

The national bank raises the bar for CRYPTO



Georgia's virtual asset service providers are about to move from light-touch registration to full supervision. Below, we break down the key changes and what they mean for the market.

Ask a Georgian crypto exchange what it has needed to operate so far, and the answer fits on one page. Register with the National Bank of Georgia (NBG). Keep an anti-money-laundering program in order. Make sure the people in charge are fit and proper. That was the deal.

The deal is changing. In December 2025, amendments to the Organic Law on the National Bank of Georgia gave the regulator full supervisory authority over virtual asset service providers, including the power to fine them. A package of draft rules now out for consultation shows what the NBG plans to do with that power. In short, it wants the sector to rest on firmer foundations: adequate capital, sound risk management, and clear accountability.

From a register to a regulator

The headline change is money. Under the drafts, a provider must hold minimum capital at all times. The figures are GEL 500,000 for exchange and transfer services, including crypto kiosks, GEL 2 million for a trading platform, and GEL 1 million for anything else. Not every lari will count towards it. At least three quarters must be core capital, essentially shareholder equity and retained profit, and loans from outside individuals are excluded.

Money is only the start. Providers will need a documented risk management framework, annual penetration

testing of critical systems, vulnerability scans twice a year, and an independent audit opinion confirming that it all works. If a test reveals a serious weakness, the National Bank may switch off the affected service. Automated monitoring of on-chain transactions must be running before the first customer is served. From January 2027, complaints must be answered within a month and reported to the regulator every month.

None of this comes out of the blue. For well-run providers, much of it already reflects market practice that banking partners, auditors, and international counterparties expect, and transaction monitoring builds on anti-money-laundering obligations that providers already carry. What changes is that these standards are now written into the rules, and providers will be expected to demonstrate and report compliance to the NBG.

Behind all of this sits a much sharper enforcement toolkit. Fines are counted per breach, not per inspection, and they double if the breach is repeated. Directors can be fined personally, suspended, or removed. For a serious breach, the National Bank of Georgia may skip the fine altogether and go straight to restricting operations or cancelling the registration.

The case for reform

It is easy to read this as a regulator reaching for a heavier hand. There is a better reading.

When crypto businesses have collapsed abroad, the damage has usually traced back to one habit: treating customer assets as the company's own. These drafts address that concern head on. Under a companion liquidation rule due to take effect in 2028, a provider that loses its registration passes to a liquidator the same day. Management loses control. Customer assets, including the keys to access them, sit outside the pool available to creditors. Customers of failed exchanges elsewhere would have welcomed exactly that kind of ring-fencing.

There is also a commercial upside the sector should not overlook. Crypto businesses around the world have long struggled to open and keep bank accounts, because banks see them as a risk they cannot measure. A provider that is capitalized, audited, and supervised by the central bank is a different proposition. Supervision is a cost, but it is also a credential. Over time, it could make Georgian providers easier to bank, easier to partner with, and more credible to foreign investors.

Finally, the direction of travel matches the wider world. The European Union, through its Markets in Crypto-Assets Regulation (MiCA) regulation, has already moved crypto firms from simple registration to full authorization with capital and governance requirements. Georgia is not an outlier for doing the same.

The price of admission

The more nuanced question is one of proportion.

A comparison with the European Union offers useful context. Under MiCA, the permanent minimum capital is €150,000 for a crypto trading platform and €50,000 for transfer services. The Georgian drafts set GEL 2 million and GEL 500,000 respectively, above the European floor. MiCA also links capital to a firm's fixed overheads where that produces a higher figure, so the requirement grows with the size of the business. The Georgian drafts instead set fixed thresholds by type of service, which means that a single crypto kiosk and a large exchange face the same GEL 500,000 requirement. At the same time, the approach brings simplicity and legal certainty, and it can fairly be read as reflecting the NBG's assessment of the local market. Beyond the risks involved, most Georgian providers do not differ enough in size or business model for a scaled approach to affect them in materially different ways, so a single set of thresholds is a reasonable choice.

Capital requirements inevitably shape markets. Some smaller operators may need to raise additional capital, combine with others, or refocus on services with a lower threshold. That kind of adjustment is a natural part of a maturing sector. A better-capitalized market should also be a more resilient one, and a more credible partner for banks and investors.

The bottom line

Maturity rarely comes without a cost, and Georgia's crypto sector is no exception. The drafts ask more of providers than the market has been accustomed to, and the cost will be felt more keenly by businesses operating on narrow margins. What the sector gains in return is credibility: a framework that customers, banks, and investors can rely on.

The scale of adjustment will differ from one provider to the next. For established players, much of the groundwork is already in place, and the task is chiefly one of formalizing existing practice and evidencing it to the regulator. For others, the months ahead will call for fresh capital, stronger systems, and a considered look at which services still make commercial sense under the new capital requirements.

The bar, in short, has been raised. Those who begin preparing now will find it a benchmark rather than a hurdle.



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