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Additional Information

Level 1 Regulation
MiCA

Topic
Crypto assets

Subject Matter
Shared order book model

Question
Under the Markets in Crypto-Assets Regulation (MiCA), is it permissible for an EU trading platform for crypto-assets that is operated by a crypto-asset service provider (CASP) authorised under MiCA to pool its order book with that of one or more non-EU trading platforms operated by an entity or entities that are not authorised as CASPs under MiCA?

ESMA Answer

20-06-2025

Original language

No, this model would be in breach of the authorization requirements under Article 59 of MiCA and would constitute the unauthorized provision of the crypto-asset service of operation of a trading platform for crypto-assets in the Union by the unauthorized entities whose platform(s) share the order book with the EU-authorised CASP.

Reference is made to the model where two or more crypto-asset platforms merge their individual order books into a single, unified order book from which orders are matched. This model involves - as operators of said shared order book - one or more entities that are not authorised as CASPs under MiCA.

ESMA understand that this integrated model enables buy and sell orders from different platforms to be combined into one aggregated order book so that multiple trading platforms (including non-EU ones) can access the same liquidity pool, allowing orders from clients across different platforms to be matched.

According to Article 3(18) of MiCA, the service of operation of a trading platform for crypto-assets means '*the management of one or more multilateral systems, which bring together or facilitate the bringing together of multiple third-party purchasing and selling interests in crypto-assets, in the system and in accordance with its rules, in a way that results in a contract, either by exchanging crypto-assets for funds or by the exchange of crypto-assets for other crypto-assets*'. In the view of ESMA, the management of an order book is one of the fundamental parts of the management of multilateral systems bringing together or facilitating the bringing together of multiple third-party purchasing or selling interests in crypto-assets.

On this basis, ESMA is of the view that it should be regarded as falling within the scope of the crypto-asset service defined in Article 3(1)(18) of MiCA. Hence, the service should be regarded as being carried out by each entity operating the different order books that are being shared.

It ensues that, in accordance with Article 59 of MiCA, any person managing said order book should be authorised to do so under Article 63 of MiCA (or should have notified its intention to operate a trading platform for crypto-assets in accordance with Article 60 of MiCA).

Thus, in ESMA's view, Articles 59, 60 and 63 of MiCA prohibit an order book managed with entities that are not authorised as crypto-asset service providers (CASPs) under MiCA.

This Q&A does not assess whether other types of shared order books would fully comply with all provisions of MiCA.