Transak

A research report on
the regulatory infrastructure
reshaping stablecoin payments.
→

Q2 2026

Stablecoin Regulation Report.

MiCA, DFAL, and the GENIUS Act for payments companies.

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transak.com

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Foreword

We sit at a unique intersection in the payments stack.

Sami Start · Co-founder & CEO, Transak

Transak operates the fiat-to-stablecoin infrastructure embedded inside **600+ applications across 64+ countries**. Every day, we watch real users convert real fiat currencies into real stablecoins through real payment methods, subject to real regulatory requirements in every jurisdiction we serve. That vantage point is why we wrote this report.

Over the past nine months, something changed in the profile of companies reaching out to us. Before the GENIUS Act passed in July 2025, the majority of our integration inquiries came from crypto-native wallets, exchanges, and DeFi protocols. Since then, we have seen a marked shift toward fintech companies, payroll platforms, remittance services, and payment processors that had never previously considered stablecoin rails.

Foreword (cont.)

The gap between what most companies built and what regulators now require is wider than the industry admits.

These are companies with millions of users, established compliance teams, and a clear understanding of the payments landscape. They are not experimenting with crypto. They are evaluating a specific infrastructure decision: how to add stablecoin settlement to their product without building a multi-jurisdictional compliance stack from scratch.

The three regulatory deadlines converging in July 2026 will determine which companies can offer stablecoin payment services and which cannot. The compliance infrastructure required is substantial. The timelines are compressed.

We should be transparent about our bias. Transak is a regulated payment infrastructure provider. We benefit commercially when the market moves toward compliance-first stablecoin adoption. We acknowledge that bias. But the regulatory deadlines are real, the compliance requirements are real, and the market data is independently verifiable. **The analysis stands on its own.**

About this report

Written for the people building the next era of cross-border money movement.

Who it's for

Product leaders, compliance officers, and executives at fintechs, payroll & EOR platforms, remittance services, neobanks, PSPs, and any financial application evaluating or already using stablecoin settlement rails.

What it covers

Three regulatory frameworks taking effect within an 18-day window in July 2026: the EU's MiCA, California's DFAL, and the federal implementation of the GENIUS Act — and what their convergence means for the payments value chain.

How it was built

Primary regulatory texts and law-firm analyses; third-party market data from Bloomberg, Artemis, CoinGecko, Visa Onchain Analytics; and clearly labeled Transak platform observations from 600+ integrated applications.

Key takeaways

Six numbers that explain the year ahead.

The compliance cliff, the institutional migration, and the regulatory surface area — in stat form.

Takeaway 01

$33T

Stablecoin transaction volume in 2025.

A 72% increase year-over-year, surpassing Visa's annual payment throughput for the first time. Stablecoin networks are no longer a parallel system — they are payment infrastructure.

Source: Bloomberg, January 2026 [1]

Takeaway 02

199 / 3,167

CASPs authorized vs. pre-MiCA VASPs in the EU.

Only 199 crypto-asset service providers have received full MiCA CASP authorization. The remaining ~3,000 entities holding pre-MiCA registrations face a hard operational cutoff on July 1, 2026. **Industry analysts project ~75% will not make the transition.**

Source: ESMA Register; Cointelegraph [15] [17]

Takeaway 03

Zero.

DFAL licenses approved in California as of May 2026 .

The application portal opened on March 9, 2026. The law takes effect July 1, 2026. The penalty for operating without a license is **$100,000 per day.**

Source: DFPI; Bitcoin Ethereum News [27] [34]

Takeaway 04

376

Pages in the OCC's GENIUS Act rulemaking.

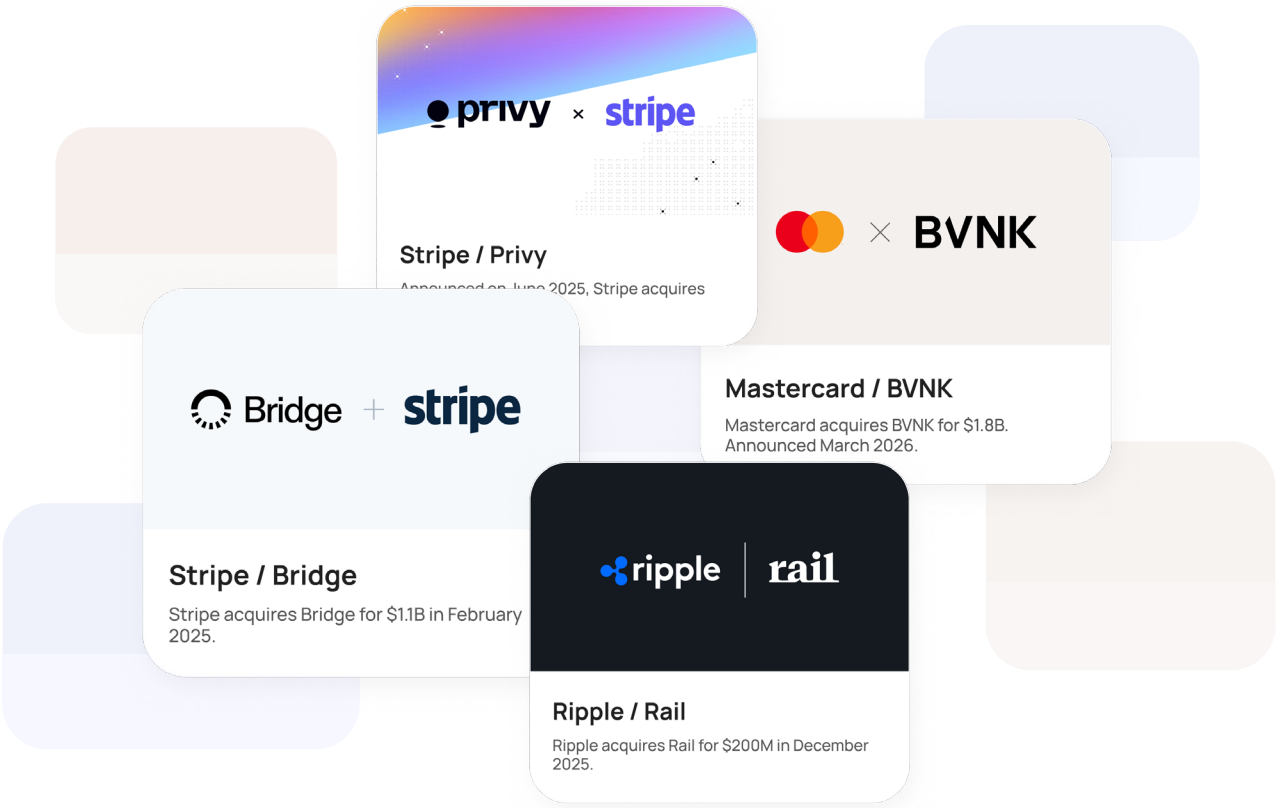
The most comprehensive federal regulatory framework ever proposed for stablecoin issuers. 211 specific questions for public comment. Comment periods close in May and June 2026. Final rules due July 18.

Source: OCC Bulletin 2026-3; Davis Polk; Sullivan & Cromwell [6] [7] [8]

Takeaway 05

$3B+

Combined value of stablecoin infrastructure M&A in 18 months



Traditional payments companies are not experimenting with stablecoins. They are **acquiring the infrastructure.**

Source: Mastercard IR; CNBC [37] [41]

Takeaway 06

85+

Jurisdictions implementing Travel Rule legislation.

Up from 65 in 2024. FATF reports 99 jurisdictions have adopted or are implementing virtual-asset AML rules covering major stablecoin providers. The global regulatory surface area for stablecoin payments is expanding faster than most companies' compliance capabilities.

Source: CoinLaw; FATF; Sumsub Global Crypto Regs 2026 [47] [50]

Part 1

The state of stablecoin payments in 2026.

The shift

Five years ago, stablecoins were a trading instrument. That description no longer applies.

The dominant use case was speculative. The dominant infrastructure was centralized exchanges. The dominant regulatory posture was ambiguity.

Stablecoin transaction volume reached **$33 trillion in 2025**, a 72% increase over 2024. To put that in context: Visa processed approximately $14.5 trillion in payment volume in its most recent fiscal year. Stablecoin settlement throughput has surpassed the world's largest card network.

The composition is shifting

B2B stablecoin payment volumes grew from under **$100M monthly** in early 2023 to over **$6B by mid-2025**. Visa's stablecoin-linked card spend reached a $3.5B annualized run rate, growing 460% YoY. Remittances and P2P payments hit a **$19B annualized run rate** by August 2025.

Why this market got regulated

Stablecoin issuers are now among the largest holders of U.S. Treasury bills globally.

$322B+

Total stablecoin market capitalization.

USDT (Tether) holds ~59% at $189B. USDC (Circle) holds ~25% at $77B. Together, 84% of the market. The remaining 16% is fragmanted across USDe, DAI,PYUSD,USD1, and dozens of smaller issuers

$155B+

In U.S. Treasury bills held by issuers.

This single fact explains why the U.S. government moved to regulate stablecoins through the GENIUS Act – payment stablecoins have become systemically relevant to U.S. sovereign debt markets.

Sources: Bloomberg, CoinGecko, The Motley Fool, StablecoinInsider [1] [2] [39] [42]

The institutional migration

These are not crypto-curious experiments. They are strategic bets by the largest payments companies in the world.

- **Stripe acquired Bridge for $1.1B** — closed February 2025. Patrick Collison called stablecoins "room-temperature superconductors for financial services."
- **Mastercard acquired BVNK for up to $1.8B** — announced March 17, 2026. BVNK processed ~$30B in annualized stablecoin payment volume in 2025.
- **11 companies filed for OCC trust charters** in an 83-day window: Circle, Ripple, Paxos, BitGo, Fidelity Digital Assets, Crypto.com, Bridge, Protego, Morgan Stanley, Payoneer, Zerohash.
- **Tether launched USAT** via Anchorage Digital Bank in January 2026 — its first product designed for U.S. regulatory compliance.
- **Deel launched stablecoin payroll** in February 2026, enabling UK and EU contractors to receive wages in stablecoins. Deel processes ~$22B in annual global payroll.
- **Circle completed its NYSE IPO** in June 2025 — the first major stablecoin issuer to go public.

Sources: CNBC, Mastercard IR, FinTech Weekly, CoinDesk, The Block [35] [37] [38] [40] [41]

How we got here

The frameworks taking effect in July 2026 did not emerge from a vacuum.

YEAR	EVENT
2019	FATF issues first virtual-asset guidance, introducing the VASP concept and extending AML/CFT obligations to crypto businesses.
2020	EU publishes first draft of MiCA. Facebook's Libra/Diem accelerates stablecoin-specific regulation globally.
2022	Terra/Luna's UST collapse wipes out $40B — the catalytic event for stablecoin-specific legislation worldwide.
2023	MiCA adopted by European Parliament. California signs AB 39 (DFAL). Senator Hagerty introduces first GENIUS Act.
2024	MiCA stablecoin provisions take effect (June 30). Full MiCA framework in force December 30, with up to 18-month transitional periods.
2025	GENIUS Act passes Senate 68–30 (June 17), House 308–122 (July 17). President signs July 18 — the first comprehensive U.S. federal crypto law.
2026	Three implementation deadlines converge: MiCA (July 1), DFAL (July 1), GENIUS Act final rules (July 18).

Companies describing these deadlines as "sudden" or "unexpected" are revealing their own lack of preparation, not a failure of regulatory process.

Part 2

The three regulations reshaping the market.

MiCA. DFAL. The GENIUS Act. Three frameworks. Three jurisdictions. One 18-day window.

2.1

MiCA CASP authorization.

The EU's Markets in Crypto-Assets Regulation — the world's first comprehensive regulatory framework for crypto-asset markets.

2.1 · The deadline

July 1, 2026 is the absolute backstop.

Article 143(3) of MiCA established a maximum transitional period of 18 months from the date of full application (December 30, 2024) for member states to allow existing VASPs to continue operating under their pre-MiCA national registrations.

After July 1, 2026, any entity providing crypto-asset services in the EU must hold a **fully granted CASP authorization** from its national competent authority (NCA).

The distinction is operationally critical

"Applied for" is not "granted." A pending application confers **zero right** to operate after the transitional period expires. An entity that submitted on June 30, 2026 must cease operations on July 1 unless its NCA has explicitly extended the transition for that entity.

2.1 · The compliance cliff

~3,000 entities need to secure authorization, exit, or shut down within weeks.

As of 4 May 2026, the ESMA register lists 210 **authorized CASPs** across the EU and EEA. Approximately **3,167 entities** held VASP registrations under pre-MiCA national regimes.

The gap between these two numbers is the compliance cliff. Industry analysts project that approximately **75% of pre-MiCA VASPs will not successfully transition.**

The Estonia precedent

Once the EU's most permissive jurisdiction (with ~2,000 VASP licenses), Estonia revoked over 90% of those licenses when it raised its standards.

The 2025 baseline

18% of existing crypto platforms had already shut down or exited the EU market by 2025 due to inability to meet MiCA requirements.

2.1 · Authorizations by jurisdiction

Four EU jurisdictions had zero public MiCA authorizations as of May 2026.

JURISDICTION	CASPS	NOTES
Germany	53	Leads EU; many are banks that added crypto services to existing licenses
Netherlands	26	Strong fintech sector; shortened grandfathering to 12 months
Malta	12	OKX, Crypto.com among licensees
France	13	Binance authorized; AMF issued explicit enforcement warnings
Luxembourg	7	Coinbase, Bitstamp authorized via Luxembourg entity
Lithuania	6	Shortened grandfathering; specified criminal penalties
Italy	0	No public MiCA authorizations as of May 2026
Poland	0	President vetoed MiCA implementing bill in December 2025
Portugal	0	No public authorizations
Greece	0	No public authorizations

Of the 199 authorized entities, only 18 **hold authorization to operate a trading platform.** Most authorizations cover narrower categories: custody, transfer, exchange, or advisory.

2.1 · The stablecoin dimension

Four constraints that change how stablecoins move in the EU.

1 · The EUR 200M daily cap

Article 23 imposes a daily transaction limit on non-euro stablecoins, including USDT and USDC, measured as a quarterly average. Excess usage forces issuers to halt new issuance.

2 · USDT MiCA status

Tether has not obtained MiCA authorization. USDT has been delisted from Coinbase Europe, Bitstamp, and Crypto.com. Holding USDT exposure for EU users is now a regulatory liability.

3 · Dual licensing required

The EBA issued guidance in February 2026 that stablecoin payment services need both a MiCA CASP license *and* a separate PSD2 payment institution license. Combined minimum capital: EUR 250K.

4 · Travel Rule at zero threshold

Under the Transfer of Funds Regulation, all CASP-to-CASP transfers must include originator and beneficiary information — from the very first euro. No SWIFT-style $3,000 threshold.

2.1 · Enforcement & penalties

Up to 12.5% of annual turnover. Or four years in prison.

The regulation itself sets maximum penalties at 12.5% of total annual turnover or EUR 5 million, whichever is higher. But member states have discretion to implement stricter regimes.

France · AMF warning

Unauthorized providers face financial penalties, public blacklisting on the AMF website, and court-ordered website blocking.

Lithuania · Criminal liability

Up to four years imprisonment for providing unlicensed crypto-asset services.

Multiple member states · Personal liability

NCAs have indicated they will pursue not just entities but also their directors and senior management personally.

2.2

California Digital Financial Assets Law.

AB 39, signed October 2023. A state licensing regime with the reach of a sovereign jurisdiction.

2.2 · Why California matters disproportionately

California is not just another state-level regime.

01
Market size

California's GDP exceeds **$4 trillion**, making it the world's fourth-largest economy if independent. It is home to ~2,060 blockchain-related companies — roughly 25% of all U.S. blockchain firms.

02
Jurisdictional reach

DFAL applies to any company serving California residents, **regardless of where the company is headquartered.** No de minimis exemption based on transaction volume or user count.

03
Regulatory template effect

California has historically been a regulatory laboratory whose frameworks are later adopted by other states.

2.2 · What requires a license

DFAL captures both direct and intermediary activity.

The DFAL defines “digital financial asset business activity” broadly: exchanging, transferring, or storing digital financial assets; holding electronic precious metals; and exchanging gaming-platform value for digital assets.

- [ ] Operating a fiat-to-stablecoin on-ramp or off-ramp
- [ ] Providing custodial wallet services that hold stablecoins or crypto assets
- [ ] Facilitating peer-to-peer stablecoin transfers
- [ ] Operating a kiosk or ATM that converts fiat to digital assets
- [ ] Enabling merchants to accept stablecoin payments

If your platform uses a third-party on-ramp provider that is not DFAL-licensed, and your users are in California, the compliance exposure **falls on your platform.**

2.2 · The application bottleneck

The portal opened March 9. Zero licenses approved as of May 2026.

REQUIREMENT	DETAIL
Filing portal	NMLS (Nationwide Multistate Licensing System)
Filing fee	$7,500
Financial documentation	Audited financial statements
Background checks	FBI fingerprint checks for all executives and 10%+ owners
Compliance programs	AML/KYC, cybersecurity, incident response, business continuity
Consumer protection	Disclosure frameworks, 10-hour daily live customer support
Security	Surety bond or trust account (amount set by DFPI based on risk profile)

Entities that have submitted a **completed** application by July 1 may continue operating while awaiting approval. But practitioners describe DFPI as "very detail-oriented," frequently returning applications for corrections. Each round-trip resubmission consumes weeks the market does not have.

2.2 · Enforcement posture

$100,000 per day for engaging in digital asset business activity without a license.

DFPI has signaled clearly that it intends to enforce DFAL aggressively. Prior to the law's effective date, the agency has already taken enforcement actions that demonstrate its operational capacity:

Coinme

Kiosk operator: fined and ordered to provide $175,000 in consumer refunds.

Unchained

$200,000 fine for bitcoin-based lending violations.

Nexo Capital

$500,000 penalty for offering crypto loans without proper licensing.

For licensed entities with material violations, penalties can reach **$20,000 per day.** DFPI can also issue cease-and-desist orders, seek court-appointed receivers, and pursue restitution on behalf of consumers.

2.3

The GENIUS Act.

Public Law 119-27. The first comprehensive federal framework for payment stablecoins in the United States.

2.3 · What the Act establishes

Three tiers of permitted payment stablecoin issuers.

Signed into law July 18, 2025 after passing the Senate 68–30 and the House 308–122. The bipartisan margins were notable.

01
Bank subsidiaries

Subsidiaries of insured depository institutions supervised by federal banking regulators (OCC, FDIC, Federal Reserve, NCUA). The pathway for banks and credit unions.

02
Federal qualified nonbank issuers

Approved by the OCC. The pathway for companies like Circle, Paxos, and BitGo — not banks, but seeking federal authorization.

03
State qualified issuers

Operating under certified state regimes — limited to issuers with $10B or less in consolidated outstanding issuance. **$10B is the dividing line.**

2.3 · Reserve & redemption

The substantive requirements reshape the economics of stablecoin issuance.

- [ ] **1:1 reserve backing.** Permitted reserves limited to cash, Fed balances, demand deposits, Treasuries with ≤93-day maturity, qualifying repos, and government MMFs.
- [ ] **No rehypothecation.** Reserve assets cannot be pledged, re-pledged, hypothecated, or used as collateral.
- [ ] **Monthly certifications.** CEO and CFO must submit monthly reserve certifications to the OCC, backed by independent accountant examinations.
- [ ] **Redemption at par within 2 business days.** Non-discretionary 7-day extension only if redemption requests exceed 10% of outstanding issuance in a rolling 24 hours.
- [ ] **Absolute yield ban.** Issuers may not pay interest, yield, or any monetary return. Affiliate or third-party arrangements designed to replicate yield are presumed to be violations.
- [ ] **Reserve shortfall trigger.** If reserves fall below 1:1, the issuer must immediately halt all net new issuance until reserves are restored.

2.3 · The rulemaking calendar

Three federal agencies. Three concurrent rulemakings.

AGENCY	PUBLISHED	COMMENT CLOSES	SCOPE
OCC	Feb 25, 2026	May 1, 2026	376-page NPRM creating new Part 15 of 12 CFR; covers licensing, reserves, redemption, risk management, capital, examinations.
Treasury	Apr 1, 2026	Jun 2, 2026	Broad-based principles for determining whether state regimes are “substantially similar” to the federal framework.
FDIC	Dec 2025	May 18, 2026	Application procedures for subsidiaries of FDIC-supervised institutions seeking to issue stablecoins.

Final rules due July 18, 2026 (one year from enactment). The Act takes effect on the earlier of January 18, 2027 or 120 days after final rules are issued. If final rules are published on July 18, the effective date would be approximately **November 15, 2026.**

2.3 · The charter race

11 companies. 83 days. A magnet for institutional capital.

COMPANY	TYPE	STATUS (Q1 2026)
Circle	Stablecoin issuer (USDC)	Conditional OCC charter
Paxos	Stablecoin issuer (PYUSD)	Conditional OCC charter
BitGo	Crypto custody/infrastructure	Conditional OCC charter
Ripple	Stablecoin issuer (RLUSD)	Conditional OCC charter
Bridge (Stripe)	Stablecoin infrastructure	Conditional OCC charter
Protego	Digital asset trust	Conditional OCC charter
Fidelity Digital Assets	TradFi subsidiary	Filed
Morgan Stanley	TradFi	Filed (Feb 2026)
Payoneer	Payments platform	Filed (Mar 2026)
Zerohash	Crypto infrastructure	Filed (Mar 2026)
Crypto.com	Exchange/custody	Conditional OCC charter

2.3 · Why this Act unlocked the migration

Payment stablecoins are neither securities nor commodities.

The GENIUS Act's most consequential provision may be its definitional clarity.

The GENIUS Act establishes that permitted payment stablecoins meeting the Act's definition are not regulated as securities or commodities under the federal frameworks, with oversight assigned to banking regulators. Stablecoin products outside this definition, and secondary market conduct, may remain subject to existing securities and commodities frameworks.

For the payments industry, this matters enormously. A company incorporating stablecoins into its payment flows is using a regulated payment instrument supervised by banking agencies — not an unregulated token or a securities-enforcement risk.

That distinction is what unlocked the institutional migration.

Part 3

The convergence of three regimes.

What happens when MiCA, DFAL, and the GENIUS Act all hit within an 18-day window.

When deadlines collide

Multi-jurisdictional enforcement is not additive. It is multiplicative.

Consider the compliance surface area for a payments company that processes stablecoin transactions for users in Europe, California, and the broader U.S.:

By July 1, 2026

A granted MiCA CASP authorization in at least one EU member state, potentially paired with a PSD2 license. A completed DFAL application in the NMLS pipeline, backed by audited financials, FBI background checks, and documented compliance programs. Verification that every stablecoin on the platform is MiCA-compliant.

By July 18, 2026

Active monitoring of the GENIUS Act's final rules for implications on stablecoins used, issuers depended upon, and the company's own classification as a "digital asset service provider."

By ~November 2026

Full operational readiness for GENIUS Act compliance: verified permitted issuers, AML/KYC programs meeting BSA "financial institution" standards, and infrastructure supporting the two-business-day redemption guarantee.

The global regulatory wave

The July 2026 concentration is the headline. The surface area extends well beyond it.

JURISDICTION	DEADLINE / STATUS	KEY REQUIREMENT
EU (27 states)	July 1, 2026	Full MiCA CASP authorization
California	July 1, 2026	DFAL license required
United States (federal)	~Nov 2026	GENIUS Act compliance for issuers
Australia	July 1, 2026	AUSTRAC full VASP compliance, including custodial wallets
Japan	April 2026 (phased)	FIEA overhaul: 105 cryptos reclassified as financial products; 20% flat tax
United Kingdom	September 2026	FCA FSMA authorization gateway opens
Hong Kong	2026 (phased)	HKMA licensing for fiat-referenced stablecoin issuers
Brazil	February 2026 (commenced)	Central bank authorization for crypto service providers
Singapore	Ongoing	MAS licensing under Payment Services Act
UAE	Ongoing	VARA (Dubai) and ADGM (Abu Dhabi); stablecoin usage up 55% YoY

85+ jurisdictions have now passed or are actively implementing Travel Rule legislation, up from 65 in 2024.

The stablecoin compliance map

Not every stablecoin can be used in every market.

TOKEN	MICA (EU)	DFAL (CA)	GENIUS (US FED)
USDT (Tether)	Not compliant; delisted from major EU platforms	Usable if issuer holds DFAL license or exemption	USAT new product launched via Anchorage; legacy USDT unclear
USDC (Circle)	Compliant; EMT issuer authorization via France	Compliant (Circle has OCC application)	Compliant (conditional OCC charter)
EURC (Circle)	Compliant; MiCA-authorized euro-pegged	N/A (euro-denominated)	N/A (euro-denominated)
PYUSD (PayPal)	Status uncertain	Likely compliant (PayPal CA licenses)	Status depends on PayPal's pathway
DAI (MakerDAO)	Unclear (decentralized issuer)	Unclear	Not a "payment stablecoin" under GENIUS

Regulatory authorization of an issuer under a given regime reflects licensing status only. It is not a recommendation, endorsement, or assessment of any cryptoasset as an investment, store of value, or means of payment for any individual or business. Regulatory status may change.

A remittance platform that settles in USDT for Southeast Asian corridors cannot use the same token for European corridors. A payroll company disbursing in USDC globally needs to verify Circle maintains its regulatory status in every relevant jurisdiction.

The era of "one stablecoin, every market" is over.

Part 4

Market impact & competition.

Who is positioned to win. Who is exposed. And what the build-vs-partner math actually is.

Who is positioned to win

The structural winners share a specific profile.

Multiple regulatory authorizations across jurisdictions, secured proactively rather than reactively, and compliance operations that can absorb the overhead of simultaneous multi-jurisdictional licensing.

COMPANY	MICA STATUS	US STATUS	SCALE INDICATOR
Coinbase	CASP authorized (LU)	Conditional OCC charter	Custodian for 8 of 11 US spot BTC ETFs
Circle	EMT issuer (FR)	Conditional OCC charter	IPO Jun 2025; USDC $77B mcap
Revolut	MiCA licensed (CY)	US banking license	40M European users
Binance	CASP authorized (FR)	Limited US operations	Largest global exchange by volume
Bridge (Stripe)	N/A	Conditional OCC charter	$1.1B acquisition; Stripe's stablecoin arm
Mastercard	Partner network	Existing licenses	Acquiring BVNK for $1.8B
OKX	CASP authorized (MT)	Limited US presence	Major APAC exchange

Who is exposed

Three categories face existential risk.

01
Single-jurisdiction operators

Without the capital or expertise to pursue parallel licensing in the EU, California, and at the federal level — market-by-market exclusion as each deadline arrives.

02
USDT-dependent platforms

A binary choice in Europe: switch to MiCA-compliant stablecoins (USDC, EURC) or lose access to the EU market entirely. The token they built infrastructure around is now a regulatory liability in the world's second-largest economy.

03
Late movers on DFAL

With zero licenses approved and July 1 approaching, any company that has not yet filed a completed NMLS application is functionally locked out of California unless it can route transactions through a licensed partner.

Build vs. partner

The arithmetic of building multi-jurisdictional compliance from scratch.

COMPONENT	TIMELINE	ANNUAL COST
MiCA CASP authorization + PSD2 license	9–18 months	EUR 250K–2M
California DFAL license	6–12+ months	Undetermined (portal just opened)
US money transmitter licenses (49 jurisdictions)	12–36 months	$500K–1.5M
AUSTRAC DCE (Australia)	6–12 months	A$100K–500K
AML/KYC/transaction monitoring infrastructure	Ongoing	$500K–2M
Payment rails integration (SEPA, ACH, UPI, PIX)	3–12 months/corridor	Variable

Total estimated investment

$2–5M upfront + $1–3M annually in ongoing compliance. Time to meaningful multi-jurisdictional coverage: 2–4 years.

Part 5

Predictions for what comes next.

Six things we expect to see between July 2026 and the end of 2026.

Predictions · 01–03

What happens after July 1.

The following are forward-looking projections based on publicly available information as of May 2026. Actual outcomes may differ materially. Nothing in this section should be relied upon as a prediction of future regulatory or market events.

01
The EU market consolidates rapidly.

~2,500 VASPs lose registrations. Some attempt offshore operation. Many seek acquisition by authorized CASPs. User bases migrate to a smaller number of authorized platforms. Expect 250–300 authorized CASPs by end of 2026.

02
California creates a two-speed market.

Companies with completed applications continue under safe harbor. Companies without applications face $100,000/day or exit. A competitive moat for early filers; first DFAL licenses likely granted in Q3 2026, initial cohort under 20 companies.

03
The GENIUS Act triggers a stablecoin issuer shakeout.

1:1 reserves, monthly certifications, and 2-day redemptions prove operationally demanding for smaller issuers. Expect active payment stablecoin issuers in the U.S. to drop from dozens to ~15–20 within 18 months of effective date.

Predictions · 04–06

The acceleration through Q4 2026.

The following are forward-looking projections based on publicly available information as of May 2026. Actual outcomes may differ materially. Nothing in this section should be relied upon as a prediction of future regulatory or market events.

04

Traditional finance entry accelerates.

The GENIUS Act's non-securities/non-commodities classification removes the legal uncertainty that kept banks on the sidelines. Expect 5–8 additional traditional financial institutions to file for stablecoin-related charters in H2 2026.

05

The UK becomes the next major regulatory event.

FCA's FSMA authorization gateway opens September 2026. Companies with MiCA authorization will be well-positioned for UK authorization — creating a European regulatory corridor that advantages firms with established compliance.

06

Stablecoin payroll crosses the adoption threshold.

With Deel, Remote, Rise, and Papaya Global building stablecoin payout, expect stablecoin payroll to move from feature to **competitive requirement** for any platform serving global contractors by end of 2026.

Appendix A

Regulatory comparison matrix.

DIMENSION	MICA (EU)	DFAL (CA)	GENIUS ACT (US)
Effective date	July 1, 2026	July 1, 2026	~Nov 2026
Scope	All crypto-asset services	Exchange, transfer, storage	Payment stablecoin issuance
Regulator	NCA (varies); ESMA oversight	DFPI	OCC; FDIC, Fed, NCUA, Treasury
License type	CASP (+ PSD2 if payments)	DFAL via NMLS	OCC charter or state qualified issuer
Minimum capital	EUR 50K–150K + EUR 125K (PSD2)	Surety bond/trust (DFPI-set)	OCC-determined by risk profile
Stablecoin rules	EUR 200M daily cap (non-EUR)	Reserves ≥ outstanding	1:1 reserves; monthly certs; yield ban
Penalty	Up to 12.5% turnover or EUR 5M	$100K/day unlicensed	Civil money penalties; charter revocation
Travel Rule	Zero threshold	Federal Travel Rule applies	BSA “financial institution”
Passporting	Valid across all 27 EU states	California-only	Federal license covers US; state ≤$10B
Application portal	Varies by NCA	NMLS (opened Mar 9, 2026)	OCC application process

Appendix B

Timeline of key deadlines.

DATE	EVENT	JURISDICTION
Feb 25, 2026	OCC publishes GENIUS Act NPRM (376 pp)	United States
Mar 2, 2026	OCC NPRM published in Federal Register	United States
Mar 9, 2026	California DFPI opens DFAL application portal	California
Apr 1, 2026	Treasury publishes GENIUS Act NPRM (state regime similarity)	United States
May 1, 2026	OCC comment period closes	United States
May 18, 2026	FDIC comment period closes	United States
Jun 2, 2026	Treasury comment period closes	United States
Jul 1, 2026	MiCA transitional period expires; DFAL takes effect	EU / California
Jul 18, 2026	GENIUS Act final rules due (1 year from enactment)	United States
Sep 2026	UK FCA FSMA authorization gateway opens	United Kingdom
~Nov 2026	GENIUS Act projected effective date	United States
Jan 18, 2027	GENIUS Act absolute effective date (18 months from enactment)	United States

Appendix C · Sources & references

All claims sourced from public regulatory filings and industry data.

Transak platform data is noted separately. Citations grouped by topic.

Market data & stablecoin statistics

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