

# MiCAR and the Central Bank of Ireland

Director for Financial Regulation, Policy and Risk with the Central Bank of Ireland (the “Central Bank”), Gerry Cross, gave a speech on 29<sup>th</sup> May 2024 at the Blockchain Ireland Conference 2024 outlining the intentions of the Central Bank regarding the implementation of the Markets in Crypto Assets Regulation (“MiCAR”). His speech is available online and this Legal Update gives a summary of key points.

### Background

MiCAR extends the European financial services regulatory framework to the crypto world. It will become applicable to issuers of asset referenced tokens (“ARTs”) and electronic money tokens (“ESTs”) from the end of June 2024 and to the issuers of utility tokens and crypto asset service providers (“CASPs”) from December 2024. Given this timeline, insights into the intentions of the national competent authority of Ireland are important for market participants.

### Transitional Arrangements

The need for a transitional period has been acknowledged and accordingly a 12-month transitional period will be provided for in relation to CASPs already operating in accordance with applicable law.

### Priorities

The Central Bank has confirmed that ensuring consistency of approach with other European Supervisory Authorities (“ESAs”) is key and it is working on the Level 2 and Level 3 texts with them.

### Authorisations

Applications for authorisations under MiCAR will open early in quarter three of 2024. While further information in this regard is pending, the Central Bank has confirmed that its high-level expectations will include a focus on consumer and investor protection risks. This will also include attention to advertising requirements as well as governance issues and conduct.

### Next Steps

The Central Bank has confirmed that it will issue further information regarding its supervisory expectations regarding MiCAR at an industry event in July and we will provide a further update in this regard at that time. In the meantime, it has confirmed that it will be focussing on the protection of client assets, good governance, AML processes and the identification and management of conflicts of interest.

### How Clerkin Lynch Can Help

Clerkin Lynch’s financial services team can assist with authorisation applications with the Central Bank as well as providing advice on whether any such authorisation is required. Contact us for more information.



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