

International Monetary and Banking Law post COVID-19

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OXFORD
UNIVERSITY PRESS

Regulation of Cryptoassets

The EU/EEA Perspective in the Global Context

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11.1 Preliminary Remarks

- 11.01** On 24 November 2021, the EU Council adopted its position in respect of regulatory proposals on cryptoassets and mandated its Presidency to initiate formal ‘Trilogue’ procedures with the Parliament and the Commission to finalize the legislative process.¹
- 11.02** There is broad consensus among international regulators and practitioners that cryptoassets as an emerging new asset class and related distributed ledger/blockchain technology (DLT) will have an immense potential for innovation and efficiency gains in the financial sector. Cryptoassets and tokenization might revolutionize the financial markets in similar ways as has securitization in the past.² Hence, in the EU cryptoasset regulation is treated as an integral part of the Commission’s digital finance strategy.³ The EU expects from the cryptoasset sector a significant contribution to tackling the economic effects of the COVID-19 outbreak.⁴ Given the fact that the subject matter is a moving target, a summarized analysis of the global discussion is condition precedent to identify and evaluate specific EU/EEA (European Economic Area) perspectives.

¹ Cut-off date 30 April 2022 Council press release 886/21 of 24 November 2021.

² KP Follak, ‘Crypto Assets under Private Law and Supervisory Regulation: European Perspectives’ (2020) 68 *Oesterreichisches Bankarchiv* 712.

³ European Commission, Communication on a Digital Finance Strategy for the EU, COM (2020) 591 final

⁴ European Parliament, resolution 2020/2034 (INL) with recommendations to the Commission on Digital Finance: emerging risks in crypto-assets—regulatory and supervisory challenges in the area of financial services, institutions, and markets, doc. P9_TA_PROV(2020)0265, recital W.