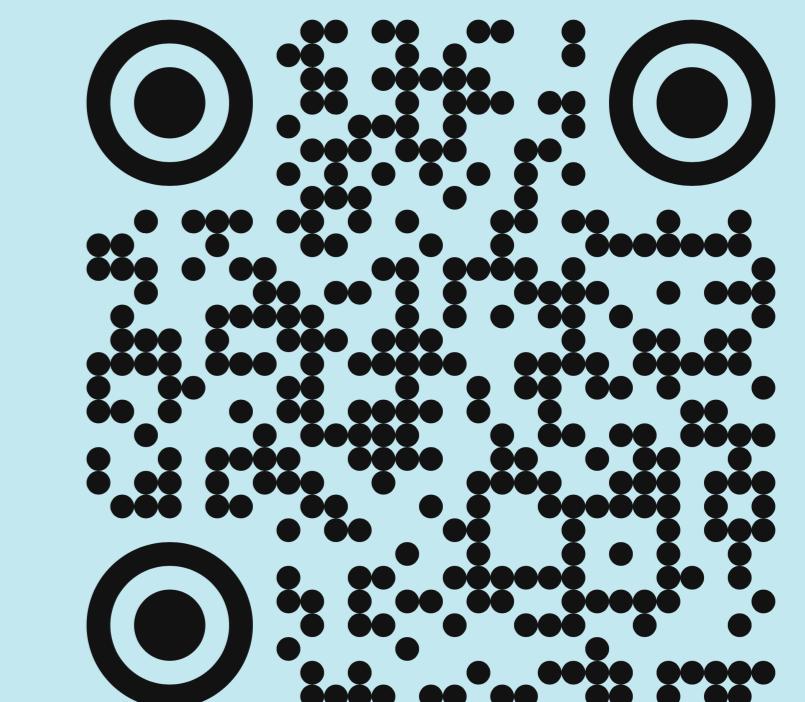


REGULATORY COMPETITIVENESS

BEYOND VIRTUAL ASSETS:



The Case of Malta

Methodology

- results of a mixed-method case study on linguistic data were re-contextualised
 - the case study consisted of three phases
 - first, text mining was performed on legal documents
 - then, theoretically grounded keywords were queried
 - qualitative data analysis was performed on correlations from phase 1 & 2
 - results from the case study were inductively applied to an explorative research question
 - notions of digital identity were analysed regarding their impact on Maltese legislation

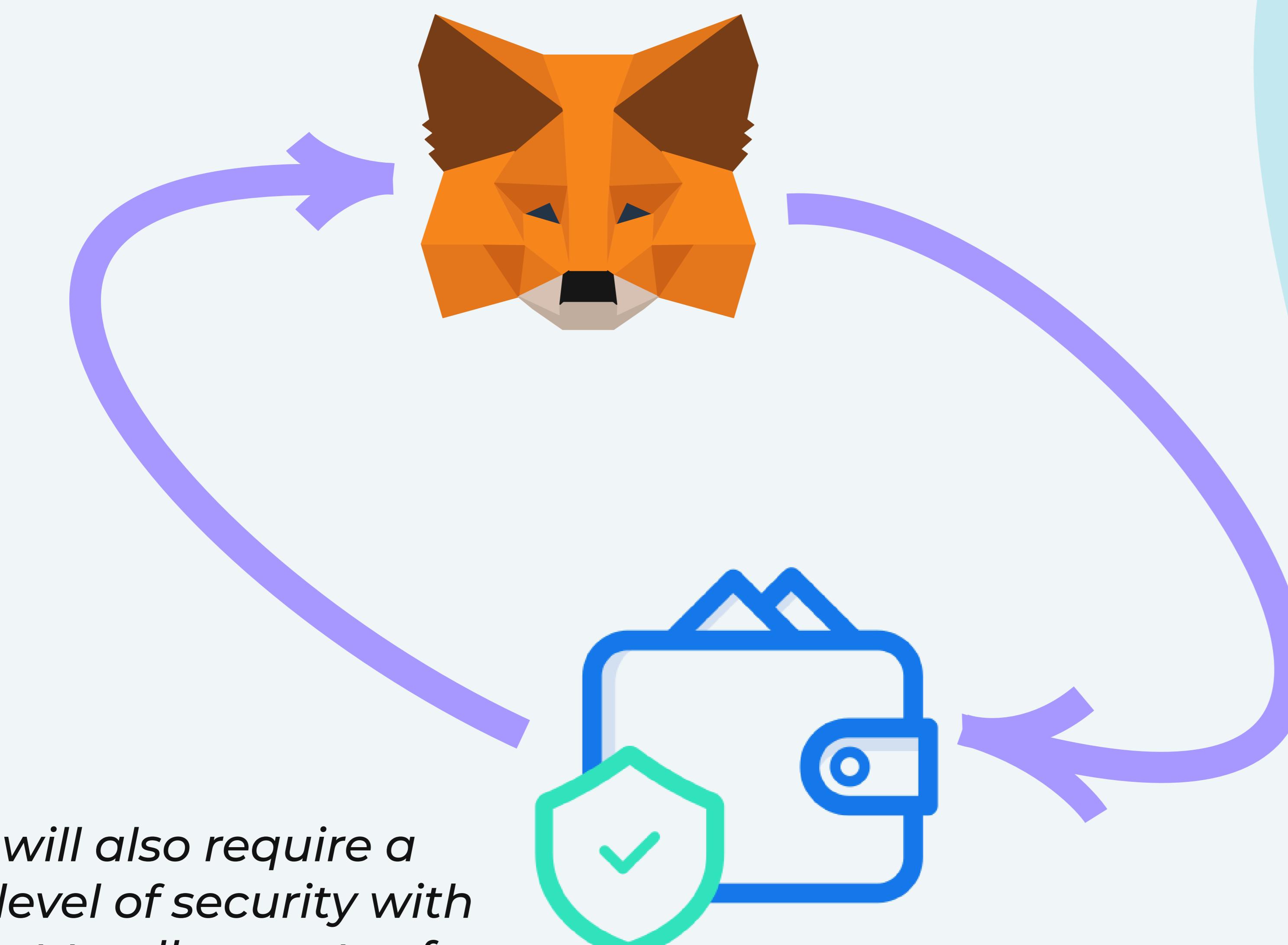
The screenshot shows the RStudio interface with two tabs open: "QDA_Legis.R*" and "betanalysis.R*". The "betanalysis.R*" tab contains the following R code:

```
279 VFAA_GenWFREQ<-data.frame(cbind(VFAA_words, VFAA_W_numbers))
280
281 colnames(VFAA_GenWFREQ)<-c("VFA Act Words", "VFA Act Word frequency")
282
283 VFAA_GenWFREQ<-xtable(VFAA_GenWFREQ)
284 print(VFAA_GenWFREQ, type = "latex",
285       file = "Users/benediktbiedermayer/Desktop/ONGOING/JISS_Paper_04_2022/Analysis/Results/resultsbeta/VFAA_GenWFREQ.tex",
286       compress=FALSE)
287
288 ##### Export of Word Cloud Plots to Latex
289
290 ##VFAA WC
291 tikz("Users/benediktbiedermayer/Desktop/ONGOING/JISS_Paper_04_2022/Analysis/Results/VFAA_wc.tex",
292       width=3.5,height=3.5)
293 wordcloud(words=VFAA_words, freq = VFAA_freq, min.freq = 1,
294            max.words=22, random.order=FALSE, rot.per=0.35,
295            colors=brewer.pal(8, "Dark2"))
296 dev.off()
297
298 png(filename = "VFAA_wc.tex", width= 500, height= 500)
299 #####
300 #####
301 #EU Commission Proposal MiCA 2020/0265
302 EUComm_Proposal_MiCA_2020_0265_TEXT<- pdf_text("EUComm_Proposal_MiCA_2020_0265.pdf")
```

The terminal window below shows the R session output:

```
R 4.1.2 · ~/Desktop/ONGOING/JISS_Paper_04_2022/Analysis/ ↵
Warning message:
In tm_map.SimpleCorpus(VFAA_corpus, stemDocument) :
  transformation drops documents
> #Document-term matrix
> VFAA_DTM<- DocumentTermMatrix(VFAA_corpus)
> VFAA_DTM_onecol<- as.matrix(VFAA_DTM)
> # Word frequency analysis
> VFAA_wf<- colSums(VFAA_DTM_onecol)
> VFAA_freq<- sort(VFAA_wf, decreasing=TRUE)
> VFAA_words <- as.vector(names(VFAA_freq[1:17]))
> VFAA_W_numbers<-as.vector(VFAA_freq[1:17])
> VFAA_GenWFREQ<-data.frame(cbind(VFAA_words, VFAA_W_numbers))
> colnames(VFAA_GenWFREQ)<-c("VFA Act Words", "VFA Act Word frequency")
> VFAA_GenWFREQ<-xtable(VFAA_GenWFREQ)
> print(VFAA_GenWFREQ, type = "latex",
+       file = "Users/benediktbiedermayer/Desktop/ONGOING/JISS_Paper_04_2022/Analysis/Results/resultsbeta/VFAA_GenWFREQ.tex",
+       compress=FALSE)
```

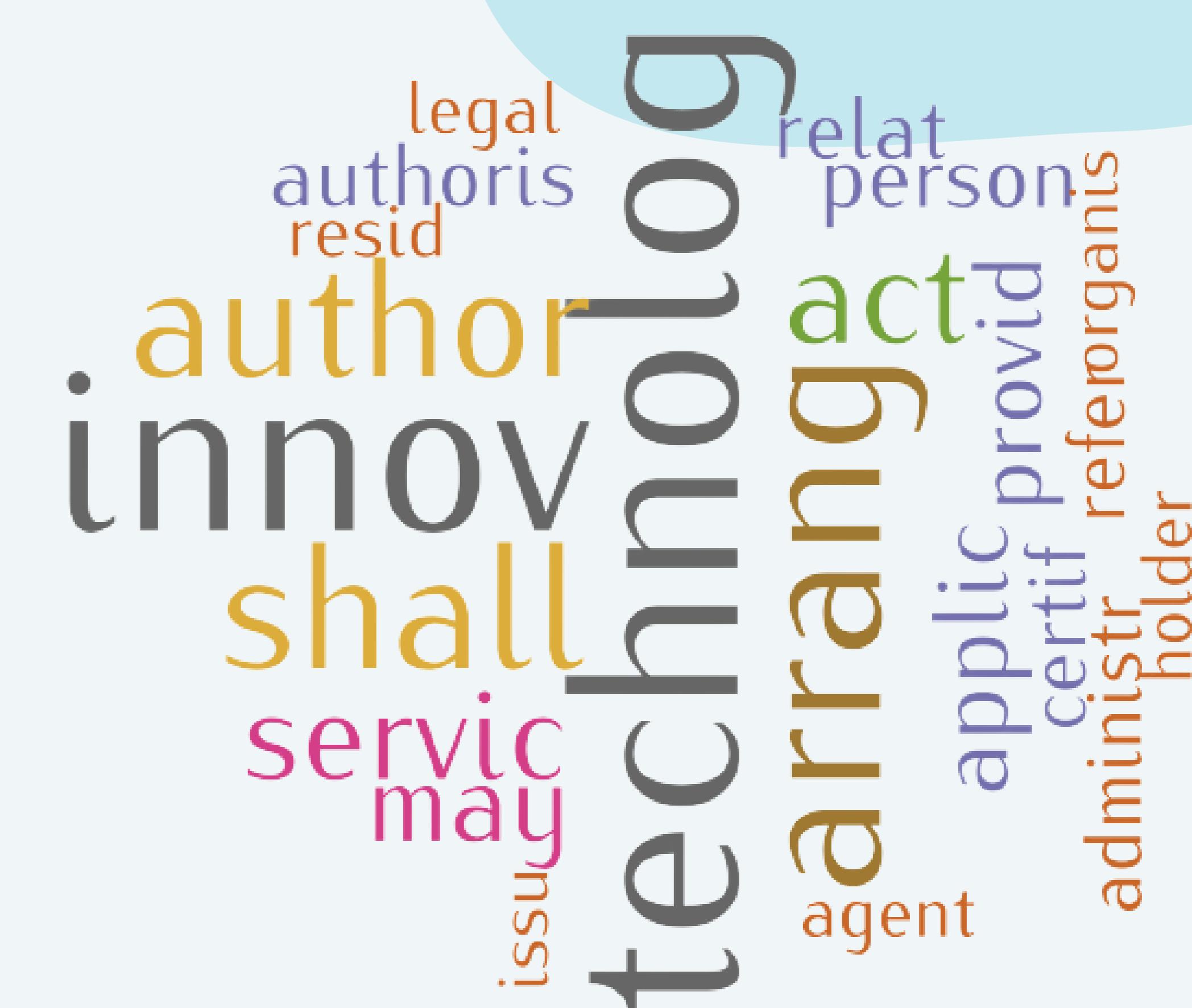
Innovative Technology Arrangements & Services Act (ITASA)



“This will also require a high level of security with respect to all aspects of digital identity provisioning, including the issuing of a European Digital Identity [EUDI] Wallet, and the infrastructure for the collection, storage and disclosure of digital identity data.”

Novel regulation on electronic identification and trust services for electronic transactions in the internal market

Word Cloud ITASA



Relevance

- ▶ Malta is prepared to enforce crypto-assets beyond proof-of-work
 - ▶ Maltese laws are able to respond to the registration of unhosted wallets
 - ▶ the ITASA enables decentralised identity service providers to use DLT
 - ▶ Can the ITASA spark private sector development in Malta to comply with EUDI?

Where is the focus on technology in EU crypto-asset regulation?

Digital Identity for all Europeans

An illustration featuring a woman with short brown hair, wearing an orange top, holding a white smartphone. A blue ribbon-like badge with the letters "eID" is attached to the phone. To the right of the phone, the text "Digital Identity for All Europeans" is displayed in white on a blue banner. In the background, there is a blue wallet with a red badge that also says "eID". The entire scene is set against a dark blue background.

The European Digital Identity will be available to EU citizens, residents, and businesses who want to identify themselves or provide confirmation of certain personal information. It can be used for both online and offline public and private services across the EU.

Every EU citizen and resident in the Union will be able to use a personal digital wallet.

A portrait photograph of Ursula von der Leyen, the President of the European Commission. She is a middle-aged woman with blonde hair, wearing a white blazer over a dark top, looking slightly to her left with a thoughtful expression.

"Every time an App or website asks us to create a new digital identity or to easily log on via a big platform, we have no idea what happens to our data in reality. That is why the Commission will propose a secure European e-identity. One that we trust and that any citizen can use anywhere in Europe to do anything from paying your taxes to renting a bicycle. A technology where we can control ourselves what data is used and how."

Ursula von der Leyen, President of the European Commission, in her State of the Union address, 16 September 2020

The European Commission proposes the “development of a Toolbox to avoid divergent approaches and avoid endangering the future implementation of the European Digital Identity framework.”

Rank	Words EU	Word Frequency EU	Words ITASA	Word Frequency ITASA
1	articl(e)	4889	technolog(y)	193
2	member	3945	innov(ation)	191
3	state	3843	arrang(ement)	150
4	shall	3508	shall	134
5	direct	3298	author(ity)	126
6	inform	2399	act	104
7	european	2357	servic(e)	93
8	cryptoasset	2101	may	79
9	person	1980	applic(able)	69
10	refer	1969	provid(e)	62
11	issuer	1960	person(s)	55
12	legal	1845	authoris(e)	53
13	council	1825	relat(e)	52
14	author(ity)	1743	certif(y)	51
15	money	1725	refer	47
16	ensur(e)	1712	administr(ation)	46
17	token	1682	resid(e)	42

Malta's 2018 legal DLT cluster already considered digital identity services regulation.

ITASA Results

'line 486' once registered, a **service provider** shall be granted a **certificate of registration** which shall state its identification and shall list the class or classes of services which the applicant has been registered to provide 'line 490' 'line 570' [with] due regard to the rights, interests and needs of each and all its customers in a way that is fair, clear and not misleading [perform the services that are authorised and licenced] 'line 572'