

Reply form

on the second Consultation Paper for MiCA implementation

All interested stakeholders are invited to respond to this consultation paper. In particular, ESMA invites crypto-assets issuers, crypto-asset service providers and financial entities dealing with crypto-assets as well as all stakeholders that have an interest in crypto-assets.

General information about respondent

Name of the company / organisation	United Bitcoin Companies Netherlands (VBNL)
Activity	Other Financial service providers
Are you representing an association?	<input checked="" type="checkbox"/>
Country/Region	Netherlands

Questions

1. : Do you agree with ESMA's assessment of the mandate for sustainability disclosures under MiCA?

<ESMA_QUESTION_MIC2_1>

VBNL agrees that ESMA holds the mandate to evaluate the sustainability factors of crypto-assets under MiCA. Nevertheless, we feel there might be an overemphasis on the negative climate impact of crypto-assets.

While acknowledging these concerns, we emphasize recognizing the potential positive environmental implications of Bitcoin, especially concerning the monetization of stranded natural gas or methane energy sources and the reduction of methane gas emissions. Noteworthy research conducted by Dan Batten¹, KPMG², and Galaxy³, among others, highlights these critical aspects.

Moreover, we underscore the complementary role of crypto-assets, particularly Bitcoin, in addressing the intermittency issues of renewable energy sources. This plays a crucial role in ensuring grid resilience and promoting sustainable energy production. Therefore, we advocate for a more balanced approach that considers both concerns and the potential sustainability benefits associated with crypto-assetsESMA_QUESTION_MIC2_1>

2. : In your view, what features of the consensus mechanisms are relevant to assess their sustainability impacts, and what type of information can be obtained in relation to each DLT network node?

<ESMA_QUESTION_MIC2_2>

In our perspective, as we delve into the evaluation of consensus mechanisms' sustainability impacts and the data accessible from Distributed Ledger Technology (DLT) network nodes, comparing Proof of Stake networks to Proof of Work networks, such as Bitcoin, may not provide a wholly relevant picture⁴. The creation of a digital commodity akin to 'digital gold' without a central issuer, as achieved by Bitcoin, stands as a groundbreaking innovation—a moment unparalleled in the world's history.

However, as we assess sustainability impacts and gather information regarding each node in a DLT network, it's imperative to take into account the distinct characteristics of these consensus mechanisms. Proof of Stake networks and Proof of Work networks serve distinct purposes and exhibit different environmental footprints. Considerations such as energy consumption, efficiency, scalability, decentralization levels, security, and resilience against attacks are pertinent factors for sustainability assessments. <ESMA_QUESTION_MIC2_2>

¹ <https://batcoinz.com/the-bitcoin-facts-that-every-esg-investment-committee-should-know/>

² <https://advisory.kpmg.us/content/dam/advisory/en/pdfs/2023/bitcoins-role-esg-imperative.pdf>

³ <https://www.galaxy.com/insights/research/2023-mid-year-mining/>

⁴ <https://www.michael.com/en/resources/bitcoin-mining-and-the-environment>

3. : Do you agree with ESMA's approach to ensure coherence, complementarity, consistency and proportionality?

<ESMA_QUESTION_MIC2_3>

VBNL agrees with ESMA's approach and emphasizes the importance of presenting only conducive indicators to investors to provide the most understandable picture to investors.<ESMA_QUESTION_MIC2_3>

4. : Do you agree with ESMA's approach to mitigating challenges related to data availability and reliability? Do you support the use of estimates in case of limited data availability, for example when data is not available for the entirety of a calendar year?

<ESMA_QUESTION_MIC2_4>

The VBNL agrees with ESMA that the availability and reliability of data can pose challenges, as these are unknown factors. Allowing the use of estimates is therefore recommended, specifying clearly in which cases these estimates may be used. It is advisable to adopt a broad approach in this regard, as it is expected that the availability and reliability of data for many crypto assets at the beginning of MiCA will be low.<ESMA_QUESTION_MIC2_4>

5. : What are your views on the feasibility and costs of accessing data required to compute the sustainability metrics included in the draft RTS?

<ESMA_QUESTION_MIC2_5>

The VBNL believes that there should be attention to proportionality between, on the one hand, the costs of calculating sustainable metrics, and, on the other hand, the purpose of presenting these statistics on websites and in crypto-asset white papers. Making data that contributes to achieving this goal publicly available would help in this regard and should be encouraged.<ESMA_QUESTION_MIC2_5>

6. : Do you agree with ESMA's description on the practical approach to assessing the sustainability impacts of consensus mechanisms? If not, what alternative approach would you consider suitable to assess these impacts?

<ESMA_QUESTION_MIC2_6>

While VBNL agrees with the practical approach, it raises questions about the feasibility of this method. It is highly questionable whether it is practically possible for all crypto-assets to determine the sustainability impact of the consensus mechanism used in a proportional manner<ESMA_QUESTION_MIC2_6>

7. : Do you agree with the definitions proposed in the draft RTS, in particular on incentive structure and on DLT GHG emissions? If not, what alternative wording would you consider appropriate?

<ESMA_QUESTION_MIC2_7>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_7>

8. : In your view, are the proposed mandatory sustainability indicators conducive to investor awareness? If not, what additional or alternative indicators would you consider relevant?

<ESMA_QUESTION_MIC2_8>

The VBNL is curious about the impact of creating investor awareness on the choices investors make. Has there been research on which indicators are most effective, and what are the results of this research? In the opinion of the VBNL, only the most effective indicators should be considered, and these should also reach a minimum threshold of effectiveness<ESMA_QUESTION_MIC2_8>

9. : Do you consider the proposed optional sustainability indicators fit for purpose? If not, what additional indicators would you consider relevant? Would you agree to making these optional sustainability indicators mandatory in the medium run?

<ESMA_QUESTION_MIC2_9>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_9>

10. : Do you consider the principles for the presentation of the information, and the template for sustainability disclosures fit for purpose? If not, what improvements would you suggest?

<ESMA_QUESTION_MIC2_10>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_10>

11. : In your view, are the calculation guidance for energy use and GHG emissions included in the draft European Sustainability Reporting Standards relevant for methodologies in relation to the sustainability indicators under MiCA? If not, what alternative methodologies would you consider relevant? For the other indicators for which the calculation guidance of the ESRS was not available, do you consider that there are alternative methodologies that could be used? If so, which ones?

<ESMA_QUESTION_MIC2_11>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_11>

12. : Would you consider it useful that ESMA provides further clarity and guidance on methodologies and on recommended data sources? If yes, what are your suggestions in this regard?

<ESMA_QUESTION_MIC2_12>

Providing further clarity and guidance on methodologies would be beneficial. However, regarding recommended data sources, caution is warranted. Some industry researchers, like Digiconomist, may lack objectivity. If ESMA delves into this area, it might navigate treacherous ground. <ESMA_QUESTION_MIC2_12>

13. : Is the definition for permissionless DLT in Article 1 sufficiently precise?

<ESMA_QUESTION_MIC2_13>

VBNL welcomes a tailor-made definition of a permissionless DLT in the MICAR framework. However, it should be noted that, in practice, hybrid forms of a DLT might exist in which it is very complex to assess whether or not it should be considered as permissionless or not. VBNL recommends to develop further level 3 guidelines on the classification of permissionless or permissioned DLT's in order to prevent possible regulatory arbitrage with regard to the responsibilities of a CASP relating to a permissionless DLT.

<ESMA_QUESTION_MIC2_13>

14. : Throughout the RTS, we refer to 'critical or important functions'. The term is borrowed from DORA and does not just capture ICT-specific systems. Does this approach make sense?

<ESMA_QUESTION_MIC2_14>

VBNL welcomes this approach as it creates uniformity with DORA and other relevant legislation.

<ESMA_QUESTION_MIC2_14>

15. : Do you consider subparagraph (e) in Article 4(2) on external communications with clients in the event of a disruption involving a permissionless DLT appropriate for the mandate (i.e., does it constitute a measure that would ensure continuity of services)?

<ESMA_QUESTION_MIC2_15>

VBNL considers it of great importance to adequately inform clients of disruptions of the DLT and other relevant disruptive events. It should be noted here that, in the event of such a disruption, the CASP might not be in a position to have all relevant information (i.e. expected continuity, reasons and impact of the incident) readily available. CASP's should have a best effort obligation to inform clients on all relevant information that is within their powers to have (or can be expected to have). Moreover, while keeping clients informed of disruptions of the DLT, in itself it does not ensure continuity of services due to the large dependency of these DLT's by CASP's.

It should be emphasized here that many CASP's have a high dependency on certain permissionless DLT's, which is a risk inherent to the business model of a CASP. As stressed by ESMA, CASP's usually have a very limited (or none existent) influence on permissionless DLT's and their responsibilities should primarily cover adequate communications to clients based on the information the CASP has at its disposal.

<ESMA_QUESTION_MIC2_15>

16. : Should this RTS also specify that CASPs should establish a business continuity management function (to oversee the obligations in the RTS)? In your view, does this fall within the mandate of 'measures' ensuring continuity and regularity?

<ESMA_QUESTION_MIC2_16>

For the purpose of good governance it is important to determine where accountability and responsibility lies with regard to business continuity management. Yet at the same time smaller CASP's should be able to implement proportionate measures in line with their size and business operations. Therefore, it is desirable to not be overly prescriptive on this matter and leave the decision on whether oversight of BCM is attributed to a dedicated function or combined with other (control) functions and roles within an organisation.

<ESMA_QUESTION_MIC2_16>

17. : Are there other organisational measures to be considered for specific CASP services?

<ESMA_QUESTION_MIC2_17>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_17>

18. : Do you consider the obligation for CASPs to conduct testing of the business continuity plans in Article 4(4) via an internal audit function appropriate for the mandate?

<ESMA_QUESTION_MIC2_18>

VBNL stresses the importance of periodic testing of business continuity plans, but also highlights the burdens these requirements might have on smaller CASP's. It is recommended to include the possibility to allow for external third parties to conduct such testing and that testing is to be executed in a risk based manner, focussing on the high risks identified in the self assessment as included in the Annex of this RTS.

<ESMA_QUESTION_MIC2_18>

19. : In Art. 68(8), CASPs are required to take into account the scale, nature, and range of crypto asset services in their internal risk assessments. Is there support for this general principle on proportionality in Article 6? Do you support the proposed self-assessment under Article 6(2) and in the Annex of the draft RTS?

<ESMA_QUESTION_MIC2_19>

VBNL supports and welcomes the proportionality principle as it enables smaller CASP's to apply a risk based approach in managing business continuity risks.

<ESMA_QUESTION_MIC2_19>

20. : Do you agree with the description provided for the different types of CEX and DEX listed?

<ESMA_QUESTION_MIC2_20>

The description provided seems accurate and comprehensive. But there is a risk of hybrid exchanges emerging, which might lead to classification issues.

Regarding the description of CEX, in point 94 is stated "*Transactions on CEXs are generally documented electronically and then validated on the related blockchain at a later point in time*". We

believe this point is not accurate. Individual transactions (trades) on an exchange do not settle on-chain in case of a CEX, simply on the virtual ledger of the exchange. Customer balances are also updated, and any transaction appearing on-chain are only the deposits and withdrawals to and from the exchange. We suggest adjusting the wording that it entails off-chain settlement, so it does not appear to assume that all CEX trades individually settle on-chain.

Regarding the definition of DEX, we think that the term “*Central Operator*” may have varied interpretations, therefore we see the need to clarify this term. For instance, a smart contract could potentially be viewed as a central operator, particularly when features like proxy contracts are utilised. Thereby, there could be decision-making capabilities programmed into the smart contract to respond to external inputs, or another example is when administrative controls within the contract empower entities to make decisions. <ESMA_QUESTION_MIC2_20>

21. : For trading platforms: Please provide an explanation of (i) the trading systems you offer to your users, (ii) which type of orders can be entered within each of these trading systems and (iii) whether you consider these trading systems to be a CEX or a DEX (please explain why)?

<ESMA_QUESTION_MIC2_21>

Two members of VBNL currently operate a trading platform. These platforms operate a central Order Book or a Continuous Auction Order Book (CLOB), in which users can execute market and limit orders. These platforms classify themselves as CEX because it closely resembles the central limit order books (CLOB) provided by traditional exchanges and one entity manages the order book where all trading interests are centralised per crypto asset and provides the matching algorithm on the platform.

<ESMA_QUESTION_MIC2_21>

22. : Do you consider the trading systems described, and the transparency obligations attached to each trading system, in Table 1 of Annex I of the draft RTS appropriate for the trading of crypto-assets? Do you offer a trading system that cannot meet the transparency requirements under the provisions in this Table? Please provide reasons for your answers.

<ESMA_QUESTION_MIC2_22>

We find the trading systems described appropriate. Our trading systems already meets some of the transparency requirements outlined in the table. <ESMA_QUESTION_MIC2_22>

23. : Regarding more specifically AMMs, do you agree with the definition included in Table 1 of Annex I of the draft RTS? What specific information other than the mathematical equation used to determine the price and the quantity of the asset in the liquidity pools would be appropriate to be published to allow a market participant to define the price of the assets offered in the liquidity pool?

<ESMA_QUESTION_MIC2_23>

We don't have a specific opinion on this subject. However, we do find it quite remarkable that DeFi is still partially falling under MiCA through these RTS.

Potentially the disclosure of the number of liquidity providers in the pool could help assess the risk and health of the pool. As for the CLOB model, information regarding health of the order book can be derived from disclosure in field 12 of pre-trade transparency report.

<ESMA_QUESTION_MIC2_23>

24. : Do you agree with ESMA's proposals on the description of the pre-trade information to be disclosed (content of pre-trade information) under Table 2 of Annex I of the draft RTS? If not, please explain why. If yes, please clarify whether any elements should be amended, added and/or removed.

<ESMA_QUESTION_MIC2_24>

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<ESMA_QUESTION_MIC2_24>

25. : Do you agree with ESMA's proposals to require a specific format to further standardise the pre-trade information to be disclosed (format of pre-trade information)? If not, please explain why and how the pre-trade information can be harmonised. If yes, please clarify whether any elements should be amended.

<ESMA_QUESTION_MIC2_25>

While it offers convenience, the construction process does demand time. Furthermore, we question the extent to which this aligns with standards in traditional finance. If this isn't the case, we wouldn't wish to impose additional burdens on crypto markets.

<ESMA_QUESTION_MIC2_25>

26. : Do you agree with the proposed approach to reserve and stop orders?

<ESMA_QUESTION_MIC2_26>

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<ESMA_QUESTION_MIC2_26>

27. : Do you agree with the proposed list of post-trade information that trading platforms in crypto assets should make public in accordance with Tables 1, 2 and 3 of Annex II of the draft RTS? Please provide reasons for your answers.

<ESMA_QUESTION_MIC2_27>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_27>

28. : Is the information requested in Table 2 of Annex II of the draft RTS sufficient to identify the traded contract and to compare the reports to the same / similar contracts.

<ESMA_QUESTION_MIC2_28>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_28>

29. : Is there any other information, specific to crypto-assets, that should be included in the tables of Annex II of the draft RTS? Please provide reasons for your answers.

<ESMA_QUESTION_MIC2_29>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIC2_29>

30. : Do you expect any challenges for trading platforms in crypto assets to obtain the data fields required for publication to comply with pre- and post-trade transparency requirements under Annex I and Annex II of the draft RTS?

<ESMA_QUESTION_MIC2_30>
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<ESMA_QUESTION_MIC2_30>

31. : What do you consider to be the maximum possible delay falling under the definition of “as close to real-time as is technically possible” to publish post-trade information in crypto-assets? Please provide reasons for your answer.

<ESMA_QUESTION_MIC2_31>
From the perspective of CEX’s, it would be fair to allow the same 15 minutes threshold for making post-trade information public, similarly to Article 65(2) of MiFIR. Also consider that under any model where transactions are directly settled onchain (DEX’s), broadcasting of the transaction to the network happens within a few seconds, where network participants (eg. validators and miners) can already access the information (intention) to transact. However, it could be worth considering a trade final when the given block reaches finality. The time in which actual blocks where transactions are included reach finality can largely vary depending on network characteristics and conditions (eg. typically 15 minutes on Ethereum) - therefore the actual trade information’s availability time might not be consistent.
<ESMA_QUESTION_MIC2_31>

32. : Do you agree with ESMA’s approach on the requirements to be included in the draft RTS in relation to a trading platform’s operating conditions? Please provide reasons for your answer.

<ESMA_QUESTION_MIC2_32>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIC2_32>

33. : Do you consider that ESMA should include in the RTS more specific disclosure rules regarding a trading platform’s operating conditions, in particular in relation to co-location and access arrangements?

<ESMA_QUESTION_MIC2_33>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIC2_33>

34. : From your experience, are all crypto-assets trading platforms making their data available free of charge? If not, what specific barriers have you encountered to access the data (e.g., price, level of disaggregation).

<ESMA_QUESTION_MIC2_34>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIC2_34>

**35. : Do you agree with the level of disaggregation proposed in the draft RTS?
Please provide reasons for your answer.**

<ESMA_QUESTION_MIC2_35>
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<ESMA_QUESTION_MIC2_35>

36. : In the context of large number of CASPs and possible different models of data access, what kind of measures (common messages, common APIs, others) would you consider feasible to ensure effective and efficient access to data?

<ESMA_QUESTION_MIC2_36>
A common API defined by the NCAs similarly to reporting obligation under RTS 26 of MiFIR could promote and ensure the use of common standards and efficient delivery method when requested by the NCA.<ESMA_QUESTION_MIC2_36>

37. : Do you agree with using the DTI for uniquely identifying the crypto-assets for which the order is placed, or the transaction is executed? Do you agree with using DTI for reporting the quantity and price of transactions denominated in crypto-assets?

<ESMA_QUESTION_MIC2_37>
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<ESMA_QUESTION_MIC2_37>

38. : Are there relevant technical attributes describing the characteristics of the crypto-asset or of the DLT on which this is traded, other than those retrievable from the DTIF register? Please detail which ones.

<ESMA_QUESTION_MIC2_38>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIC2_38>

39. : Do you agree with using the transaction hash to uniquely identify transactions that are fully or partially executed on-chain in orders and transactions records? Please clarify in your response if this would be applicable for all types of DLT, and also be relevant in cases where hybrid systems are used.

<ESMA_QUESTION_MIC2_39>
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<ESMA_QUESTION_MIC2_39>

40. : Do you agree that a separate field for the recording of “gas fees” should be included for the purpose of identifying the sequencing of orders and events affecting the order?

<ESMA_QUESTION_MIC2_40>
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<ESMA_QUESTION_MIC2_40>

41. : Do you agree with the inclusion of the above data elements, specific for on-chain transactions, in both RTS?

<ESMA_QUESTION_MIC2_41>
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<ESMA_QUESTION_MIC2_41>

42. : Are some of the proposed data elements technology-specific, and not relevant or applicable to other DLTs?

<ESMA_QUESTION_MIC2_42>
Quantity/ Current Total Supply may be challenging to exactly identify with mint-and-burn crypto assets at the timestamp of the transaction being included in a block.
<ESMA_QUESTION_MIC2_42>

43. : Do you consider it necessary to add a different timing for the provision of identification codes for orders in the case of CASPs operating a platform which uses only on-chain trading?

<ESMA_QUESTION_MIC2_43>
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<ESMA_QUESTION_MIC2_43>

44. : Please suggest additional data elements that may be included to properly account for on-chain trading.

<ESMA_QUESTION_MIC2_44>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIC2_44>

45. : Do you find the meaning of the defined terms clear enough? Should the scope be adjusted to encompass or exclude some market practices? Provide concrete examples.

<ESMA_QUESTION_MIC2_45>
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<ESMA_QUESTION_MIC2_45>

46. : Are there other aspects that should be defined, for the purposes of this RTS?

<ESMA_QUESTION_MIC2_46>
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<ESMA_QUESTION_MIC2_46>

47. : Do you anticipate practical issues in the implementation of the proposed approach to reception and transmission of orders?

<ESMA_QUESTION_MIC2_47>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_47>

48. : What transaction information can be retrieved in cases where a CASP execute the order on a third country platform/entity?

<ESMA_QUESTION_MIC2_48>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_48>

49. : Do you anticipate problems in retrieving information about the buyer/seller to the transaction?

<ESMA_QUESTION_MIC2_49>

As long as the CDD and KYC requirements differ among jurisdictions, CASPs may face the situation where they are unable to report sufficient information.

<ESMA_QUESTION_MIC2_49>

50. : Do you anticipate practical issues in the implementation of the methods for client identification that are used under MiFIR?

<ESMA_QUESTION_MIC2_50>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_50>

51. : Do you anticipate practical issues in the implementation of the short selling flag?

<ESMA_QUESTION_MIC2_51>

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<ESMA_QUESTION_MIC2_51>

52. : Do you consider that some of the proposed data elements are not applicable/ relevant to trading in crypto-assets?

<ESMA_QUESTION_MIC2_52>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_52>

53. : Do you consider that additional data elements for CAPS operating a trading platform are needed to allow NCAs to properly discharge their supervisory duties?

<ESMA_QUESTION_MIC2_53>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_53>

54. : Do you believe that a specific definition of routed orders should be provided as it applies to orders that are routed by the trading platform for crypto-assets to other venues? Should this definition include CASPs operating a platform which uses only on-chain trading?

<ESMA_QUESTION_MIC2_54>

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<ESMA_QUESTION_MIC2_54>

55. : Do you believe that fill-or kill strategies as referenced in MiFID II apply to trading in platforms for crypto-assets? Do they apply to partially filled orders?

<ESMA_QUESTION_MIC2_55>

Very often fill-or-kill strategies do not allow for partial execution.

<ESMA_QUESTION_MIC2_55>

56. : Do you agree with using messages based on the ISO 20022 methodology for sharing information with competent authorities?

<ESMA_QUESTION_MIC2_56>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_56>

57. : Do you agree with the criteria proposed for identifying a relevant machine-readable format for the MiCA white paper and consequently with the proposal to mandate iXBRL as the machine-readable format for MiCA white papers, subject to the outcome of the study referred to in paragraph 239?

<ESMA_QUESTION_MIC2_57>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_57>

58. : If yes, do you agree that the white paper should be required to be a stand-alone document with a closed taxonomy (i.e., without extensions nor complex filing rules)?

<ESMA_QUESTION_MIC2_58>

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<ESMA_QUESTION_MIC2_58>

59. : If not, please elaborate your answer and propose alternative solutions that would best meet the criteria identified in section 7.3.

<ESMA_QUESTION_MIC2_59>

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<ESMA_QUESTION_MIC2_59>

60. : Are you currently preparing white paper documents in a different machine-readable format? If yes, which one?

<ESMA_QUESTION_MIC2_60>
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<ESMA_QUESTION_MIC2_60>

61. : How different is the white paper mandated by MiCA and further specified in this Consultation Paper from any white paper which you have drawn up or analysed prior to MiCA? Do you think that any additional information that used to be included in white papers prior to MiCA but that is no longer allowed under the relevant provisions of MiCA for the white paper will continue to be made available to investors as marketing communication?

<ESMA_QUESTION_MIC2_61>
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<ESMA_QUESTION_MIC2_61>

62. : Do you agree with ESMA's estimate of the cost of preparing a white paper in iXBRL format? If not, where would you put the estimate of a preparing a white paper in iXBRL format (not considering costs of information sourcing which should be considered as base scenario)?

<ESMA_QUESTION_MIC2_62>
TYPE YOUR TEXT HERE
<ESMA_QUESTION_MIC2_62>

63. : Do you agree with the proposed template for presenting the information as indicated in the Annex to this CP? We welcome your comments on the proposed fields and values/descriptions to be included in the fields - please provide specific references to the fields which you are commenting in your response and pay specific attention to the areas where additional explanatory description of the information is provided.

<ESMA_QUESTION_MIC2_63>
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<ESMA_QUESTION_MIC2_63>

64. : Are there additional data elements in the table of fields that would benefit from further explanatory descriptions to ensure that the information provided by a given issuer/offeree is understandable and comparable to the information provided by other issuer/offeree of the same type of crypto-asset? If yes, please elaborate and provide suggestions.

<ESMA_QUESTION_MIC2_64>
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<ESMA_QUESTION_MIC2_64>

65. : Would you deem it useful for ESMA to provide an editable template to support preparers with the compliance of the format requirements proposed in the draft ITSs?

<ESMA_QUESTION_MIC2_65>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_65>

66. : Are there any other data elements that you would consider relevant to ensure that investors can properly compare different crypto-asset white papers and NCA can perform their classifications on the basis of harmonised information?

<ESMA_QUESTION_MIC2_66>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_66>

67. : Do you agree with ESMA's conclusion that an issuer, an offeror or a person seeking admission to trading of crypto-assets should always be eligible for an LEI? If not, please provide a description of the specific cases

<ESMA_QUESTION_MIC2_67>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_67>

68. : Do you agree with the proposed metadata elements, also considering the mandatory metadata expected to be mandated in the context of ESAP?

<ESMA_QUESTION_MIC2_68>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_68>

69. : Do you have any feedback in particular with regards to the metadata on the "industry sector of the economic activities" and its relevance for the ESAP search function?

<ESMA_QUESTION_MIC2_69>

TYPE YOUR TEXT HERE

<ESMA_QUESTION_MIC2_69>

70. : Do you agree with the listed definitions? Would you consider useful to clarify any other term used in the ITS?

<ESMA_QUESTION_MIC2_70>

It might be useful to further clarify the specific attributes of a 'durable medium' to ensure that the way information is stored and retained meets the standards outlined in the regulations. Furthermore, it could be beneficial to clarify how the terms 'social media' and 'web-based platforms' specifically apply within the context of the regulatory framework of MiCA, aiming to avoid any confusion about which specific platforms fall under these definitions. Overall, the definitions seem well-considered.<ESMA_QUESTION_MIC2_70>

71. : Do you agree with the proposed requirements for publication on the website of the issuer, offeror or person seeking admission to trading? Would you consider necessary any additional requirements regarding the publication on the website?

<ESMA_QUESTION_MIC2_71>

It could be beneficial to outline a clear format or template for the publication of inside information on the website. This could include standardized sections or headings to ensure consistency across different disclosures, enhancing readability and accessibility for investors and the public..<ESMA_QUESTION_MIC2_71>

72. : In your view, is there any obstacle for the website of the relevant parties to allow for specific alerts?

<ESMA_QUESTION_MIC2_72>

We believe that certain websites or browsers might not fully support push notifications. Therefore, we do not endorse this approach. Our preference lies in channeling such updates through social media or web-based platforms, as the initial announcement was also published there.<ESMA_QUESTION_MIC2_72>

73. : In your view, what are the media most relied upon by the public to collect information on crypto-assets? In case you are an issuer, offeror or person seeking admission to trading, please specify/add which media you would normally use to communicate with investors and the reasons supporting your choice.

<ESMA_QUESTION_MIC2_73>

Blogs of exchanges, news websites such as Coindesk, The Block, Cointelegraph, price-tracking websites like CoinMarketCap and Coingecko, and social media platforms such as X, Reddit, Telegram, and Discord, along with forums like Bitcointalk, are in our opinion commonly relied upon by the public for information on crypto-assets.

<ESMA_QUESTION_MIC2_73>

74. : Should a social media or a web-based platform be media reasonably relied upon by the public, what are the risks that you see when using them to achieve dissemination of inside information in relation to crypto assets? Should the dissemination rather take place through traditional media channel?

<ESMA_QUESTION_MIC2_74>

Accuracy of information (e.g., fake news), limited control (uncertainty about the reached audience, unknown algorithms), and potential market volatility (speculative trading based on incomplete or inaccurate information). With traditional media, you encounter similar problems; however, they may be perceived as more credible (due to established editorial standards, fact-checking processes, and adherence to journalistic ethics.).

<ESMA_QUESTION_MIC2_74>

75.: Please comment the proposed means for dissemination of inside information? Please motivate your answer by indicating why the means they are/are not valuable tools for dissemination purposes.

<ESMA_QUESTION_MIC2_75>

Social media and web-based platforms allow for quick sharing of information to a broad audience and encourage interaction. However, they might lack control over who sees the information, have limitations in ensuring accurate information due to the speed of sharing, and carry risks of spreading misinformation or causing market volatility. Traditional media, such as newspapers and TV, are often highly credible due to their adherence to journalistic standards and fact-checking processes. They reach a wide audience, but they are slower in sharing news compared to online platforms, which can be an issue for urgent information. Additionally, crypto-assets are particularly popular among the younger demographic and tech-savvy investors, who are more active on digital platforms. <ESMA_QUESTION_MIC2_75>

76. : Would you add any means of communications for the persons subject to the disclosure obligation to consider when disseminating inside information? Please motivate your answer.

<ESMA_QUESTION_MIC2_76>

Adding email newsletters and direct notifications via an app could be beneficial. Sending newsletters to subscribers ensures direct communication with interested parties who have opted to receive updates. Issuing direct alerts through an app can reach stakeholders promptly and directly. <ESMA_QUESTION_MIC2_76>

77. : Do you agree with the technical means for delaying the public disclosure of inside information as described?

<ESMA_QUESTION_MIC2_77>

Overall, the described technical means seem comprehensive and appropriately designed to ensure the effective management of delayed disclosure. <ESMA_QUESTION_MIC2_77>

Responding to this paper

ESMA invites comments on all matters in this consultation paper and in particular on the specific questions. Comments are most helpful if they:

- respond to the question stated;
- indicate the specific question to which the comment relates;
- contain a clear rationale; and
- describe any alternatives ESMA should consider.

ESMA will consider all comments received by **14 December 2023**.

Instructions

In order to facilitate analysis of responses to the Consultation Paper, respondents are requested to follow the below steps when preparing and submitting their response:

1. Insert your responses to the questions in the Consultation Paper in the present response form.
2. Use this form and send your responses in Word format (**pdf documents will not be considered except for annexes**):
3. Please do not remove tags of the type <ESMA_QUESTION _MIC2_1>. Your response to each question has to be framed by the two tags corresponding to the question.
4. If you do not wish to respond to a given question, please do not delete it but simply leave the text "TYPE YOUR TEXT HERE" between the tags.
5. When you have drafted your response, name your response form according to the following convention: ESMA_MIC2_nameofrespondent_RESPONSEFORM. For example, for a respondent named ABCD, the response form would be entitled ESMA_MIC2_ABCD_RESPONSEFORM.
6. Upload the form containing your responses, **in Word format**, to ESMA's website (www.esma.europa.eu under the heading "Your input – Open Consultations" -> Consultation Paper on the clearing and derivative trading obligations in view of the benchmark transition").

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publically disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the heading [Legal Notice](#).

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