



WG CASP – Regulatory

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MiCA and CASP registration in Luxembourg - CASPs in Luxembourg and Europe

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MiCA and CASP registration in Luxembourg - CASPs in Luxembourg and Europe

1. Transitional regime for CASPs under MiCA in Europe

The Markets in Crypto Assets Regulation (MiCA) provides a transitional regime for Crypto-Asset Service Providers (CASPs) active before 30 December 2024 to comply with the regulation. On 17 December 2024, ESMA issued a statement on MiCA Transitional Measures¹.

According to Article 143(3) of MiCA, *“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.”*

This transitional regime for CASPs that offered their services before 30 December 2024 grants them additional time to transition from compliance with the current regulatory framework to compliance with MiCA. Member States have the discretion to reduce or waive the transitional period to ensure financial stability and investor protection. These non-uniform transitional periods have resulted in varying timelines across Member States. For example, countries such as Luxembourg, France and Malta have opted for a transition period of 18 months, until 1st July 2026, while it is only 6 months in other Member States such as Netherlands.

¹https://www.esma.europa.eu/sites/default/files/2024-12/ESMA75-453128700-1396_Statement_on_MiCA_transitional_measures.pdf

CASPs operating in multiple Member States may face compliance issues if transitional periods differ. As a result, they must take these varying transitional periods into account when transitioning to MiCA. (see Appendix 1, the list of grandfathering periods decided by Member State under Article 143 of MiCA published by ESMA)

Regulators advise CASPs to apply for MiCA authorisation as soon as possible and communicate with the National Competent Authorities (NCAs) in each of the countries in which they do business to guarantee compliance and minimise disruptions. Preparing for possible authorisation gaps is also advised to protect clients, markets, and AML/CFT compliance.

To prevent authorisation gaps that could lead to non-compliance or service interruptions, CASPs are advised to plan their MiCA transition carefully. Furthermore, CASPs are subject to stringent regulations from MiCA, especially about governance, local presence, and risk management. Since the notion of "low-risk CASPs" has been eliminated from the regulation, all providers will be considered high-risk and require closer oversight. This is also a crucial factor to consider because it could impede rapidly expanding players.

2. Review of the implementation of the MiCA regulation in Europe

The adoption of MiCA, first published in the Official Journal of the European Union on 9 June 2023, marks a significant step in the development of the legal framework governing crypto-assets within the European Union. By introducing an expected framework aimed at harmonisation across Europe, the text seeks to establish a clear, stable, and predictable regulatory environment for both issuers and CASPs.

As a reminder, the regulation provides for differentiated entry into force, which were:

- On 30 June 2024, for the provisions relating to asset-referenced tokens (ART) and electronic money tokens (EMT),
- On 30 December 2024, for the provisions concerning CASPs.

During the transitional period, which differs across the Member States, service providers registered under national regimes may continue to operate until the end of the planned period, provided they apply for authorisation within the allotted time. Obtaining this MiCA authorisation is a prerequisite for cross-border activities under the future European passport, the foundation of the internal market for crypto-assets.

However, the effective implementation of MiCA remains conditional on the preparation of the national competent authorities (NCAs). Several Member States published guidance documents (France, Germany, the Netherlands), including pre-notification or application forms, enabling economic actors to anticipate the administrative, organisational and prudential requirements that will apply to them. As an example, some regulators like Dutch Authority for the Financial Markets (Autoriteit Financiële Markten, “AFM”) published its [first MiCAR newsletter](#) on 13 May 2024² and some documentation regarding the authorisations, the regulators and readiness in Europe on 5 December 2024³.

Until recently, in Luxembourg, professionals and experts have been calling for more information and content regarding the CASP authorization as it was a significant operational obstacle for actors considering setting up or achieving compliance on the EU market. The various actors in the crypto-asset sector were seeking greater legal and strategic certainty, as time and information are crucial elements in a sector characterised by rapid innovation and competition. This necessitates regulatory planning and anticipation of obligations in terms of governance, organisation, and the fight against money laundering.

² <https://www.regulationtomorrow.com/the-netherlands/dnb-afm/the-afm-publishes-its-first-micar-newsletter/>

³ <https://cms.law/en/int/publication/legal-experts-on-markets-in-crypto-assets-mica-regulation/understanding-micar-s-transitional-regimes-and-its-implications-for-eu-crypto-businesses/section-1-micar-authorisations-regulators-and-readiness>

This issue has likewise been raised by numerous professionals within the sector, who were urging a prompt and decisive response from the Luxembourg authorities to uphold the principle of competitive neutrality within the European regulatory framework.

3. Notification form of the intention to provide crypto-asset services published by the CSSF

In the context of implementing the MiCA regulation, the Commission de Surveillance du Secteur Financier (CSSF) has taken action to make it easier for existing financial entities in Luxembourg to comply with the new regulation rules. Since 2024, the CSSF has proactively reached out to existing Virtual Asset Service Providers (VASP) established in Luxembourg to prepare their application as CASP. While this process started last year, to date only two CASP licenses are posted on the CSSF registry of supervised entities. On 17 March 2025, CSSF published a notification of the intention to provide crypto-asset services under Article 60 of Regulation (EU) 2023/114 on markets in crypto-assets, available with the following link:

<https://www.cssf.lu/en/Document/notification-of-the-intention-to-provide-crypto-asset-services-under-article-60-of-regulation-eu-2023-1114-on-markets-in-crypto-assets/>

This form is designed for financial entities already authorised under other regulatory frameworks, such as credit institutions, e-money institutions, UCITS management companies, and others, who would like to notify the CSSF of their intention to offer crypto-asset services, as permitted by Article 60 of MiCA. This form is specifically designed for financial entities already authorised under other EU regulatory frameworks and aims to streamline their entry into the crypto-asset services market.

In parallel with the notification provided for in Article 60, the CSSF also published on the 25 April 2025 the application for authorisation as a Crypto Asset Service Provider under

Article 62 of Regulation (EU) 2023/1114 on markets in crypto-assets, available at the following link:

[Application for authorisation as Crypto-Asset Service Provider under Article 62 of Regulation \(EU\) 2023/1114 on markets in crypto-assets – CSSF](#)

This application is intended for entities that do not fall into the categories listed under Article 60, such as VASPs, as well as entities that belong to the categories listed under Article 60 when providing crypto asset services that are not deemed equivalent to the services and activities for which they are authorised under relevant EU law.

This need for a formalised application process was related to the challenges for prospective CASPs aiming to establish operations in Luxembourg, as they lacked the necessary procedural clarity to initiate their applications locally compared to other jurisdictions. New entrants and existing unregulated stakeholders needed to be provided with additional information and form CASP authorisation process to gain visibility to apply for MiCA authorisation in Luxembourg and reduce the regulatory asymmetry compared to other jurisdictions which have published pre-application or application forms for new entrants. These recent updates have been welcomed by the market as an opening of the Luxembourg financial centre.

However, the delay in providing a comprehensive authorisation framework for all potential market participants might have impacted Luxembourg's competitiveness as a hub for crypto-asset services. Neighboring jurisdictions that have established clearer pathways for CASP authorisation may have attracted entities seeking early regulatory certainty.

4. CASPs registered in Europe

From January to June 2nd 2025, according to the MiCA register published by ESMA, 30 CASP licenses have been approved. The national authorities who appear in it and from whom some CASPs have been granted licences under the new regulation are:

NCA	Number of CASP licenses
Federal Financial Supervisory Authority (BaFin)	11
Netherlands Authority for the Financial Markets (AFM)	8
Malta Financial Services Authority (MFSA)	5
Commission de Surveillance du Secteur Financier (CSSF)	2
Austrian Financial Market Authority (FMA)	1
Cyprus Securities and Exchange Commission (CySEC)	1
Comisión Nacional del Mercado de Valores (CNMV)	1
Autorité des Marchés Financiers (AMF)	1

The register is available at the following address:

<https://www.esma.europa.eu/sites/default/files/2024-12/CASPS.csv>

As of June 2025, it is worth noting the CSSF is supervising 13 Virtual Asset Providers (VASP) including large players such as PayPal (Europe) S.à.r.l et Cie, S.C.A, Swissquote Bank Europe SA or Sygnum Bank A.G. However, it has only approved 2 Crypto Asset Service Providers to date: [Clearstream Banking S.A.](#) and Bitstamp Europe S.A.. Only looking at existing players, it demonstrates the potential of Luxembourg to compete on the EU market. However, where a VASP registration was needed in each country, a CASP license can be passported across the EU. This strengthens the need for the country to remain attractive and competitive to ensure that not only existing players but also new entrants are opting for Luxembourg as their EU headquarters for crypto-asset services.

Appendix 1



List of grandfathering periods decided by Member States under Article 143 of Regulation (EU) 2023/1114 Markets in Crypto-Assets Regulation (MiCA)*

Article 143 – Transitional measures

3. 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.

Member States may decide not to apply the transitional regime for crypto-asset service providers provided for in the first subparagraph or to reduce its duration where they consider that their national regulatory framework applicable before 30 December 2024 is less strict than this Regulation.

By 30 June 2024, Member States shall notify to the Commission and ESMA whether they have exercised the option provided for in the second subparagraph and the duration of the transitional regime.

Member state	Grandfathering period
Belgium	TBA
Bulgaria	12 months
Czechia	18 months**
Denmark	18 months***
Germany	12 months
Estonia	18 months
Ireland	12 months
Greece	12 months
Spain	12 months
France	18 months

Croatia	18 months
Italy****	12 months
Cyprus	18 months
Latvia	6 months
Lithuania	5 months
Luxembourg	18 months
Hungary	6 months
Malta	18 months
Netherlands	6 months
Austria	12 months
Poland	6 months
Portugal	TBA
Romania	18 months
Slovenia	6 months
Slovakia	12 months
Finland	6 months
Sweden	9 months

EEA country	Grandfathering period
Iceland	18 months
Liechtenstein	12 months

Norway	TBA
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* Please note that some of these grandfathering periods have been communicated to ESMA by national competent authorities, reflecting their current expectations on national grandfathering period, but that some of these periods may not have been incorporated into national law yet. This list is being shared on that basis to facilitate industry preparations ahead of MiCA.

** To be able to benefit from the grandfathering period, applicant CASPs must apply before 31 July 2025.

*** To be able to benefit from the grandfathering period, applicant CASPs must apply before 30 December 2024.

**** Entities registered as VASPs in the Italian AML/TF register must file their application for MiCA authorisation within six months to benefit from the grandfathering period.