# ESMA_QA_2002

**Submission Date**
07/11/2023

Status: Answer Published

## Additional Information

**Level 1 Regulation**
Regulation (EU) 2022/858 - DLT Pilot Regime Regulation (DLTR)

**Topic**
DLT multilateral trading facility (DLT MTF)

**Additional Legal Reference**
Article 8 of DLTR

**Subject Matter**
Authorisation for credit institutions to operate a DLT MTF

**Question**
Should a credit institution authorised in accordance with CRD IV/CRR and providing investment services or performing investment

activities in accordance with MiFID II/MiFIR be required to apply for an authorisation as an investment firm in order to operate a DLT MTF (distributed ledger technology multilateral trading facility)?

## ESMA Answer

07-11-2023

Original language

**Answer provided by the European Commission in accordance with Article 16b(5) of the ESMA Regulation**

Recital 38 of Directive 2014/65/EU states that credit institutions authorized under Directive 2013/36/EU should not need a separate authorization under Directive 2014/65/EU to provide investment services or perform investment activities. It also notes that the national competent authority should verify compliance with Directive 2014/65/EU before granting an authorization to the credit institution to provide investment services or perform investment activities. This means that a credit institution does not need a separate license as an investment firm under Directive 2014/65/EU in order to apply for a DLT MTF license under the DLTPR but can rather leverage its existing licence under Directive 2013/36/EU. In that sense, recital 13 of the DLTPR, which notes that a credit institution should only be allowed to operate a DLT MTF when it is authorised as an investment firm under Directive 2014/65/EU, should be interpreted such that the competent authority should ensure that the credit institution complies with the provisions of Directive 2014/65/EU applicable to the service of operating an MTF as well as other relevant provisions of that directive when considering the need for an application for a DLT MTF licence under the DLTPR.

**The answers clarify provisions already contained in the applicable legislation. They do not extend in any way the rights and obligations deriving from such legislation nor do they introduce any additional requirements for the concerned operators and competent authorities. The answers are merely intended to assist natural or legal**

**persons, including competent authorities and Union institutions and bodies in clarifying the application or implementation of the relevant legal provisions. Only the Court of Justice of the European Union is competent to authoritatively interpret Union law. The views expressed in the internal Commission Decision cannot prejudge the position that the European Commission might take before the Union and national courts.**