

ANNOUNCEMENT

The Cyprus Securities and Exchange Commission ('CySEC') wishes to remind the interested parties that Regulation (EU) 2023/1114 on Markets in Crypto-Assets ('MiCAR') became applicable to issuers of Asset Referenced Tokens (ARTs) and E-Money Tokens (EMTs) on 30 June 2024 and will become applicable to Crypto-Asset Service Providers (CASPs) on 30 December 2024.

TRANSITIONAL PERIOD

In view of the aforesaid, CySEC wishes to draw the attention of interested parties to the '*Transitional measures*' of Article 143(3) of MiCAR, according to which **«Crypto-asset service providers that provided their services in accordance with applicable law before 30 December 2024, may continue to do so until 1 July 2026 or until they are granted or refused an authorisation pursuant to Article 63, whichever is sooner. {...}»**.

Therefore, the crypto-asset service providers that will be registered in the CASP Register in accordance with the provisions of National Rules¹ before 30 December 2024, may continue to provide their services **until 1 July 2026, or until they are granted or refused an authorisation pursuant to Article 63, whichever is sooner**.

APPLICATIONS AND NOTIFICATIONS UNDER MiCAR

CySEC shall proceed with the publication of the documents for the submission of applications for authorisation as a CASP², once the European Commission publishes the relevant Regulatory Technical Standards (herein "RTS") and the Implementing Technical Standards (herein "ITS"). In anticipation of the publication of the RTS and ITS, the interested parties may refer to the Draft Technical Standards issued by European Securities and Markets Authority (herein "ESMA")³ to streamline the process by preparing their applications in advance.

¹ The national rules on the provision of crypto-asset services are comprised of: i) The Prevention and Suppression of Money Laundering and Terrorist Financing Law ("AML/CFT Law"), ii) the CySEC Directive for the prevention and suppression of money laundering and terrorist financing - Register of Crypto Asset Service Providers (the "CASP Registration Directive") and iii) the CySEC Directive for the Prevention and Suppression of Money Laundering and Terrorist Financing (collectively referred to as "National Rules").

² Pursuant to Article 62(1) of MiCAR

³ [ESMA18-72330276-1634 Final Report on Draft technical Standards specifying certain requirements of the Markets in Crypto Assets Regulation \(MiCA\) – first package \(europa.eu\)](https://esma.europa.eu/press-material/press-news/press-news-details/esma18-72330276-1634-final-report-on-draft-technical-standards-specifying-certain-requirements-of-the-markets-in-crypto-assets-regulation-mica-first-package)

Furthermore, entities that intend to provide crypto-asset services in the European Union equivalent to the services and activities for which they are authorised under the Investment Services and Activities and Regulated Markets Law of 2017⁴, or the Open-Ended Undertakings for Collective Investment (UCI) Law of 2012⁵, or the Alternative Investment Fund Managers Law of 2013⁶, should take into account the relevant provisions under Article 60 of MiCAR. In the context of their preparation, they must refer to the Final Report on Draft Technical Standards issued by ESMA as mentioned above.

APPLICATIONS AND NOTIFICATIONS UNDER NATIONAL RULES

In view of MiCAR becoming applicable to CASPs on 30 December 2024, CySEC will no longer accept any applications for registration under the National Rules, as of the date of this Announcement.

In addition to the aforesaid, CySEC will cease to accept Notifications under National Rules by entities established in the European Economic Area (“EEA”) and which are registered with one or more EEA National Competent Authorities for the provision of crypto-asset services, on the 30th of October 2024. Entities that will submit a successful notification by the aforesaid Cut-Off Date shall be entitled to continue providing their services on a cross-border basis, in the Republic during the transitional period as referred above. Notifications received after the above Cut-Off Date are unlikely to be assessed before MiCAR comes into application. In case the abovementioned market participants submit an application for authorisation in accordance with MiCAR, they must inform CySEC immediately whether they are authorised or not during the transitional period, to proceed with the update of the EEA CASP Register. In the case of authorisation, market participants will have to comply with Article 65 of MiCAR.

Nicosia, 17 October 2024

⁴ Transposing Directive 2014/65/EU

⁵ Transposing Directive 2009/65/EC

⁶ Transposing Directive 2011/61/EU