

Technology

Navigating the Crypto-Regulation in the EU



Introduction

The cryptocurrency market is now entering a fully regulated era in Europe. The EU's *Markets in Crypto-Assets Regulation* (MiCA, Regulation (EU) 2023/1114) became law in mid-2023 and has been fully applicable across all Member States since late 2024. MiCA establishes a comprehensive legal framework for crypto-assets, aiming to enhance consumer protection, market integrity, and financial stability by bringing crypto-asset activities in line with traditional finance standards. In Greece, MiCA's principles have been reinforced through **Law 5193/2025**, a national law that integrates MiCA into the Greek legal order. Enacted in April 2025 as part of a broader capital markets reform, Law 5193/2025 designates local regulators and lays out compliance steps. Below, we outline MiCA's key provisions and how the new Greek law transposes and builds on this regulatory regime, with updated timelines and guidance for compliance.

Implementation Timeline

- **30 June 2024:** Initial MiCA provisions took effect, specifically those governing *asset-referenced tokens (ARTs)* and *e-money tokens (EMTs)* (types of stablecoins) across the EU.
- **30 December 2024:** Full scope of MiCA became applicable. From this date, all crypto-asset service providers (CASPs) in the EU must be licensed under MiCA, and the regulatory framework for offering crypto-assets to the public is in force.
- **31 December 2025:** Existing crypto businesses with registered seat in Greece that were already operating on December 2024 can continue operating **only until 31**

December 2025 and must obtain a MiCA license by then to carry on thereafter. After this date, any crypto-asset service in Greece (and similarly across the EU) will require a MiCA authorization.

MiCA Regulation: Scope and Key Provisions

Scope and Exclusions: MiCA primarily targets centralized crypto-asset activities. It applies to issuers of crypto-assets and intermediaries known as **Crypto-Asset Service Providers (CASPs)**, such as exchanges, trading platforms, custodians, brokers, and advisors. Decentralized protocols *without* any identifiable intermediary are **de facto** outside MiCA's scope, as the regulation cannot easily apply to activities with no accountable entity.

MiCA also **excludes** certain assets already governed by other laws – for example, crypto-assets that qualify as financial instruments (securities) remain under **MiFID II** rules, and tokens that function like deposits or insurance fall under banking or insurance regulations. Moreover, genuinely unique **non-fungible tokens (NFTs)** are exempted (unless an NFT is structured to be fungible or part of a series, in which case MiCA may still treat it as a crypto-asset). Additionally, crypto-assets offered for free, created as rewards in consensus mechanisms (e.g. mining rewards), or usable only within a limited network (for a specific service or platform) are not subject to the full MiCA requirements.

Crypto-Asset Categories: MiCA defines three main categories of crypto-assets:

1. **E-Money Tokens (EMTs):** tokens designed to maintain a stable value by referencing a single official currency (akin to tokenized electronic money).
2. **Asset-Referenced Tokens (ARTs):** commonly known as stablecoins, which reference multiple currencies, commodities, or other values (or a combination thereof) to stabilize value.
3. **Other Crypto-Assets:** a catch-all covering all other tokens not in the above categories, explicitly including utility tokens (digital units intended to provide access to a good or service).

White Paper Requirement for Offerings: To foster transparency, MiCA mandates that anyone offering crypto-assets to the public or seeking their admission to trading on an exchange must publish a *Crypto-Asset White Paper*. This is a detailed disclosure document similar to a prospectus, though less onerous. It must describe the project, the token's characteristics, the issuer's details, rights and obligations of holders, the underlying technology, and all associated risks.

If a crypto-asset has **no identifiable issuer** – for example, Bitcoin – any platform offering it must still publish a white paper with required information, including a clear notice that no issuer is accountable and highlighting the risks that entail.

Furthermore, MiCA grants a new **right of withdrawal** for buyers of crypto-assets: retail investors can withdraw from a purchase agreement within 14 days at no cost, similar to consumer rights in other financial products. This cooling-off period, anchored in

consumer protection law (Greek Law 2251/1994), allows investors to reconsider impulsive purchases, adding an extra layer of protection.

CASP Licensing and Passporting: A cornerstone of MiCA is the licensing of Crypto-Asset Service Providers. As of 30 December 2024, any firm **professionally providing crypto-asset services** in the EU must obtain authorization as a **CASP** from its home Member State.

Once granted, a CASP license is valid across the entire EU single market under a **passporting regime**.

Prudential and Conduct Obligations: MiCA imposes a range of ongoing obligations on issuers and service providers to ensure market stability and consumer safety.

For instance, **CASPs** must meet prudential requirements proportionate to their activities (including holding a certain level of own funds) and adhere to strict **organizational requirements**. They need to implement internal controls, cybersecurity measures, and risk management procedures to safeguard clients.

Additionally, anonymity in crypto transactions is essentially coming to an end in the regulated EU market. MiCA reinforces anti-money laundering (AML) laws by effectively **banning anonymous crypto accounts and transactions**. CASPs must conduct KYC identity checks on customers and keep robust records, and regulators are empowered to access these records to trace transactions.

Marketing and Investor Protection: MiCA seeks to curb the aggressive, misleading promotion that has pervaded the crypto industry in the past. **Advertising and communications** by crypto-asset issuers or service providers are now tightly regulated. Any marketing communication must be fair, clear, and not misleading, and it **must be consistent with the information in the crypto-asset's white paper**.

Beyond marketing, MiCA introduces investor-centric rules such as the new **withdrawal right** mentioned above, and it aligns with general EU consumer protection law. Investors also benefit from MiCA's provisions against market abuse: the regulation extends prohibitions on insider trading, unlawful disclosure of inside information, and market manipulation to crypto-assets, with enforcement mechanisms similar to those in traditional securities markets.

Implementation in Greece: Law 5193/2025

Greece has integrated MiCA into its national legal framework through **Law 5193/2025** (titled "*Strengthening of the Capital Market and Other Provisions*"). This law, in force since April 11, 2025, supplements MiCA by addressing country-specific matters and establishing the domestic regulatory infrastructure for crypto-asset supervision. Key aspects of the Greek implementation include:

- **Regulatory Authorities:** Law 5193/2025 confirms the division of oversight responsibilities in Greece. The **Hellenic Capital Market Commission (HCMC)** is designated as the chief authority for licensing and supervising Crypto-Asset Service

Providers, while the **Bank of Greece** is tasked with prudential supervision of issuers of asset-referenced tokens and e-money tokens.

- **Licensing Process and HCMC Guidance:** Under the new framework, the HCMC has become the port of call for crypto businesses seeking authorization. Firms must prepare a comprehensive application (“dossier”) including information on business plans, governance policies, security measures, and internal controls, in line with MiCA’s standards.
- **Transitional Grandfathering:** Greece has exercised the national discretion under MiCA to set a clear deadline for existing operators to come into compliance. Entities that were providing crypto services in Greece **before MiCA’s full application** (i.e. before Dec 2024) can continue operating **through 2025 only if they apply for a CASP license by 31 December 2025**.
- **Enhanced Supervision and Penalties:** The HCMC and Bank of Greece have been granted strengthened investigative and sanctioning powers. One novel tool is the use of “**mystery shopping**” campaigns: regulators’ agents can pose as customers to ensure crypto providers are complying with the law in practice. If violations are found, the law provides for a range of penalties.
 - In addition, the law introduces **criminal liability** for certain breaches and aligns Greece’s anti-money laundering framework with the new crypto regime.

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