



Banc Ceannais na hÉireann
Central Bank of Ireland

Eurosystem

Authorisation of Issuers of Asset-Referenced Tokens and Electronic Money Tokens Guidance Note

Under Regulation (EU) 2023/1114 (Markets in Crypto Assets Regulation)

December 2024

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Introduction

The Central Bank of Ireland (the 'Central Bank') is publishing guidance for firms seeking to issue Asset-Referenced Tokens ('ARTs') or Electronic Money Tokens ('EMTs') under [Regulation \(EU\) 2023/1114](#) ('MiCAR'). MiCAR became applicable for issuers of ARTs and issuers of EMTs on 30 June 2024.

The Central Bank has been designated as the competent authority for the purposes of the authorisation, where required, and supervision of ARTs and EMTs issuers under MiCAR by Statutory Instrument No. 607 of 2024, European Union (Markets in Crypto-Assets) Regulations 2024. In this regard, the following documents should be submitted to the Central Bank:

- applications for authorisation from legal persons or other undertakings that intend to offer ARTs to the public or seek their admission to trading;
- crypto-asset white papers for approval from credit institutions that intend to offer to the public, or seek the admission to trading, of ARTs; and
- notifications of intent and crypto-asset white papers from electronic money institutions ('EMIs') and credit institutions that intend to offer to the public, or seek the admission to trading, of an EMT.

The intent of the Central Bank is that there is clarity, transparency and predictability for firms seeking to issue ARTs and EMTs while maintaining the high standards the public expects for regulated providers of financial services.

The Central Bank's supervisory objectives with regard to ART and EMT issuers are consistent with those of other sectors, and in line with our industry-wide guidance on supervisory priorities¹. Our overarching supervisory objective is to ensure that we have a stable, resilient and trustworthy financial sector, sustainably operating in the best interests of the public, consumers and the wider economy. In this regard, it is expected by the Central Bank that ART and EMT issuers will:

1. Protect consumers and safeguard users' funds (including crypto-assets);
2. Be financially and operationally resilient;
3. Have business models which are viable and sustainable;

¹ See Dear CEO Letter (February 2024): https://www.centralbank.ie/docs/default-source/publications/regulatory-and-supervisory-outlook-reports/dear-ceo-letter---key-regulation-and-supervision-priorities-2024.pdf?sfvrsn=5cb9621a_4

4. Be able to demonstrate autonomy and an appropriate level of 'substance' in Ireland, resulting in firms which are well governed, with appropriate cultures, effective risk management and control arrangements in place;
5. Be able to recover critical or important business services from a significant unplanned disruption, while minimising impact and protecting their customers and the integrity of the financial system; and
6. If they cannot recover, be able to exit the market in a safe and orderly manner.

To ensure alignment on supervisory expectations and convergence across EEA jurisdictions, ART and EMT Issuers should familiarise themselves with all relevant EBA priorities for the supervision of such issuers. The current priority areas include internal governance and risk management, financial resilience, technology risk management and financial crime risk management.

Central Bank Assessment Process – Issuers of ARTs

An ART is defined in MiCAR as a type of crypto-asset that is not an EMT and that purports to maintain a stable value by referencing another value or right or a combination thereof, including one or more official currencies. The authorisation requirements for issuers of ARTs are set out in Title III of MiCAR. Under Article 16 (1) of MiCAR, a person shall not make an offer to the public, or seek the admission to trading, of an ART within the European Union (EU), unless that person is the issuer of the ART and is:

1. a legal person or other undertaking² established in the EU and has been authorised in accordance with Article 21 of MiCAR by the competent authority of its home Member State; or
2. a credit institution complying with Article 17 of MiCAR.

Upon the written consent of the issuer of an ART, other persons may offer to the public or seek the admission to trading of that ART. Those persons shall comply with Articles 27, 29 and 40 of MiCAR.

MiCAR Article 16 further provides that authorisation is not required where:

² Provided that their legal form ensures a level of protection for third parties' interests equivalent to that afforded by legal persons, and if they are subject to equivalent prudential supervision appropriate to their legal form.

1. over a period of 12 months, calculated at the end of each calendar day, the average outstanding value of the ART issued by an issuer never exceeds €5,000,000, or the equivalent amount in another official currency, and the issuer is not linked to a network of other exempt issuers; or
2. the offer to the public of the ART is addressed solely to qualified investors and the ART can only be held by such qualified investors.

Where authorisation is not required on the basis of the above, the issuer of the ART must prepare a crypto-asset white paper as provided for in Article 19 of MiCAR and notify that crypto-asset white paper to the Central Bank and in addition, upon request, any marketing communications. The information provided in the white paper must be comprehensive, clear, accurate, not misleading and presented in an understandable manner for the intended audiences of customers, and other relevant stakeholders and investors.

Issuers of ARTs that are not Credit Institutions

The authorisation requirements for legal persons or other undertakings that intend to offer to the public or seek the admission to trading, of ARTs are outlined in Article 18 of MiCAR. Such legal persons or other undertakings are required to apply to the Central Bank for authorisation. The Central Bank's process for the assessment of applications for authorisation consists of three stages:

1. Pre-Application Phase:

- Initial meeting with applicant firm;
- Submission of Key Facts Document; and
- Preliminary meeting(s).

2. Application Phase:

- Submission of formal application seeking authorisation under MiCAR to the Central Bank;
- Assessment of completeness of application by Central Bank (Key Information Check); and
- Assessment of application by Central Bank

3. Authorisation Decision Phase:

- Draft decision; and
- Final decision.

The timelines outlined in Article 20 and Article 21 of MiCAR commence at the Application Phase and not at the Pre-Application Phase.

Pre-Application Phase

The pre-application phase is designed to support applicants in understanding the Central Bank's authorisation and supervisory expectations at the earliest stage through facilitating constructive engagement.

Legal persons or other undertakings that intend to offer to the public, or seek the admission to trading, of ARTs should contact the ART Authorisation Team (ARTapplications@centralbank.ie) to arrange an initial meeting.

Stage One – Initial Meeting

The initial meeting provides the Central Bank with an opportunity to indicate its authorisation and supervisory expectations to the applicant, as well as affording the opportunity for the applicant to ask questions of the ARTs Authorisation Team.

In advance of the initial meeting, a presentation on the applicant must be submitted. This should include a brief description of the applicant and the group (if applicable), proposed activities and business model, rationale for the ART's classification, product utility and customer offering, client and revenue expectations, and the reason for considering applying for authorisation under MiCAR in Ireland.

The initial meeting complements the early engagement route via the Central Bank Innovation Hub, which is designed as a resource to help innovators navigate the regulatory landscape.

Stage Two – Submission of the Key Facts Document

In advance of the submission of an application, a [Key Facts Document](#) ('KFD') must be completed and submitted. The purpose of the KFD is to provide sufficient detail to the Central Bank on the applicant's proposal for authorisation and serve as a basis for discussion during the preliminary meeting(s). The completed KFD should be submitted at least five working days in advance of the meeting to ARTapplications@centralbank.ie.

Stage Three – Preliminary Meeting(s)

The preliminary meeting(s) provides an opportunity to discuss the contents of the KFD, and enables the applicant to raise any questions it might have regarding the authorisation process and the requirements pertaining to its proposed business model. The meeting also provides the Central Bank with the opportunity to:

- provide greater clarity in relation to the assessment process, and the requirements for authorisation;
- identify any initial matters with the proposal which, if not addressed, may preclude the proposal from proceeding; and
- highlight any issues/areas of focus which need to be specifically addressed in an application.

Application Phase

Stage One – Submission of Formal Application

The applicant will be asked to submit:

1. an application for authorisation in line with Article 18 of MiCAR and relevant regulatory technical standards, with supporting documentation; and
2. a crypto-asset white paper in accordance with Article 19 of MiCAR.

Stage Two – Assessment of Completeness (Key Information Check)

The next step in the process is the assessment of the completeness of the application, including the crypto-asset white paper. During this stage, the Central Bank assesses whether the application includes all of the information required and with a sufficient level of detail and content to enable the Central Bank to conduct the detailed assessment of the application. The crypto-asset white paper should be consistent with the business model, without contradictions between what is set out in the programme of operations and the information included for public disclosure to potential token holders. The information provided in the white paper must be comprehensive, clear, accurate, not misleading and presented in an understandable manner for the intended audiences of customers, and other relevant stakeholders and investors.

The Central Bank must conclude its assessment of completeness of the application, including the crypto-asset white paper, within 25 working days of receipt. Where the application, including the crypto-asset white paper, is incomplete, the Central Bank must set a deadline by which the applicant issuer is to provide any missing information. The 25 working day assessment period can be suspended for the period between the date of request for missing information by the Central Bank and the receipt of a response thereto from the applicant issuer. Such suspension cannot exceed 20 working days. The Central Bank has the discretion to subsequently request further information. However, any further requests by the Central Bank during this stage shall not result in a suspension of the assessment period.

Stage Three – Assessment of Application

On receipt of a **complete application**, the Central Bank will assess whether the application and crypto-asset white paper comply with the requirements of Title III of MiCAR, and come to a fully reasoned *draft* decision granting or refusing authorisation.

The Central Bank must complete its assessment within 60 working days of receipt of a complete application. Within those 60 working days, the Central Bank may request from the applicant issuer any information on the application, including on the crypto-asset white paper. Should this be the case, the 60 working day assessment period can be suspended for the period between the date of request for missing information by the Central Bank and the receipt of a response thereto from the applicant issuer. The suspension cannot exceed 20 working days. Any further requests by the Central Bank for completion or clarification of the information will be at its discretion, but cannot result in a suspension of the assessment period.

High quality applications with comprehensive and complete information and explanations reduce the need for additional information requests. Individuals proposed for certain key roles (Pre-Approval Controlled Function roles) may be invited for interview as part of the assessment of their Fitness and Probity for the role for which they are applying.

Authorisation Decision Phase

Stage One – Draft Decision

The Central Bank must, within 60 working days of receiving a complete application, provide the application and its draft decision to the EBA, ESMA and the ECB. Where the applicant issuer is established in a Member State whose official currency is not the euro, or where an official currency of a Member State that is not the euro is referenced by the ART, the Central Bank will also provide the application and its draft decision to the central bank of that Member State.

The EBA and ESMA must, at the request of the Central Bank, and within 20 working days of receipt of the application and the draft decision, issue an opinion as regards their evaluation of the legal opinion provided by the applicant that the ART does not qualify as either an EMT or a crypto-asset excluded from the scope of MiCAR pursuant to Article 2(4), and provide their respective opinions to the Central Bank.

The ECB or, where applicable, the central bank of the relevant Member State must, within 20 working days of receipt of the application and the draft decision, issue an opinion as regards its

evaluation of the risks that issuing that ART might pose to financial stability, the smooth operation of payment systems, monetary policy transmission and monetary sovereignty, and transmit its opinion to the Central Bank.

Stage Two – Final Decision

The Central Bank must, within 25 working days of receipt of the opinions referred to above, take a fully reasoned decision granting or refusing authorisation to the applicant issuer and, within 5 working days of taking that decision, notify it to the applicant issuer.

Where authorisation is granted, the approved crypto-asset white paper must be made publicly accessible by the issuer in advance of the starting date of the offer to the public of the ART or the admission to trading of that token.

Issuers of ARTs that are Credit Institutions

The requirements for issuers of ARTs that are credit institutions are outlined in Article 17 of MiCAR. The proposed issuance, in addition to being assessed for compliance with MiCAR, may also need to be assessed in the context of any existing applicable conditions on the licence of the credit institution.

A credit institution that intends to offer an ART to the public or seek its admission to trading should engage with its supervision team at its earliest opportunity.

Central Bank Notification Process – Issuers of EMTs

An EMT is defined as a type of crypto-asset that purports to maintain a stable value by referencing the value of one official currency. The requirements for issuers of EMTs are set out in Title IV of MiCAR. Under MiCAR a person shall not make an offer to the public, or seek the admission to trading, of an EMT, within the EU, unless that person is the issuer of such EMT and:

1. is authorised as a credit institution or as an EMI; and
2. has notified a crypto-asset white paper to the competent authority and has published that crypto-asset white paper in accordance with Article 51 of MiCAR.

The issuer of the EMT must, at least 40 working days before the date on which it intends to offer to the public the EMT or seek its admission to trading, notify the Central Bank of that intention.

Issuers of EMTs must subsequently notify their crypto-asset white paper to the Central Bank at least 20 working days before the date of its publication and, in addition, provide the Central Bank with the information referred to in Article 109(4) of MiCAR.

All of the information contained in the crypto-asset white paper must be fair, clear and not misleading. The crypto-asset white paper must not contain material omissions and must be presented in a concise and comprehensible form. For more information on the content and form of the crypto-asset white paper for EMTs, see Article 51 of MiCAR.

A credit institution or EMI that intends to offer an EMT to the public or seek its admission to trading should contact its supervision team at its earliest opportunity for further guidance. The proposed issuance, in addition to being assessed for compliance with MiCAR, may also need to be assessed in the context of any existing applicable conditions on the licence of the firm. See the Central Bank's website for further information on how to obtain an [EMI licence](#) or a [Credit Institution licence](#).

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