Reply Form

Consultation Paper on the Guidelines for the criteria on the assessment of knowledge and competence under the Markets in Crypto Assets Regulation (MiCA)

Responding to this Consultation Paper

ESMA invites comments on all matters in this Consultation Paper and in particular on the specific questions summarised in Annex 1. 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 **22 April 2025.**

All contributions should be submitted online at [www.esma.europa.eu](http://www.esma.europa.eu) under the heading ‘Your input - Consultations’.

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:

• Insert your responses to the questions in the Consultation Paper in this reply form.

• Please do not remove tags of the type < ESMA\_QUESTION\_MIKC\_0>. Your response to each question has to be framed by the two tags corresponding to the question.

• 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.

• When you have drafted your responses, save the reply form according to the following convention: ESMA\_CP\_ MIKC\_nameofrespondent.

 For example, for a respondent named ABCD, the reply form would be saved with the following name: ESMA\_CP\_ MIKC\_ABCD.

• Upload the Word reply form containing your responses to ESMA’s website (**pdf documents will not be considered except for annexes**). All contributions should be submitted online at *www.esma.europa.eu* under the heading *‘Your input - Consultations’.*

**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 publicly 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.

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**Who should read this paper?**

All interested stakeholders are invited to respond to this Consultation Paper. In particular, ESMA invites crypto-asset service providers, investors and their associations, financial entities dealing with crypto-assets and any other stakeholders that have an interest in the market for crypto-assets.

# General information about respondent

|  |  |
| --- | --- |
| Name of the company / organisation | DEC Institute |
| Activity | Other |
| Are you representing an association? |[x]
| Country / Region | International |

# Questions

1. Do you agree with the minimum requirements regarding qualification, experience and continuous professional development of staff giving information on crypto-assets and crypto-asset services to clients included in paragraphs 19 to 21 of draft Guideline 2? If not, what would, in your view, be adequate minimum requirements? Please state the reasons for your answer.

<ESMA\_QUESTION\_MIKC\_1>

Yes, we **agree** with the proposed minimum requirements in draft Guideline 2 (paragraphs 19–21) for staff providing **information** on crypto-assets and services. In our view, the combination of a baseline professional qualification, supervised experience, and ongoing CPD is appropriate and necessary to ensure competent information provision. We offer full support for these standards and suggest a few enhancements to strengthen them:

* **Adequate Baseline Training (80+ Hours):** An initial qualification of *at least 80 hours* is a reasonable minimum to cover the fundamental knowledge areas (e.g. DLT technology, crypto-asset features, risks, and market functioning). This duration aligns with industry best practices and ensures that information-providing staff have a solid grounding. We support maintaining **80 hours as a baseline** and, if anything, encourage more hours for complex topics. A structured training program of this scope enables staff to understand key concepts such as crypto market structures, cyber-security risks, and the workings of different protocols, which is critical for accurately informing clients.
* **Supervised Practical Experience (≥6 Months):** We strongly endorse the requirement for *at least 6 months of supervised experience* (or 1 year as an alternative pathway) before staff independently provide information. Practical on-the-job training under the guidance of qualified supervisors is invaluable for reinforcing theoretical knowledge. This **supervised experience** period allows new staff to observe and practice client interactions, learn to communicate risks clearly, and handle real-life scenarios with oversight. We recommend ensuring that this supervision is of high quality – for example, supervisors should be adequately qualified themselves and follow a structured mentoring plan. Such standards will help translate the 80-hour training into practical competence and consistency in client communications.
* **Continuous Professional Development (CPD, ≥10 Hours/Year):** We agree that mandatory ongoing training is essential given the **fast-evolving crypto sector**. Setting a minimum of *10 hours of CPD per year* (as per paragraph 21) is a good start to ensure staff keep their knowledge up to date. We particularly support the guideline’s flexibility to calibrate CPD hours based on the complexity of services and the individual’s experience – junior staff or those dealing with high-risk products may need more than the minimum. It is important that CPD content remains relevant: we suggest including updates on regulatory changes, new types of crypto-assets, market developments, and emerging risks. **Digital delivery of CPD** (e.g. online courses, webinars) should be fully embraced to make continuous learning accessible across the EU and enhances flexibility and accessibility, especially for smaller providers and remote teams. Moreover, we advocate for **mutual recognition of CPD** credits across Member States – if an information-provider completes recognized training in one EU country, it should count toward their CPD requirement in any other. This portability will promote a more harmonized skill set across the Union.
* **Independent Certification and Assessment:** While the guidelines allow the obligatory competence exam to be organized by the crypto-asset service provider or an external provider, we emphasize the **value of independent certification**. Relying on a **standardized external exam** (administered by an independent professional body) is preferable to sole reliance on in-house testing by the employer. Independent certification bodies can ensure a consistent benchmark of knowledge and impartiality in assessment, thereby boosting investor confidence. We therefore encourage crypto firms to use **recognized external qualification exams** for their staff, and we suggest ESMA and National Competent Authorities (NCAs) facilitate this by approving or endorsing certain industry-wide certifications. This external validation will complement firms’ internal assessments and help avoid potential conflicts of interest in self-certification.
* **Accreditation of Qualifications and CPD Providers:** To underpin the above point, we recommend that ESMA establish a **formal accreditation framework** for training programs and CPD providers. By **recognizing accredited certifications** (for the 80-hour qualification) and approved CPD schemes, regulators can ensure that the content and examination standards meet MiCA’s objectives. An official list of recognized qualifications (as envisaged in paragraph 21 and its footnotes) should be actively maintained – ideally coordinated at the ESMA level to promote **supervisory convergence**. This would give crypto-asset service providers clarity on which external courses/exams meet the Guidelines, and it would foster a market for high-quality, standardized training. In summary, **independent accredited programs** (rather than ad-hoc in-house courses) should be the backbone of meeting the knowledge requirements, thereby professionalizing the industry.
* **Comprehensive and Relevant Curriculum:** We agree that staff giving information must **know, understand, and be able to explain** all relevant aspects of the crypto-asset products and services offered. The required qualification should therefore cover not only technical features of crypto-assets, but also critical areas like **legal/regulatory compliance, anti-money laundering (AML) obligations, ethical conduct, and investor protection principles**. We applaud the draft Guideline 2 for listing key knowledge points – for example, understanding the differences in investor protection between MiCA and MiFID II regimes, general tax implications, and risks like cyber security and loss of keys. We suggest making **ethical training and client communication skills** an explicit part of the curriculum as well, since staff must present information in a fair and not misleading manner. Additionally, the curriculum should be **tailored to the complexity** of the services offered by the provider: for instance, if a firm offers **staking services or other complex decentralized finance (DeFi) products**, its information-providing staff should receive specialized training on those specific risks and mechanisms (beyond the basic 80 hours). This ensures that the knowledge and competence standard remains high across all types of crypto-asset services, from the simplest to the most complex.

In conclusion, we find the minimum qualification, experience, and CPD requirements for information-providing staff to be **appropriate and well-justified**. These measures set an essential baseline that will help protect clients by ensuring they receive accurate and informed communication about crypto-assets. By implementing the minor enhancements suggested above – notably leveraging independent certification, establishing accreditation standards, and emphasizing key risk and ethics topics – ESMA can further assure that these knowledge and competence criteria are applied consistently across the EU. This will ultimately contribute to a more informed client base and a more trustworthy crypto-asset market.

<ESMA\_QUESTION\_MIKC\_1>

1. Do you agree with the minimum requirements regarding qualification, experience and continuous professional development of staff giving advice on crypto-assets and crypto-asset services to clients included in paragraphs 24 to 26 of draft Guideline 3? If not, what would, in your view, be adequate minimum requirements? Please state the reasons for your answer.

<ESMA\_QUESTION\_MIKC\_2>

We **agree** with the proposed minimum requirements in draft Guideline 3 (paragraphs 24–26) for staff providing **advice** on crypto-assets and services. It is prudent that the standards for advisors are higher than those for information-only staff, reflecting the greater responsibility and investor protection risk in advisory roles. We support the emphasis on formal education, extensive training, and experience for advisors, and we offer the following points in support along with some recommendations:

* **Enhanced Qualification Standards (160+ Hours or Equivalent):** The draft guideline rightly requires a **significantly higher level of qualification** for advisors – for example, a relevant tertiary degree or a substantial professional training of at least *160 hours*, combined with practical experience. We fully support this approach. A three-year university degree in a pertinent field (finance, economics, law, etc.) or a rigorous 160-hour crypto-specific program provides advisors with the **depth of knowledge** needed to understand complex products and to formulate suitable recommendations for clients. In our view, *160 hours should be seen as a minimum for professional formation* if no relevant degree is present, ensuring advisors have covered advanced topics such as portfolio management basics, risk management, and the intricacies of various crypto-asset classes. This elevated benchmark is appropriate given that poor advice can directly lead to investor harm. We also endorse the alternative pathways recognizing **prior experience** under MiFID II or IDD – leveraging existing financial advisory expertise is sensible – **provided that those individuals also undergo targeted training on crypto-specific topics** to address the unique aspects of digital assets not covered under traditional finance.
* **Thorough Understanding of Regulatory and Ethical Obligations:** Crypto-asset advisors must internalize **MiCA’s investor protection framework**, including the suitability assessment obligations (Article 81 MiCA) and related ESMA guidelines on suitability and periodic reporting. We strongly agree that advisory staff should demonstrate knowledge of these requirements (as highlighted in paragraph 23). The training curriculum for advisors should therefore place **particular emphasis on legal and regulatory compliance**, such as understanding how to assess a client’s knowledge and experience, financial situation, and investment objectives in a crypto context, and knowing when a crypto product may be *not suitable* for a given client. In addition, **professional ethics** and conduct standards should be a mandatory component of an advisor’s qualification. Advisors face situations with potential conflicts of interest and high-pressure sales; thus, training must reinforce principles of **honesty, fairness, and client best interest** duty at all times. By covering ethics, consumer protection rules, AML/CFT responsibilities, and cross-border regulatory considerations (e.g. advising clients who may reside in different jurisdictions), the qualification ensures advisors are prepared to offer advice that is not only technically sound but also compliant and ethical.
* **Practical Skill Development & Simulation-Based Assessment:** Beyond academic knowledge, effective advisors need practical skills – the ability to apply knowledge to real client situations, to explain complex products in understandable terms, and to recommend appropriate solutions. We therefore support the requirement of **hands-on experience (minimum 1 year under supervision)** and suggest augmenting it with **simulation-based assessments**. For example, as part of the qualification exam or internal training, advisors could be tested with realistic case studies or role-play scenarios where they must demonstrate the advisory process end-to-end (fact-finding, risk profiling, product comparison, explaining risks, etc.). Such **simulation exercises** would validate that candidates can translate theory into practice – an essential step for competence. We believe ESMA could encourage firms or external certification bodies to incorporate **case studies, simulations, or oral examinations** in the assessment of advisory staff. This approach, coupled with traditional exams, would provide a more holistic evaluation of an advisor’s readiness to interact with clients.
* **Quality of Supervised Experience:** We welcome the guideline that requires at least *one year of supervised experience* in providing relevant crypto-asset services. This apprenticeship-style model is crucial for developing advisory competence. To ensure this period truly benefits the trainee advisor, we recommend that firms implement **structured supervision standards**. For instance, the supervising senior advisor or manager should have clear responsibilities: to provide regular feedback, review the trainee’s client interactions, and gradually increase the trainee’s responsibilities as they demonstrate proficiency. It would be beneficial for firms to document the supervised training plan and maintain records of the trainee’s progress (e.g. milestone assessments at 3, 6, 12 months). By setting **quality standards for supervision** – potentially guided by industry best practices or additional ESMA guidance – we can make certain that the “1 year under supervision” is consistently effective across all firms, rather than a box-ticking exercise. High-quality mentorship will give new advisors practical confidence and ensure that by the end of the period, they meet the required competence level to advise independently.
* **Independent Certification and External Examination:** Similar to our comments for information-providers, we strongly favor the use of **independent certification bodies** and **standardized external exams** for validating the competence of advisors. Given the higher stakes in advice, it is even more important that the knowledge and skills of advisory staff are benchmarked against an **objective external standard**. We encourage crypto-asset service providers to adopt reputable **industry certifications for crypto advisors**, where available, as a means to satisfy the Guideline 3 requirements. For example, an external certification program that encompasses the 160-hour training and requires passing a rigorous exam can serve as evidence of competence. This approach reduces variability between firms – ensuring that an “qualified advisor” in one firm meets the same high standard as in another. It also lends greater credibility to the advisor’s qualifications from a client’s perspective. Therefore, while the draft guideline allows firms to organize their own exams, we recommend **leaning toward external examinations** (or at least externally moderated assessments) to promote consistency. ESMA could facilitate this by **accrediting certain exams or certifications** as meeting Guideline 3, which would guide firms in choosing reliable qualification paths for their advisory staff.
* **Continuous Professional Development (≥20 Hours/Year):** We fully agree that advisors should engage in substantial CPD – the draft specifies a minimum of *20 hours per year*, which we support as an appropriate floor. Crypto-asset markets, technologies, and regulations are evolving continuously, and advisors must keep pace to provide up-to-date advice. We recommend that CPD for advisors be **targeted and forward-looking**: for example, training on emerging sectors like DeFi or updates on regulatory changes such as new AML rules or tax guidance for crypto investments. Advisors might also benefit from advanced workshops on risk management, behavioral finance (to understand client biases in crypto investing), or lessons learned from market events. We also stress the importance of **CPD quality and recognition**: similar to initial qualifications, CPD activities should ideally be provided or accredited by independent professional bodies to ensure consistency. We suggest ESMA encourage **mutual recognition of CPD** across Member States and firms – an advisor’s completion of a recognized CPD course in one country should count elsewhere – which will facilitate a more mobile and unified professional community. Additionally, facilitating **digital and remote CPD options** will help advisors meet their learning hours flexibly and share knowledge across borders. All CPD, of course, should include some form of **knowledge assessment** (as the guideline wisely requires) to verify that the learning outcomes are achieved, rather than just time spent.
* **Specialization for Complex Crypto-Asset Services:** We note that crypto-asset services can vary widely in complexity (e.g., simple exchange vs. complex yield-generating DeFi protocols). Where advisors are involved in particularly **complex or high-risk services**, we recommend that the qualification and CPD requirements be **scaled up accordingly**. For instance, an advisor who provides advice on **derivative crypto products or algorithmic stablecoins** might need additional specialized training modules beyond the general 160-hour program to master those products’ nuances. The guidelines’ proportionality principle (paragraph 26 allowing firms to determine additional CPD hours based on the nature of services) is very welcome. We would support making it explicit that **advisors on novel or intricate products (such as staking-as-a-service, lending/borrowing in DeFi, or NFT investment strategies) undertake extra training** focused on those areas. This ensures that no matter how niche or advanced the product, clients can expect advisors to be knowledgeable and competent in that specific domain. Such **tailoring of qualification standards** to the risk profile of services will further protect investors and maintain high advisory standards across all offerings.

In summary, the DEC Institute fully supports the **elevated standards for advisory staff** as outlined in Guideline 3. These requirements – combining formal education or extensive training, relevant supervised experience, and robust ongoing development – are **adequate and proportionate** to ensure that advisors possess the expertise and integrity needed for advising clients in the crypto-asset market. By implementing the above suggestions (greater use of independent certification, practical scenario-based assessments, ensuring quality in supervision, and tailoring training to product complexity), ESMA and the industry can together foster a cadre of crypto-asset advisors who are **highly qualified, continuously learning, and capable of delivering trustworthy advice** to investors across the EU.

<ESMA\_QUESTION\_MIKC\_2>

1. Do you agree that with the proposed draft guidelines? Please state the reasons for your answer.

<ESMA\_QUESTION\_MIKC\_3>

Yes, we **broadly agree** with the proposed draft guidelines as a whole. In our view, these guidelines establish a much-needed framework to ensure that personnel in the crypto-asset sector are knowledgeable, competent, and up-to-date – which is vital for **investor protection and market integrity** under MiCA. We commend ESMA for taking a comprehensive and proportionate approach. In particular, we would like to highlight **our support for several key aspects of the draft guidelines**, as well as offer recommendations to further strengthen the framework:

**Positive Aspects and Strengths of the Draft Guidelines:**

* **Clear Differentiation of Roles:** The guidelines rightly distinguish between staff giving information and those giving advice, with higher competence standards for advisory roles. This **proportional approach** (Guideline 1 and the structure of Guideline 2 vs 3) is sensible and mirrors the practice in traditional finance (MiFID II) – advice carries greater risk to investors, so it demands more stringent qualifications. We strongly support this differentiation, as it ensures resources are focused where investor exposure is greatest.
* **Comprehensive Knowledge Criteria:** The draft guidelines include detailed lists of knowledge and skill areas that staff should master (paragraphs 18 and 23). We appreciate the specificity – covering not just general crypto concepts but also critical issues like technology (DLT, consensus mechanisms), market dynamics, taxation, cost structures (including network fees), **cross-border regulatory developments**, differences in investor protections vis-à-vis traditional finance, and AML/CFT considerations. This comprehensive scope will help ensure that staff are **well-rounded in their understanding of crypto-assets**. We particularly note the inclusion of understanding **market abuse risks and cybersecurity risks**, which are highly pertinent in crypto markets. By setting out these knowledge points, ESMA gives firms and training providers a clear syllabus to build their programs around.
* **Minimum Standards for Training, Experience, and CPD:** We fully agree with the introduction of **minimum quantitative thresholds** (hours of training, years/months of experience, hours of CPD) in Guidelines 2 and 3. These create a **harmonized baseline across the EU**. Prior to MiCA, different jurisdictions had varying or no explicit requirements for crypto staff competence – a potential source of arbitrage or inconsistent investor protection. ESMA’s guidelines, by specifying (for example) 80 hours for information providers and 160 hours (or equivalent) for advisors, help align expectations and foster **supervisory convergence**. We believe this will raise the professional standards industry-wide and reduce the risk of unqualified individuals handling client interactions. The CPD requirements (minimum 10 or 20 hours) similarly ensure that learning is not a one-time event but an ongoing process, which is crucial in the rapidly changing crypto environment.
* **Internal Review and Compliance Processes:** Guideline 4’s provisions that firms must **assess, maintain, and update** staff competence on an ongoing basis are very welcome. Requiring management bodies to annually review the effectiveness of their knowledge-and-competence policies (as noted in Guideline 1) and to carry out regular internal or external reviews of staff development needs (Guideline 4, paragraph 28) instills a culture of continuous improvement. We support these organizational measures, as they integrate competence management into firms’ governance and control frameworks. Regular performance reviews, identification of knowledge gaps, and prompt training to address new business areas or regulatory changes will collectively ensure that competence is not just achieved at hiring but **sustained throughout employment**. We also agree with clarifying that even staff not client-facing but designing automated advice/information tools should fall under these competence requirements – closing any potential loopholes due to technology.
* **Acknowledgment of Transitional Arrangements:** The guidelines sensibly provide that existing staff (at the time of application of the guidelines) can be grandfathered by demonstrating a track record (e.g., one year of relevant full-time experience). We consider this pragmatic to avoid undue disruption, while still ultimately holding those individuals to the new standards (they will still partake in CPD and be subject to firm assessments). This balances **raising standards with fairness** for current professionals. Over time, the industry will upskill to meet the new requirements, and investor protection will improve without a shock to operations.

In light of these points, we find the draft guidelines to be well-crafted and aligned with the DEC Institute’s vision of a qualified and trustworthy crypto-asset industry. We do not see any major aspect of the guidelines that we disagree with. Instead, we have some suggestions to **further enhance or clarify** the framework, ensuring its effectiveness and ease of implementation:

**Recommendations to Strengthen the Framework:**

* **Formal Accreditation of Qualifications and CPD Programs:** We recommend that ESMA, in coordination with NCAs, establish a mechanism to **accredit or recognize external training and certification programs** that meet the Guidelines’ criteria. While the draft allows competent authorities to publish lists of “external professional education bodies providing a recognised qualification,” a more formal **EU-wide accreditation scheme** would be beneficial. For example, ESMA could set basic rules for what makes an 80-hour or 160-hour program acceptable — such as the content covered and how tough the exams are — and also set standards for continuing professional development (CPD) providers. Accredited programs could then be recognized across all Member States. This approach would give firms certainty when selecting training for staff and promote high-quality, standardized education in the market. It would also prevent “forum shopping” or inconsistent recognition of programs from one country to another. In essence, an ESMA-led accreditation framework would underpin the knowledge standards with a **consistent quality seal**, making the guidelines easier to enforce and comply with.
* **Emphasis on Independent Certification & Examination:** To complement the above, we encourage ESMA to explicitly favor **independent assessments of competence**. The final guidelines could note that, where possible, firms should utilize **certifications or exams from independent bodies** as part of meeting their obligations. This doesn’t preclude in-house training, but an external exam (or an external review of the firm’s exam) can add credibility. Independent certification bodies – such as industry institutes or associations – often develop robust exams that are updated regularly and bench-marked internationally. Their involvement can reduce the burden on firms to develop their own testing from scratch and ensure **uniform competency standards** irrespective of the employer. Over time, this can lead to the emergence of widely accepted crypto-asset professional qualifications (analogous to e.g. CFA or other finance certifications) which would elevate the profession. We believe ESMA’s endorsement of external certification (even if not mandating it outright) will send a strong signal in favor of consistency and quality in competence assessments.
* **Mutual Recognition and Passporting of Skills:** In the spirit of the single European market, we suggest that qualifications and CPD accomplishments earned in one Member State should be **passportable** to others. The guidelines could encourage NCAs to recognize staff certifications that have been accredited as above, regardless of which EU country issued them. This **mutual recognition of competence** would facilitate mobility of crypto-asset professionals and allow firms operating cross-border to rely on a unified standard. It also ties in with MiCA’s broader goal of harmonizing crypto regulation across the EU. We note that without mutual recognition, a professional moving from one jurisdiction to another might face duplicative qualification requirements, which could deter the free movement of skilled labor. Therefore, we advocate for close supervisory cooperation in implementing these guidelines so that an individual deemed competent in one country (under an accredited scheme) is not required to re-qualify elsewhere in the EU.
* **Periodic Review and Update of Guidelines:** The crypto-asset sector is dynamic, with new types of services, assets, and risks emerging rapidly. We recommend that ESMA commit to a **periodic review** of these knowledge and competence guidelines (for example, every 2–3 years). Such reviews would evaluate whether the minimum hours, content areas, and processes remain appropriate in light of market evolution. Adjustments could be made to the guidelines to incorporate lessons learned from supervision, technological innovations (for instance, if **decentralized finance** grows substantially, additional competencies might need highlighting), or changes in related regulations. A formal review cycle will ensure the guidelines stay **current and effective** over time, rather than becoming static. Additionally, gathering industry feedback during these updates can help fine-tune the framework based on practical implementation experience.
* **Strengthening Guidance on Supervision and Assessment:** We believe the final guidelines could elaborate a bit more on **how firms should assess and document competence**. For example, while annual internal reviews are required, ESMA could provide best practices on what this should entail – e.g., use of skill matrices, testing staff knowledge on new products, or requiring a certain number of observed client interactions. Encouraging firms to use **risk-based tools** would be useful: for instance, internal risk assessments that identify which roles or individuals might present higher risk (due to complexity of products they handle or any identified gaps in knowledge) and focusing additional training or oversight there. Also, an element of **record-keeping** should be stressed: firms should maintain up-to-date records of each staff’s qualifications, exams passed, CPD hours completed, and review outcomes. This documentation will be vital for internal assurance and for **regulators to verify compliance** during inspections. Clarity on these points will help ensure that the spirit of the guidelines (not just the letter) is met, as firms will have clear expectations on implementation.
* **Focus on Ethical Conduct and Client-Centric Culture:** While technical knowledge is paramount, we suggest the guidelines could more explicitly reference the importance of **ethics and client-centric behavior** as part of competence. This is somewhat implicit in requiring knowledge of investor protection rules, but an express mention could be powerful. A guideline note could state that having the necessary knowledge and competence includes understanding and adhering to principles of **honesty, integrity, and fair communication**. We believe that fostering a strong ethical culture is inseparable from factual knowledge – both are needed to truly protect clients. Therefore, training programs and assessments should incorporate ethical scenarios (e.g., dealing with potential conflicts of interest, handling client information responsibly, etc.). Making this expectation clear in the guidelines would further reinforce to firms that *how* staff use their knowledge (with proper conduct) is as important as the knowledge itself.

In conclusion, our overall view is that **ESMA’s draft guidelines are a very positive and important step** toward professionalizing the crypto-asset industry under MiCA. We agree with the approach and content, and we believe that with the above enhancements, the framework will robustly serve its purpose of ensuring knowledgeable and competent staff across all crypto-asset service providers in the EU. The DEC Institute fully supports these guidelines and is keen to see them implemented in practice. We are confident that, as these standards take effect, investors will benefit from better advice and information, and the industry will gain credibility and stability. We appreciate the opportunity to contribute feedback and encourage ESMA to finalize the guidelines with our recommendations in mind, thereby achieving a high-impact, future-proof competence regime for the crypto-assets sector.

<ESMA\_QUESTION\_MIKC\_3>

1. Are there any additional comments that you would like to raise and/or information that you would like to provide?

<ESMA\_QUESTION\_MIKC\_4>

**Additional Comments:** The DEC Institute would like to add a few closing observations in support of ESMA’s initiative:

* **Holistic Implementation and Enforcement:** It is crucial that these knowledge and competence standards be implemented consistently across all EU Member States. We encourage ESMA and NCAs to work together to ensure **uniform enforcement** – for example, through joint supervisory actions or peer reviews – so that no crypto-asset service provider can evade the spirit of the guidelines. Consistency will create a level playing field and prevent regulatory arbitrage in competence standards.
* **Building an Ecosystem of Compliance:** The introduction of these requirements will likely stimulate a broader ecosystem of education and certification in the crypto-asset space. We view this positively. **Independent institutes, universities, and professional bodies** will be incentivized to develop courses, exams, and CPD offerings tailored to MiCA’s needs. The DEC Institute, as an organization dedicated to certifying professionals in digital assets, stands ready to support this effort. We believe a healthy ecosystem of **accredited training providers** will make it easier for firms to comply and for individuals to gain recognized credentials, ultimately raising the knowledge bar across the industry.
* **Investor Confidence and Industry Maturity:** From a market perspective, these guidelines are not just a compliance exercise – they are a cornerstone for building **trust with investors**. When clients know that the person informing or advising them about crypto-assets has met rigorous, standardized qualifications, it significantly boosts their confidence in the service. This can encourage greater participation in the regulated crypto market, channeling activity into supervised firms (which is beneficial for overall market oversight and stability). In the long run, we see the professionalization of crypto-asset staff as a key element in the **maturation of the crypto industry**, making it more comparable to traditional financial services in terms of reliability and consumer protection.
* **Future Developments:** We acknowledge that MiCA and these guidelines focus largely on the current scope of regulated crypto-asset services. However, the crypto domain continues to innovate (for example, in areas like decentralized finance, NFT markets, and beyond). We suggest that ESMA remain attentive to how *new trends* might necessitate updates to competence standards. Proactive industry engagement – perhaps via consultative forums or expert groups – could help keep the guidelines **forward-compatible**. By staying ahead of emerging complexities, regulators and certification bodies can adapt educational content swiftly, ensuring that professionals are always equipped to handle the latest market developments responsibly.

In summary, the DEC Institute fully supports ESMA’s Guidelines on knowledge and competence under MiCA and has confidence that their adoption will greatly benefit consumers and the industry. We appreciate ESMA’s thorough approach and the opportunity to contribute. We are committed to assisting in the rollout of these standards (for instance, by providing **high-quality certification exams and CPD programs** that align with the guidelines) and we encourage ongoing dialogue between regulators, firms, and independent certification experts. Together, we can ensure that the crypto-asset sector in Europe is staffed by qualified, competent, and ethical professionals – which is in the best interest of all market participants.

<ESMA\_QUESTION\_MIKC\_4>