

Extract from Cicero/amo Financial Stability Board (FSB) members' crypto regulatory announcements tracker

Crypto asset adoption continues to grow among retail and institutional investors. The market capitalisation of crypto assets now stands at around US\$2 trillion. The crypto ecosystem is also becoming increasingly intertwined with the traditional finance system, as a growing number of regulated institutions offer crypto-assets or services to their customers, or add crypto, or crypto derivatives, to their own portfolios. The evolution of the market in this manner has made global regulators increasingly concerned with possible threats to global financial stability. As a result, regulators are either bringing crypto-assets inside existing regulatory parameters, designing new regulatory frameworks or, in some cases, banning cryptoassets or certain crypto-asset market features.

This extract from our comprehensive FSB members tracker summarises regulatory announcements in the EU, UK and multi-lateral organisations over the past six months. I do hope you find this to be of value.

[Please do get in touch](#) if you would like to receive regular updates of the full tracker, detailed intelligence gathering or policy engagement in the crypto asset sector.

| Country/ Multilateral organisation | Regulatory announcement and description (October 2021 – March 2022) | Date |
|--|--|-----------|
| EU institutions | <p>The European Parliament's Economic and Monetary Affairs Committee has agreed its position on the Markets in Crypto-assets Regulation (MiCA), which will provide a uniform legal framework for crypto-assets in the EU</p> <p>Key provisions agreed by MEPs for those issuing and trading crypto-assets (including asset-referenced tokens and e-money tokens) cover transparency, disclosure, authorisation and supervision of transactions. Consumers would be better informed about risks, costs and charges. In addition, the legal framework supports market integrity and financial stability by regulating public offers of crypto-assets. Finally, the agreed text includes measures against market manipulation and to prevent money laundering, terrorist financing and other criminal activities.</p> <p>To reduce the high carbon footprint of crypto-currencies, particularly of the mechanisms used to validate transactions, MEPs ask the Commission to present MEPs with a legislative proposal to include in the EU taxonomy (a classification system) for sustainable activities any crypto-asset mining activities that contribute substantially to climate change, by 1 January 2025.</p> <p>The draft regulation will now be debated in “trilogues” between the European Commission, European Council and European Parliament to reach a final position.</p> | 14 Mar 22 |
| | <p>European Parliament publishes draft report on the proposal for a regulation of the European Parliament and of the Council on information accompanying transfers of funds and certain crypto-assets</p> <p>The revision of EU Regulation 2015/847 will make it possible to trace transfers of crypto-assets. The European Parliament is expected to agree its position in March/April, with trilogue discussions between Parliament, Council and the Commission beginning thereafter.</p> | 7 Feb 22 |

| Country/ Multilateral organisation | Regulatory announcement and description (October 2021 – March 2022) | Date |
|--|---|-----------|
| EU institutions (cont.) | <p>European Central Bank (ECB) publishes opinion on the EU's Proposal for a Regulation to extend traceability requirements to transfers on crypto assets</p> <p>In the opinion, the ECB welcomes the initiative of the European Commission to extend traceability requirements to crypto- assets by means of the proposed regulation, which forms part of the Anti-Money Laundering/Countering Financing of Terrorism (AML/CFT) package, but calls for clarity regarding key elements.</p> | 30 Nov 21 |
| | <p>The Council of the EU publishes its mandate for negotiations with the European Parliament on the Proposal for a Regulation of the European Parliament and of the Council on information accompanying the transfer of funds and certain crypto-assets.</p> <p>The revision of EU Regulation 2015/847 will make it possible to trace transfers of crypto-assets. Following the adoption of the Parliament's position on 14th March 2022, the draft regulation will now be debated in "trilogues" between the European Commission, European Council and European Parliament to reach a final position.</p> | 29 Nov 21 |
| | <p>Eurosystem publishes new framework for overseeing electronic payments</p> <p>The ECB's Governing Council has approved a new oversight framework for electronic payments following a public consultation. The framework is designed to make the current and future payments ecosystem safer and more efficient, as part of the ECB's statutory task to promote the smooth operation of payment systems. The electronic payment instruments, schemes and arrangements (PISA) framework will also cover crypto-asset-related services, such as the acceptance of crypto-assets by merchants within a card payment scheme and the option to send, receive or pay with crypto-assets via an electronic wallet.</p> | 22 Nov 21 |
| | <p>Council of the EU publishes its mandate for negotiations with the European Parliament on the Proposal for a Regulation of the European Parliament and of the Council on Markets in Crypto Assets (MiCA)</p> <p>MiCA will introduce a comprehensive new regulatory framework for crypto-asset service providers. Following the adoption of parliament's position on 14th March, the draft regulation will now be debated in "trilogues" between the European Commission, European Council and European Parliament to reach a final position.</p> | 19 Nov 21 |
| Financial Action Task Force (FATF) | <p>FATF publishes updated Guidance for a Risk-Based approach to virtual assets (VAs) and and virtual asset service providers (VASPs)</p> <p>The FATF Recommendations set out a comprehensive and consistent framework of measures which countries should implement in order to combat money laundering and terrorist financing, as well as the financing of proliferation of weapons of mass destruction.</p> | 28 Oct 21 |

| Country/ Multilateral organisation | Regulatory announcement and description (October 2021 – March 2022) | Date |
|--|---|-----------|
| Financial Stability Board (FSB) | <p>FSB publishes report: Assessment of Risks to Financial Stability from crypto-assets Crypto-asset markets are fast evolving and could reach a point where they represent a threat to global financial stability due to their scale, structural vulnerabilities and increasing interconnectedness with the traditional financial system, according to the FSB report.</p> <p>The report examines developments and associated vulnerabilities relating to three segments of the crypto-asset markets: unbacked crypto-assets (such as Bitcoin); stablecoins; decentralised finance (DeFi) and other platforms on which crypto-assets trade. These three segments are closely interrelated in a complex and constantly evolving ecosystem and need to be considered holistically when assessing related financial stability risks. The report notes that although the extent and nature of use of crypto-assets varies somewhat across jurisdictions, financial stability risks could rapidly escalate, underscoring the need for timely and pre-emptive evaluation of possible policy responses.</p> | 16 Feb 22 |
| | <p>FSB publishes report: Regulation, Supervision and Oversight of “Global Stablecoin” Arrangements This report sets out high-level recommendations for the regulation, supervision and oversight of “global stablecoin” (GSC) arrangements. GSC arrangements are expected to adhere to all applicable regulatory standards and to address risks to financial stability before commencing operation, and to adapt to new regulatory requirements as necessary.</p> | 13 Oct 21 |
| UK | <p>HM Treasury to strengthen rules on misleading cryptocurrency advertisements The UK government has confirmed its intention to bring crypto assets inside the regulatory perimeter for financial promotions. This will be done via secondary legislation to amend the Financial Promotion Order, which sets out the investments and activities to which the financial promotion regime applies.</p> | 18 Jan 22 |
| | <p>Financial Conduct Authority (FCA) consultation on strengthening financial promotion rules for high-risk investments, including cryptoassets In the Consultation Paper, the FCA proposes changes to: the classification of high-risk investments; the consumer journey into high-risk investments; strengthen the role of firms approving and communicating financial promotions; and to apply financial promotion rules to qualifying crypto-assets. Consultation responses are due by 23 March 2022.</p> | 18 Jan 22 |
| International Monetary Fund (IMF) | <p>IMF publishes report: Global Crypto Regulation Should be Comprehensive, Consistent, and Coordinated The global regulatory framework should provide a level playing field along the activity and risk spectrum. The IMF believes this should have the following elements:</p> | 9 Dec 21 |

| Country/ Multilateral organisation | Regulatory announcement and description (October 2021 – March 2022) | Date |
|---|---|----------------------------------|
| International Monetary Fund (IMF) cont. | <p>Crypto-asset service providers that deliver critical functions should be licensed or authorised. These would include storage, transfer, settlement, and custody of reserves and assets, among others, similar to existing rules for financial service providers. Licensing and authorisation criteria should be clearly articulated, the responsible authorities clearly designated, and coordination mechanisms among them well defined.</p> <p>Requirements should be tailored to the main use cases of crypto assets and stablecoins. For example, services and products for investments should have requirements similar to those of securities brokers and dealers, overseen by the securities regulator. Services and products for payments should have requirements similar to those of bank deposits, overseen by the central bank or the payments oversight authority. Regardless of the initial authority for approving crypto services and products, all overseers—from central banks to securities and banking regulators—need to coordinate to address the various risks arising from different and changing uses.</p> <p>Authorities should provide clear requirements on regulated financial institutions concerning their exposure to and engagement with crypto. For example, the appropriate banking, securities, insurance, and pension regulators should stipulate the capital and liquidity requirements and limits on exposure to different types of these assets and require investor suitability and risk assessments. If the regulated entities provide custody services, requirements should be clarified to address the risks arising from those functions.</p> | |
| International Organisation of Securities Commissions (IOSCO) | <p>IOSCO consults on measures to address risks arising from digitisation of retail marketing and distribution The Consultation Report is part of IOSCO's efforts to be proactive and forward looking in building trust and confidence in markets which are facing new and emerging opportunities and risks, including those posed by digitalisation and the development of new products such as crypto-assets.</p> <p>CPMI and IOSCO publish guidance, call for comments on stablecoin arrangements The Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO) has published a consultation on preliminary guidance that confirms and clarifies that stablecoin arrangements should observe international standards for payment, clearing and settlement systems.</p> | <p>17 Jan 22</p> <p>6 Oct 21</p> |

Get in touch



Natalie Dempster

EU Crypto Lead

natalie.dempster@cicero-group.com



Jörn-Jakob Röber

Director, Financial Services and Digital

jorn-jakob.rober@cicero-group.com

Cicero/amo, part of the Havas Group, designs and implements national, regional and global public affairs and communications campaigns for some of the world's largest listed businesses, new entrant challengers and technology disruptors.

We provide clear and original thinking to help organisations craft their message, cut through the noise and lead by example.

We help our clients create meaningful change.