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## New Crypto-Assets Regulation Discussed During Successful MFSA Conference

The Malta Financial Services Authority (MFSA), through its Financial Supervisors Academy, successfully organised the Markets in Crypto-Assets Regulation (MiCA) conference on the 16 of November 2023 at the Hilton Hotel in St Julian's, Malta. The conference, which saw the participation of over 500 participants, including delegates from over 25 European Supervisory Authorities, competent authorities and ministries situated in 17 different countries, marked a significant step forward in gaining a deeper understanding of the evolving regulatory frameworks governing crypto-assets.

The 32 speakers addressing the conference, including 12 foreign experts and key figures joining from Europe and the US, shed light on the new Markets in Crypto-Assets Regulation (MiCA) which came into force in June 2023 and sets out a framework for the regulation of crypto-assets in the European Union. Discussions emphasised investor protection and included insights from Malta's regulatory experience. Additionally, the conference explored supervisory convergence and discussed nuances in regulating the crypto-assets space, as well as the impact of this regulation on traditional banking and efforts to address Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) concerns within the crypto industry.

The event was opened by Kenneth Farrugia, Chief Executive Officer of the MFSA who set the tone for the event, underscoring the pivotal role of the MFSA in fortifying the financial sector against emerging challenges. "The MFSA is committed to providing the financial industry with the latest insights into the regulation of crypto-assets and ensuring that the industry is well-equipped to protect investors and combat financial crime. We strive to create a jurisdiction that is attractive to quality players and service providers, leading the way in safeguarding the interests of our stakeholders, and creating an environment that is conducive to innovation and development."

Verena Ross, Chair of the European Securities and Markets Authority, who was a keynote speaker during the conference commented that, "ESMA appreciates the MFSA initiative to bring together EU supervisors to discuss the ongoing work on MiCA implementation. Together with the NCAs, ESMA is taking important steps to get ready for the new regime. Our

ambition is to ensure that the MiCA regulation is effective from day one of application and this requires a collective effort on supervisory convergence from all authorities involved.”

“Engaging in open dialogue and cooperation on MiCA topics in public venues such as the FSA Forum assists us in getting our messages across to the stakeholders. This is crucial as even with the implementation of MiCA there will be no such thing as a safe crypto-asset, and retail investors need to be conscious of this,” she added.

Other keynote speakers included Dr Christopher P. Buttigieg, MFSA’s Chief Officer Supervision and Alfred Zammit, Acting Director of the Financial Intelligence Analysis Unit. In his address Dr Buttigieg said: “The MiCA framework represents a significant step in supervisory convergence, guiding us towards a unified approach in regulating crypto-assets across Europe. Today’s discussions at the conference reinforce our commitment to this collaborative effort, ensuring a balanced and effective regulatory environment.”

The conference also saw the participation of several supervisors and academics including Herman Ciappara, MFSA’s Head of FinTech Supervision, Dr. Reto Degan, Director, FMA Lichtenstein; Maria Teresa Paracampo, Associate Professor of Financial Markets Law and Digital Innovation, University of Bari; and Dr. Ioannis Revolidis, Lecturer of Media, Communications and Technology Law, University of Athens.

Jesmond Gatt, Chairman of the Malta Financial Services Authority, concluded the event emphasising the significance of collaborative efforts in shaping the regulatory landscape for crypto-assets.

## About MFSA

The Malta Financial Services Authority (MFSA) is the single regulator of financial services in Malta, covering banks, insurance companies, investment services, trusts and pensions. In 2018, the MFSA became the first European regulator to develop a framework to regulate virtual financial assets. The MFSA’s mission, as enshrined in its Strategic Statement, is to enhance its position as an independent, proactive and trustworthy supervisory authority with the main purpose of safeguarding the integrity of markets and maintaining stability within the financial sector, for the benefit and protection of consumers. The MFSA licenses over 2,000 entities to operate in the financial services sector.

