



Recent EU regulatory developments on MiCAR

08 July 2024

It has been an extremely busy month for developments on the Regulation (EU) 2023/1114 on Markets in Cryptoassets (MiCAR). In this edition we have done a compilation of recent technical standards and guidelines published under MiCAR to help you navigate through these standards.

MiCAR establishes a regime for the regulation and supervision of crypto-asset issuance and crypto-asset service provision in the European Union (EU). It came into force on 29 June 2023 and will be applicable from January 2025 (except for the provisions relating to asset-referenced tokens (ARTs) which will be applicable from 30 June 2024).

In June and early July, the EU competent authorities published various technical standards and guidelines:

- i. On 6 June 2024, the European Banking Authority (EBA) [published](#) a package of technical standards and guidelines on governance, conflicts of interest and remuneration under MiCAR. The package includes: (i) guidelines on the minimum content of the governance arrangements for issuers of ARTs, (ii) final draft regulatory technical standards (RTS) on the minimum content of the governance arrangements on the remuneration policy, and (iii) final draft RTS on conflicts of interests for issuers of ARTs.
- ii. On 13 June 2024, EBA [published](#) a package of technical standards and guidelines on prudential matters namely own funds, liquidity requirements, and recovery plans. The package includes: (i) final draft RTS specifying adjustment of own funds requirement and minimum features of stress testing programmes of issuers of ARTs and of e-money tokens (EMTs) subject to such requirements, (ii) final draft RTS specifying the procedure and timeframe for an issuer to adjust the amount of its own funds to 3% of the average amount of the reserve of assets, (iii) final draft RTS further specifying the liquidity requirements of the reserve of assets, (iv) final draft RTS to specify the highly liquid financial instruments, (v) final draft RTS to specify the minimum content of the liquidity management policy and procedures, and (vi) guidelines on recovery plans.
- iii. On 19 June 2024, EBA [published](#) a package of technical standards and guidelines under MiCA on the topics of reporting, liquidity stress testing and supervisory colleges. This package completes the delivery of EBA technical standards under MiCA.
- iv. On 27 June 2024, EBA and the European Securities and Markets Authority (ESMA) [published](#) joint guidelines on the suitability of members of the management body, and on the assessment of shareholders and members with qualifying holdings for issuers of ARTs and crypto-asset service

providers (CASPs). It equips competent authorities with a common methodology to assess the suitability of the shareholders and members with direct or indirect qualifying holdings for the purpose of granting authorisation as issuers of ARTs or as CASPs, and for carrying out the prudential assessment of proposed acquisitions. These guidelines are part of the EBA and ESMA's ongoing efforts to foster a transparent, secure, and well-regulated crypto-assets market.

v. On 4 July 2024, EBA [published](#) new guidelines on the “travel rules”, i.e. the information that should accompany the transfer of funds or crypto-assets. These guidelines aim to implement the travel rule consistently across the EU in order to fully trace the transfer of funds and to prevent money laundering and terrorist financing when transferring funds or crypto-assets.

Next steps

If you would like to discuss anything raised in this article, feel free to contact our Financial Regulation team.