

18 May 2026

Malta Financial Services Authority Launches Consultation on the Tokenisation of Financial Instruments and Real-World Assets

The Malta Financial Services Authority (MFSA) has [launched](#) a public consultation on the tokenisation of financial instruments and real-world assets, marking a significant step in exploring how distributed ledger technology (DLT) could be integrated within Malta's financial services framework.

Tokenisation refers to the digital representation of ownership rights in financial instruments or real-world assets using DLT. This can enable activities such as, trading, settlements, and record-keeping of investments to take place through digital platforms. The initiative reflects growing international momentum, including developments at EU level, most notably the DLT Pilot Regime, and broader global adoption trends across capital markets.

Through this consultation, the MFSA is seeking feedback from industry stakeholders and the public to better understand market readiness, identify priority asset classes, and evaluate the infrastructure, legal, and regulatory considerations required to support tokenised markets in Malta. The feedback received will help inform the Authority's future policy direction and determine whether additional regulatory guidance or market development initiatives may be appropriate.

Supporting Innovation While Safeguarding Market Integrity

The Authority recognises that tokenisation may offer potential benefits such as enhanced efficiency, transparency, automation, and improved access to investment opportunities. At the same time, it underscores that such developments must be carefully aligned with existing regulatory objectives, including investor protection, market integrity, and financial stability.

The consultation aims to assess whether tokenised financial instruments may be accommodated within existing EU legislative frameworks, or whether additional interpretative guidance, national measures, or future EU regulatory developments may be required.

Key Areas of Focus

The consultation document explores a wide range of topics, including:

- **Market appetite and strategic positioning**, including the identification of asset classes most suitable for tokenisation in Malta;

- **Legal and regulatory considerations**, such as ownership rights, settlement finality, and the enforceability of smart contracts;
- **Market infrastructure requirements**, including token registries, interoperability between DLT systems, and custody arrangements;
- **Investor protection and risk management**, covering emerging technological, operational, and financial risks;
- **Domestic market development**, including the role of investment firms, crypto-asset service providers (CASPs), and other market participants.

The MFSA is also seeking views on whether tokenisation can be effectively implemented within existing regulatory frameworks or whether targeted updates will be necessary to facilitate scalable adoption.

Engaging Stakeholders in Shaping Future Policy

The Authority emphasises the importance of stakeholder engagement in shaping a forward-looking, proportionate, and innovation-friendly regulatory environment. The insights gathered through this consultation will inform the MFSA's future policy direction, supervisory approach, and potential pilot initiatives in the area of tokenisation.

In particular, the MFSA is interested in receiving feedback on operational challenges, regulatory gaps, infrastructure needs, and potential use cases that could support the responsible development of tokenised financial markets in Malta.

Submission of Feedback

The MFSA invites stakeholders to submit their comments on the [consultation document](#) by **30 June 2026**. Submissions should be sent via email to fintech@mfsa.mt.

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.