

## ANNOUNCEMENT

### Application of REGULATION (EU) 2023/1114 and REGULATION (EU) 2023/1113 to Crypto-Asset Service Providers

The Cyprus Securities and Exchange Commission (CySEC) would like to inform that, as from December 30, 2024, the following Regulations apply for the **provision of crypto-asset services**:

1. Regulation (EU) 2023/1114 on crypto-asset markets (MiCAR)<sup>1</sup> (**'Regulation (EU) 2023/1114'**), and
2. Regulation (EU) 2023/1113 on information accompanying transfers of funds and certain crypto-assets<sup>2</sup> (TFR) (**'Regulation (EU) 2023/1113'**).

For supervisory purposes, the Minister of Finance issued a [Notification](#) (R.A.D 310/2024) published in the Official Gazette of the Republic on September 13, 2024, by which **CySEC is designated as the competent authority** for crypto-asset service providers, whose home Member State is the Republic of Cyprus under Article 3(33)(f) of Regulation (EU) 2023/1114, in cases where the crypto-asset service providers are:

(1) subject to an **assessment of the application for authorisation** in accordance with Article 63 of Regulation (EU) 2023/1114; or

(2) a **central securities depository** authorised under Regulation (EU) No. 909/2014 and entitled to provide crypto-asset services under Article 60 of the Regulation; or

(3) a **market operator** authorised under L.87(I)/2017 and entitled to provide crypto-asset services under Article 60 of Regulation (EU) 2023/1114; or

(4) an **investment firm** as defined in Article 4(1),(2) of Regulation (EU) No. 575/2013, authorised under L. 87(I)/2017 and entitled to provide crypto-asset services under Article 60 of Regulation (EU) 2023/1114; or

(5) a **UCITS management company** as defined in article 2(1) of L. 78(I)/2012 and entitled to provide crypto-asset services under Article 60 of Regulation (EU) 2023/1114; or

(6) an **authorised AIFM** under article 8 of L. 56(I)/2013 and entitled to provide crypto-asset services under Article 60 of Regulation (EU) 2023/1114.

<sup>1</sup> [Regulation \(EU\) 2023/1114](#) of the European Parliament and of the Council of 31 May 2023 on markets in crypto-assets, and amending Regulations (EU) No 1093/2010 and (EU) No 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937

<sup>2</sup> [Regulation \(EU\) 2023/1113](#) of the European Parliament and of the Council of 31 May 2023 on information accompanying transfers of funds and certain crypto-assets and amending Directive (EU) 2015/849

In this context, for individuals providing crypto-asset services within the Union, and specifically:

- (i) those intending to file an application for an authorisation or have been granted an authorisation from CySEC for providing crypto-asset services under Article 63 of Regulation (EU) 2023/1114, or
- (ii) financial entities referred to in points (2) to (6) above,

the provisions of Regulation (EU) 2023/1114 apply. At the same time, the provisions of Regulation (EU) 2023/1113 are also applicable.

Regulation (EU) 2023/1114 introduces a comprehensive regulatory framework for crypto-asset service providers, consolidating the rules for the granting of an authorisation and for the operation of these providers across the Union. Regulation (EU) 2023/1113 sets out rules for information concerning the originators and beneficiaries in crypto-asset transfers, as well as rules for internal policies, procedures and controls that entities must apply to ensure the implementation of restrictive measures. It is noted that, to avoid overlapping rule application, Regulation (EU) 2023/1113 amends Directive (EU) 2015/849 (4th AML Directive), repealing the requirement for the registration of crypto-asset service providers in a register.

In view of the application of Regulation (EU) 2023/1114 and Regulation (EU) 2023/1113, CySEC, starting from December 30, 2024:

- Accepts applications for authorisation or notifications under Article 60 of Regulation (EU) 2023/1114 and assesses them in accordance with the provisions of the said Regulation and its Implementing Regulations. In cases of granting an authorisation or of a notification, CySEC supervises the compliance of the individuals under the new framework.
- No longer accepts applications for registration in the Registry of Crypto-Asset Service Providers under article 61E of the Prevention and Suppression of Money Laundering and Terrorist Financing Law ('L. 188(I)/2007'). Therefore, CySEC does not approve or reject applications for providing crypto-asset services/activities under the conditions specified in L. 188(I)/2007 and the Directive for the Prevention and Suppression of Money Laundering and Terrorist Financing (Registry of Crypto-Asset Services Providers) ('R.A.D. 269/2021').

CySEC will continue to maintain the **CASPs Registry** (Registry of Crypto-Asset Service Providers) in the context of Article 143(3) of Regulation (EU) 2023/1114, which provides that «**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.**{...}».

CASPs (Crypto-Asset Service Providers) registered in the CASPs Registry according to L. 188(I)/2007 and the R.A.D. 269/2021 and provided services **before** December 30, 2024, are **required**, for as long as they remain registered, to comply with Regulation (EU) 2023/1113, L. 188(I)/2007 and the Directives issues thereof and specifically with the registration conditions, the organisational and operational requirements, the conditions for changes and the payment of fees/charges as provided in R.A.D. 269/2021, until 1<sup>st</sup> July 2026 or until they are granted or

refused an authorisation pursuant to Article 63 of Regulation (EU) 2023/1114, whichever is sooner.

It is noted that, at the end of the transitional period provided by Article 143(3) of Regulation (EU) 2023/1114 (from July 1, 2026), the CASPs Registry is expected to no longer be maintained.

Finally, CySEC would like to inform that, for the implementation of Regulation (EU) 2023/1114 and Regulation (EU) 2023/1113, new legislation will be introduced within the year 2025 to regulate matters that are indicatively determined by Member States.

Nicosia, 11 March 2025