
INDONESIA

COINFEST  
ASIA 2023  
By Coinvestasi

## PAST CLIENTS



CARDANO



BNB CHAIN



Huobi Global

PINTU



NEAR



linch



Fireblocks



BINANCE

BYBIT



SOLANA



Tokocrypto

INDODAX  
INDONESIA DIGITAL ASSET EXCHANGE

UPbit



Tezos

WANT TO KNOW MORE?  
GET IN TOUCH.

[indonesiacrypto.network](https://indonesiacrypto.network)

# Crypto Regulation



CoFTRA Regulation Number 8 of 2021 and Number 13 of 2022 concerning Guidelines for the Crypto Asset Trading Implementation in the Futures Exchange

Highlights licensing requirements, rights and responsibilities for crypto exchanges, Self Regulatory Authorities (Crypto Asset Futures Exchange, Clearing House, and Depository), trading processes, and supervisory & monitoring provisions. This regulation established as foundation for SROs monitoring activity. In mid-July 2023, CoFTRA gave licensing approval for Crypto Asset Futures Exchange, Futures Clearing House for Guaranteeing and Settlement of Crypto Asset Physical Market Trades, and Crypto Asset Storage Managers (Depository)

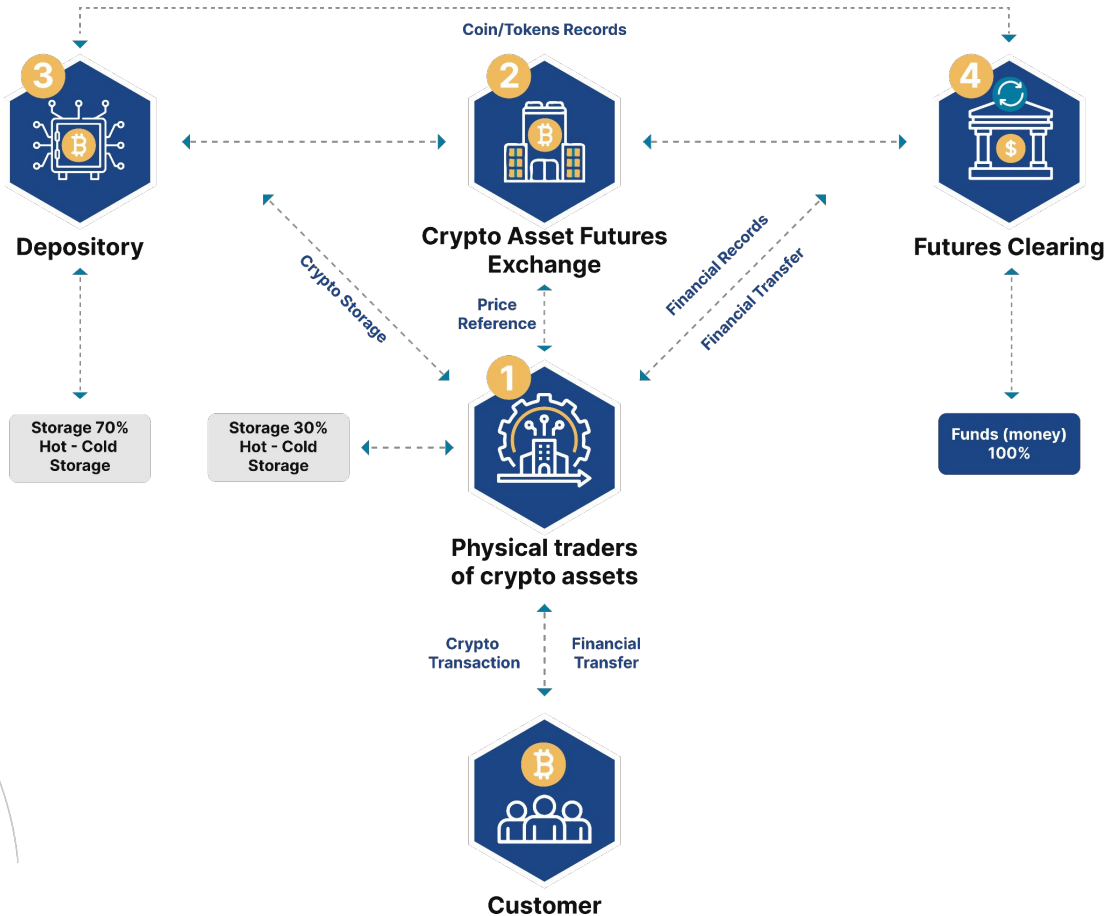




Image 2.5 Indonesian crypto asset trading ecosystem. Source: CoFTRA

# Indonesian Crypto Trading ecosystem

Self-Regulatory Organization (SRO)	Company	Function
Crypto Asset Futures Exchange	PT Bursa Komoditi Nusantara ("CFX")	Receive reporting, facilitate transactions, market monitoring in real-time, develop futures and other derivative products (crypto futures), system recommendations and membership for Crypto Exchangers that is part of CoFTRA license requirement
Futures Clearing House	 PT Kliring Berjangka Indonesia	Financial settlement, Delivery versus Payment (DvP) function, financial integrity monitoring, transaction suspend function
Depository	 Tennet Depository PT Tennet Depository Indonesia	Manage the storage, supervision and/or delivery of customer crypto assets belonging to Crypto Asset Exchanges

## Transaction Process

1. Potential customers open an account in the Crypto Exchanges. After passing the **KYC procedures** and being approved as customers, they can transact through the Crypto Exchanges platform for the following transaction types: Fiat (IDR) with Crypto Assets (or vice versa), Swap, or place quotations for crypto assets.
2. **Customers deposit** funds into a Segregated Account of the Crypto Exchanges that is controlled by the Futures Clearing House (100%). The intended funds are used to purchase Crypto Assets.
3. The crypto assets that have been transacted (public and private keys) will be **stored by the Depository**, both in the form of "Hot Wallet" and "Cold Wallet".
4. There will be financial record-keeping between the Crypto Exchanges and the Futures Clearing House, including **records of ownership of crypto assets**. The Futures Clearing House will verify the monetary amount with the crypto assets held at the Depository.
5. Reporting of transactional data from the Crypto Exchanges, Futures Clearing House, and Depository will be delivered to the Crypto Asset Futures Exchange as the baseline for **price reference and market supervision**.

# Registered Exchanges in Indonesia

There are 32 registered local exchanges in Indonesia. This number grew from 25 exchanges in 2022



This approval complements the institutional structure mandated by CoFTRA Regulation 8 of 2021. However, adjustments are still needed in the process of changing market implementation later on.

Apart from this, institutional improvements in 2023 will be a source of enthusiasm for Crypto Exchanges to receive full transaction licensing by Bappebti (which previously was only a Registration Certificate for Approval/License).

# Crypto Regulation



CoFTRA Regulation Number 4 of 2023 concerning Amendments to CoFTRA Regulation Number 11 of 2022 concerning Determining the List of Crypto Assets that Can Be Traded on the Physical Crypto Asset Market (Positive List)

Updating the **positive list that previously contained a list of 383 crypto assets to 501 crypto assets**. In ensuring crypto asset customers' protection and the continuity of the crypto asset industry with integrity, CoFTRA considers the following matters as criteria:



Public ownership in a reasonable range (more than 30%)



Sufficient coin/token project information about security, profile, business model governance, system scalability, and development roadmap)



Developer integrity according to the team's track record and transparent fund management



Integrity in project development



Fairness, where the benefits of coin/token ownership are commensurate with the price, can be sustainable and are based on a fair price (free from monopoly and manipulation)



Provide access to updated information



Have had an assessment of the feasibility and sustainability of the business model, system security and risks, either from independent institutions, communities or associations



Have a strong and stable community



Transparency on supply and distribution of crypto assets



Receive funding support



# Indonesian Crypto & Web3 Regulation

## 3



CoFTRA Regulation Number 8 of 2023 concerning Amendments to CoFTRA Regulation Number 5 of 2023 concerning Guidelines for Preventing Funding for the Proliferation of Weapons of Mass Destruction by Futures Brokers, Prospective Crypto Asset Physical Traders and Crypto Asset Physical Traders (Crypto Exchanges)

Referring to the National Risk Assessment, Sectoral Risk Assessment, and Indonesia's membership process in the Financial Action Task Force (FATF), Bappebti sets guidelines for Crypto Exchanges in identifying, assessing and understanding risks in crypto asset transactions. In this setting too, Crypto Exchanges are required to have a monitoring policy, AML-CFT & PWMD risk management and mitigation procedures that include:



Identify and verify potential customers, customers and beneficial owners



Data monitoring and updating



Maintaining accurate CDD/EDD, transaction and DPPSPM data



Reporting on ML-FT & WMD prevention programs



Reporting to PPAK/INTRAC

## 4



CoFTRA Regulation Number 3 of 2023 concerning Guidelines for Criteria for Public Accountants and Public Accounting Firms in the Commodity Futures Trading Sector

Establish standard criteria for a Public Accountant or Public Accounting Firm services in auditing the Annual Financial Report for Crypto Exchanges. It also includes business actors' obligation to



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# INDONESIA CRYPTO & WEB3 INDUSTRY REPORT

Compiled and reported by



## Overview

# 2023 Crypto Market in Headlines

	<b>19 Jan</b>  Genesis Files for Chapter 11 Bankruptcy	<b>31 Jan</b>  Ordinal Launches NFTs on Bitcoin	<b>17 Feb</b>  SEC Sues Terraform Labs for Fraud and Misleading Investors
<b>2 May</b>  Balaji's \$1.5 Million BTC Payment	<b>12 Apr</b>  Ethereum Shanghai Shapella	<b>28 Mar</b>  CFTC Sues Binance for Violation of CEA and CFTC Regulations	<b>18–13 Mar</b>  Silvergate and Silicon Valley Bank Crisis, USDC Depegs
<b>5 May</b>  PEPE's \$1 Billion Market Cap	<b>5–6 June</b>  SEC Sued Binance and Coinbase	<b>9 June</b>  Bappebti Releases 501 Legal Crypto Assets in Indonesia	<b>15 June</b>  BlackRock Files Spot BTC ETF
<b>12 Sep</b>  FTX Liquidation	<b>23 Aug</b>  Shibarium Launch and Sam Bankman-Fried Jailed	<b>17 July</b>  Indonesia Releases World's First Crypto Exchange	<b>13 July</b>  Ripple's XRP Not Securities

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# National Crypto Asset Futures Exchange

CFX is the first Crypto Asset derivatives exchange in Indonesia, which is regulated by the Indonesian government and plays an important role in facilitating the growth and development of the digital asset market in Indonesia. Some CFX roles related to infrastructure and consumer education infrastructure include:



Educational programs and awareness campaigns



Partnerships with various financial authorities, regulators and local strategic entities such as banks, financial companies and financial services that are still Web2-based



Developing innovative crypto products and services (futures and derivative products)



Increase market liquidity and expand crypto accessibility

CFX is committed to the highest compliance standards, strengthening investor protection through monitoring Indonesia-based crypto exchanges, and introducing innovative products in the broader digital asset business by providing the highest security and transparency standards to enhance the Indonesian crypto ecosystem.