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Additional Information

Level 1 Regulation
MiCA

Topic
Crypto-Asset Service Provider (CASP)

Additional Legal Reference
Article 75 of MiCA

Subject Matter
Payouts in fiat currency by CASPs in the context of exchange services

Question
Should the business model whereby a crypto-asset service provider (CASP) provides exchange services but only ever allows clients to collect their balance in fiat currency be

allowed?

ESMA Answer

18-02-2026

Original language

Answer provided by the European Commission

No, business model whereby a crypto-asset service provider (CASP) provides exchange services where clients are only allowed to collect their balance in fiat currency, without having the possibility to have their crypto-asset transferred is not permitted under MiCA.

Under MiCA, "exchange services" refer to the professional activity of exchanging crypto-assets for fiat currency (which falls within the definition of ‘funds’) or for other crypto-assets. This service is one of several defined crypto-asset services that require a CASP, to obtain authorization.

It is possible for CASPs to propose to their clients that their balance is collected in fiat currencies instead of in crypto assets.

However, where a client purchases a crypto asset, it gives rise to an obligation on the CASP to transfer the purchased 4 crypto-asset to the client. In that respect, the white paper to be drawn under MiCA must indicate «information on the method and time schedule of transferring the purchased asset-referenced token to the holders».

A service whereby an entity offers clients to “buy” a crypto-asset that is never delivered, and the client can only and exclusively receive the fiat currency value of such crypto-asset, is not to be allowed as a crypto-asset exchange service.

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