

COREX

Guide to MiCA-Compliant Outsourcing



Key Acronyms and Terms

MiCA	Markets in Crypto-assets Regulation
ART	Asset-Referenced Tokens
EMT	E-money Tokens
CASP	Crypto-Asset Service Provider
DLT	Distributed Ledger Technology
EBA	European Banking Authority
ESMA	European Securities and Markets Authority
ECB	European Central Bank
AIF	Alternative Investment Fund
UCITS	Undertakings for Collective Investment in Transferable Securities
AIFMD	Alternative Investment Fund Managers Directive
EMD2	Second Electronic Money Directive

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Introduction: What is MiCA and Why Does It Matter?

The **Markets in Crypto-assets Regulation (MiCA)** is a comprehensive regulatory framework introduced by the European Union to standardize rules within the crypto-asset sector.

It was adopted as part of the broader **EU Digital Finance Strategy** and published in the Official Journal of the European Union on June 9, 2023. MiCA formally entered into force on June 29, 2023, while its main operational provisions will become applicable as of December 30, 2024. EU Member States have until **June 30, 2025**, to notify the European Commission, EBA, and ESMA about the implementation of MiCA in their jurisdiction.

MiCA aims to ensure legal certainty, prevent market abuse, and strengthen consumer protection in one of the most dynamic and high-risk areas of the financial market. Special emphasis is placed on combating financial crime, maintaining financial stability, and ensuring fair competition within the single digital market.

- ✦ **Who:** Token issuers, crypto exchanges, wallet providers, investment service providers
- ✦ **When:** Main provisions from December 30, 2024; full compliance by June 30, 2026
- ✦ **Where:** EU headquarters is mandatory
- ✦ **Costs:** €50,000 – €500,000+ (depending on complexity)
- ✦ **Timeline:** 6–18 months for preparation + 3–6 months for approval

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Scope of Application

MiCA applies to issuers and service providers engaged in crypto-asset activities that were previously not covered by existing financial services legislation. More specifically, it targets issuers of crypto-assets that do not qualify as financial instruments under the Markets in Financial Instruments Directive (MiFID II). This includes issuers of asset-referenced tokens (**ARTs**), e-money tokens (**EMTs**), as well as other forms of crypto-assets, including utility tokens.

In addition, MiCA regulates the activities of trading platform operators, custodians (wallet providers), exchanges, and all other crypto-asset service providers – collectively referred to as **CASPs (Crypto-Asset Service Providers)**.

Crypto-assets that are unique and non-fungible—such as traditional **NFTs** – are generally excluded from the regulation, unless they are fractionalized NFTs that exhibit characteristics of transferability and fungibility.

MiCA is based on the principles of “same activity, same risks, same rules” and technological neutrality, providing a clear distinction of which types of assets fall under its scope. European supervisory authorities such as ESMA are responsible for issuing guidelines to ensure consistent classification and supervision across the Union.

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Classification of Crypto-Assets under MiCA

MiCA defines three main categories of crypto-assets, each subject to distinct regulatory requirements based on the risks associated with their function and intended use:

✦ E-money Tokens (EMTs)

These are crypto-assets that aim to maintain a stable value by referencing a single official currency. Functionally, they are treated similarly to traditional electronic money and are subject to comparable rules applicable to e-money institutions. EMTs are primarily used as a means of payment.

✦ Asset-Referenced Tokens (ARTs)

These tokens seek to maintain a stable value by referencing multiple assets—such as fiat currencies, commodities, crypto-assets, or a combination of these. Due to their potential impact on monetary policy and financial stability, ARTs are subject to stricter regulatory requirements, including those related to capital reserves, custody arrangements, and transparency.

✦ Other Crypto-Assets

This category includes all other crypto-assets not classified as EMTs or ARTs, such as utility tokens, which provide digital access to a specific good or service via a Distributed Ledger Technology (DLT) platform.

Algorithmic stablecoins, although lacking traditional reserve assets, may also fall under the EMT or ART regime if they meet certain stability criteria.

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Key Regulatory Requirements

A core component of the MiCA regulation lies in the obligations that market participants must fulfil in order to **operate legally within the EU**. These include requirements regarding documentation, marketing communications, governance, and financial safeguards.

One of the fundamental obligations is the preparation of a white paper, required for all types of crypto-assets except those explicitly exempt. This document must contain complete, accurate, and fair information about the issuer, the type of asset, the technical infrastructure, user rights, risks, and supporting aspects of the project. It must be signed by the issuer's management body, dated, and made available in a machine-readable format. Projections about the future value of the asset are not allowed. If the offering spans multiple member states, the white paper must be available either in the national language of the country or in a language commonly used in international finance, typically English.

For asset-referenced tokens (ARTs) and e-money tokens (EMTs), the white paper is subject to prior approval by the competent authority. For other types of crypto-assets, a simple notification is sufficient. ESMA is developing standardised templates and formats (**ITS**) to ensure consistency in the content and structure of white papers.

In addition, all marketing materials must be clear, accurate, and not misleading. They must align with the white paper and include a clear disclaimer stating that the communication has not been approved by any regulatory authority. Any form of promotional communication must be notified in advance to the competent authority, both in the home state and in the member states where the marketing takes place. The results of any public offering must be published on the issuer's website no later than twenty business days after the subscription period ends.

Crypto-asset service providers (CASPs) must meet a range of obligations concerning **organisational structure, risk management, customer protection, and anti-money laundering compliance**. Authorisation from the competent authority in their home member state is mandatory. Moreover, all board members and significant shareholders must meet the **“fit and proper”** standard, meaning they must be of good repute, competent, and free from serious financial or criminal offences. Once authorised, CASPs can extend their activities to other EU member states through a simplified notification process, making use of the so-called **“passporting”** regime.

To ensure financial stability, both CASPs and ART/EMT issuers must comply with capital requirements tailored to the nature of their services. For ARTs in particular, reserve assets must be segregated from the issuer's balance sheet, unencumbered, and highly liquid. EMTs must be redeemable at par value at any time. Issuers are required to establish liquidity policies and procedures to ensure immediate access to reserves. In cooperation with **ESMA**, **EBA** is developing **regulatory technical standards (RTS)** to define which assets qualify as highly liquid and low-risk for reserve purposes.

05 Classification of Significant Tokens and Supervisory Framework

One of the most important aspects of the MiCA regulation is the classification of so-called **“significant” tokens**, particularly within the ART and EMT categories. The European Banking Authority (EBA) is responsible for determining whether a specific token qualifies as significant, using predefined quantitative criteria.

These criteria include the **number of users** (minimum two million), the **total value of tokens in circulation** (over one billion euros), the **number and value of transactions** (more than 500,000 transactions or daily

volumes exceeding 100 million euros), and **geographic distribution** (at least seven member states). When a token meets these thresholds, supervisory responsibility shifts from the national authority to the EBA.

In such cases, the EBA establishes supervisory colleges in collaboration with ESMA, the **European Central Bank (ECB)**, and relevant national authorities. These colleges serve as platforms for issuing supervisory opinions, coordinating oversight, and assessing aspects such as reserve management, liquidity policies, capital adequacy, and transparency obligations.

The transition of oversight must take place within 20 business days following the EBA's decision on classification. If an EMT is denominated in a non-euro currency and more than 80% of its holders and transactions are based in a single member state, the national authority may retain supervisory responsibility. The classification is reviewed annually, and issuers may voluntarily request a classification assessment.

Throughout this process, both issuers and competent authorities have the right to submit written comments or objections before the final decision is adopted.

06 Governance Frameworks

Effective governance and well-defined internal policies are fundamental pillars of regulatory compliance under MiCA. Any entity involved in issuing or providing crypto-asset services must establish a robust **governance framework** that aligns with standards similar to those expected in the traditional financial sector.

This framework must include clearly defined policies and procedures covering areas such as **anti-money laundering and counter-terrorism financing (AML/CTF)**, data protection in line with the **General Data Protection Regulation (GDPR)**, risk management

systems, and consumer and investor protection measures. CASPs are required to act honestly, fairly, and professionally in the best interest of their clients, providing clear information and risk disclosures.

Additionally, service providers must ensure proper **asset segregation and safeguarding mechanisms** for client assets held under custody. In the event of a loss of crypto-assets under custody, there is a clear obligation to return the equivalent assets to the client.

Organizations must also implement **business continuity plans (BCPs)** that are aligned with the **Digital Operational Resilience Act (DORA)**, ensuring resilience against operational disruptions. A key component of governance is the establishment of systems to identify, monitor, and manage conflicts of interest between employees, clients, shareholders, and other stakeholders. Mechanisms must also be in place for handling and resolving customer complaints.

Furthermore, MiCA requires specific measures to prevent market abuse, including insider trading and market manipulation, in accordance with **Regulation (EU) No 596/2014** on market abuse.

Finally, entities must prepare a business wind-down plan, which outlines procedures for orderly termination of operations. This includes steps to minimize the impact on clients and markets in the event of insolvency or voluntary closure.

07 Outsourcing and Third-Party Management*

MiCA explicitly recognises the role of outsourcing in the operational models of crypto-asset service providers and token issuers. However, it introduces strict safeguards to ensure that such delegation **does not compromise**

regulatory compliance, operational transparency, or business stability.

As a partner in this domain, **CoreX** has an in-depth understanding of both the regulatory requirements and the practical implications of outsourcing under MiCA.

Any delegation of functions to third parties must be based on thorough risk assessment, detailed due diligence, clearly defined **service-level agreements (SLAs)**, control points, and mechanisms for ongoing oversight. Prior to entering any contractual relationship, entities must verify the financial, technical, and legal reliability of external partners. This includes ensuring compliance with **data protection laws, information security, business continuity obligations, and anti-money laundering regulations.**

Particular attention must be given to outsourcing arrangements involving **entities located outside the EU**. In such cases, additional requirements apply, including an evaluation of the equivalence of the third country's regulatory framework.

Outsourcing must not result in the creation of so-called **"letter-box"** entities – firms with no real operational presence in the EU that hold a license in name only, while fully depending on third-party providers without adequate oversight. In this context, as a company already providing operational support, customer service, KYC/AML assistance, and internal processes for regulated entities, we can offer not only execution, but also assurance of full MiCA compliance.

We continuously invest in understanding supervisory practices, including ESMA guidelines and national interpretations. This enables our partners to retain responsibility over outsourced functions and exercise effective control rather than merely transferring tasks.

All outsourced functions must be properly documented, and records must be readily available for review by supervisory authorities upon request. ESMA has issued detailed guidance outlining when specific outsourcing arrangements are acceptable, what conditions must be met, and what documentation must be maintained.

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International Cooperation and Information Exchange

The MiCA regulation provides for mechanisms of international cooperation, particularly in cases where entities operate outside the EU or collaborate with third-country partners. National competent authorities are permitted to enter into formal cooperation agreements with non-EU regulators to facilitate the effective implementation of MiCA obligations.

In addition, the European Banking Authority (EBA) is authorised to conclude administrative arrangements with regulators in third countries for the purpose of information exchange. Such cooperation is permitted only if the third country ensures professional secrecy standards that are at least equivalent to those required within the EU.

These exchanges may involve:

- ✧ Sharing regulatory information,
- ✧ Facilitating supervisory cooperation,
- ✧ Aligning the classification and oversight of crypto-assets across jurisdictions.

The goal is to enable **smooth regulatory oversight and support cross-border compliance** efforts, while maintaining high standards of confidentiality, risk control, and market integrity across all jurisdictions in which EU-licensed entities operate or engage partners.

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Sanctions and Liability

Under the MiCA regulation, competent authorities are empowered to impose administrative sanctions in cases of non-compliance. These may include monetary fines, withdrawal of authorisation, and public disclosure of the infringement.

ESMA maintains a public register of white papers, issuers, and crypto-asset service providers (CASPs). If an entity's license is revoked, the withdrawal remains visible in the public register for at least five years.

In situations where a white paper summary contains false or misleading information, members of the issuer's management body may be held liable under national law—unless they can demonstrate that they acted in good faith and without intent to mislead.

The liability framework aims to ensure a high degree of accountability across the ecosystem, reinforcing the importance of transparency, accurate disclosures, and sound governance.

Frequently Asked Questions (FAQ)

MiCA Regulation

1. What are the main categories of crypto-assets defined by the MiCA regulation?

MiCA defines three primary categories of crypto-assets:

- ✧ **Utility Tokens:** These provide digital access to a good or service available via distributed ledger technology (DLT) and are accepted solely by the issuer. Their purpose is non-financial, and they are typically tied to digital platforms or services.
- ✧ **Asset-Referenced Tokens (ARTs):** These aim to maintain a stable value by referencing multiple assets, such as fiat currencies, commodities, crypto-assets, or a combination thereof. They are often used as a means of payment or store of value.
- ✧ **E-money Tokens (EMTs):** Primarily intended as a means of payment, these tokens maintain a stable value by referencing a single fiat currency. Functionally, they resemble traditional electronic money.

2. Why are ARTs and EMTs considered distinct categories subject to stricter requirements?

Due to their function in maintaining stable value and being used as a medium of exchange, ARTs and EMTs pose greater risks to financial stability, monetary policy, and sovereignty. Therefore, they are subject to stricter rules, including mandatory authorisation, approval of white papers, reserve asset requirements, and liquidity and custody policies.

3. What are some of the key requirements for ART issuers?

- ✧ Authorisation by the competent authority
- ✧ Preparation and approval of a white paper
- ✧ Establishment and maintenance of reserve assets
- ✧ Custody arrangements for reserves

- ✧ Liquidity management policy
- ✧ Clear token holder rights, including redemption mechanisms

4. How does MiCA treat “significant” ART and EMT tokens?

The EBA classifies tokens as significant based on factors such as the user base, issued asset value, transaction volumes, and cross-border activity. For significant tokens, the EBA assumes supervisory responsibility and sets up supervisory colleges in collaboration with relevant national authorities. These tokens are subject to enhanced regulatory requirements.

5. Who is responsible for supervising issuers and service providers under MiCA?

Primary supervision lies with national competent authorities in the issuer or service provider's home member state. The EBA supervises significant ART and EMT tokens, while ESMA plays a role in developing technical standards and overseeing CASPs.

6. What are some key requirements for CASPs under MiCA?

- ✧ Authorisation from the national competent authority
- ✧ Registered headquarters within the EU
- ✧ Capital requirements depending on the services offered
- ✧ Organisational requirements, including risk management and compliance
- ✧ Transparent client relationships and asset protection
- ✧ Active management of conflicts of interest

7. How does MiCA impact AIFs and UCITS funds?

MiCA provides a legal framework for AIFs (Alternative Investment Funds) to consider holding ARTs, particularly concerning custody arrangements. UCITS (Undertakings for Collective Investment in Transferable Securities) remain restricted from investing in crypto-assets unless certain eligibility criteria are met under other regulations, such as the DLT Pilot Regime.

8. What are possible reasons for denying authorisation to ART issuers or CASPs?

- ✧ A business model that poses a threat to monetary stability
- ✧ Non-compliance with prescribed requirements
- ✧ Misrepresentation or false information
- ✧ Serious regulatory violations
- ✧ Lack of organisational or financial capacity
- ✧ AML/CTF-related risks

MiCA-Compliant Outsourcing with CoreX

1. What specific operations can we legally outsource under MiCA?

Under MiCA, you can outsource operational functions that do not involve policy-making or strategic compliance decisions. This includes:

- ✧ KYC/KYB identity verification and data collection
- ✧ Transaction monitoring support (first-level review and flagging)
- ✧ Customer support, complaint triage and resolution support
- ✧ Document validation and audit preparation
- ✧ Knowledge base and SOP development based on approved materials

However, tasks such as policy interpretation, risk scoring, and regulator engagement must remain under your direct control. CoreX fully respects this distinction and is structured accordingly.

2. Are your services MiCA-compliant or just 'regulated industry friendly'?

We don't just say we work with regulated firms – we've built our processes specifically to meet the operational expectations under MiCA and related frameworks (e.g. DORA, GDPR).

That includes:

- ✧ EU-legal presence and no third-country risk
- ✧ ISO 9001 & ISO 27001 certification
- ✧ PCI DSS-compliant data environments
- ✧ Agent background checks and GDPR training
- ✧ Escalation chains and documentation trails ready for audit

We align our delivery model with ESMA outsourcing expectations and update our documentation accordingly.

3. What assurance do we have that your setup won't be considered a 'letter-box' structure?

MiCA prohibits outsourcing arrangements that result in a regulated entity becoming a "letter-box" – a shell operation with no real oversight. CoreX prevents this risk by:

- ✧ Maintaining full-time operational leadership based in the EU
- ✧ Providing full access to performance data, escalation logs, and team structure
- ✧ Enabling real-time reporting and full process transparency
- ✧ Structuring all engagements so that the regulated entity retains supervision and control
- ✧ We empower your teams – not replace them.

4. Can we really rely on outsourced staff to meet regulatory expectations?

Yes, provided they are operating within a structured framework – which we provide. Our teams work exclusively within your approved SOPs, using your tools and documentation standards. What's more:

- ✧ All agents are trained on industry-specific terminology and sensitivity
- ✧ Roles are clearly segregated to avoid conflicts (e.g. no overlap between verification and escalation ownership)
- ✧ Performance is continuously monitored and documented

5. What happens during an audit or regulatory inspection involving outsourced functions?

If your business is audited, our processes are ready to be included in the scope. We provide:

- ✧ Clear documentation of agent activity logs
- ✧ Process maps and workflows
- ✧ Access to SOPs and QA reports
- ✧ Explanation of escalation protocols and review layers

You retain final say over what is shared – but we ensure that everything is traceable, current, and audit-aligned.

6. Do you offer legal advice or help interpret MiCA?

No. We are not a legal service provider and do not issue interpretations of regulation. However, we understand the framework in which our operations must function, and we regularly consult ESMA and EBA documentation to ensure our methods align with regulatory expectations.

You own the regulatory responsibility – we ensure the execution is worthy of it.

7. How do we get started – and how soon can we go live?

Our typical onboarding process takes approximately 6 weeks, which includes recruitment, documentation alignment, and system setup. After that, we proceed with team training, soft launch phases, and controlled go-live.

Standard onboarding phases:

- ✧ **Weeks 1 – 2:** Process definition, tool access, compliance alignment
- ✧ **Weeks 2 – 6:** Recruitment, vetting, and team setup
- ✧ **Week 7+:** Training, system simulation, and soft launch
- ✧ **Week 8+:** Full go-live with live support and reporting cadence

We believe in realistic timelines that protect both quality of service and regulatory alignment – especially under MiCA.



Regulatory-Grade Outsourcing for Crypto & Fintech Players

MiCA. DORA. Nearshore. Compliant. Ready.

At CoreX, we understand what compliance really means – because we're already doing it.

We are a EU-based BPO partner providing regulatory-grade support services for fintech clients. From KYC and KYB operations to customer service, we act as a scalable and knowledgeable extension of your in-house teams – while you stay in control.

Why CoreX?

1. EU legal presence and operational jurisdiction (no offshoring)
2. Transparent documentation and auditability
3. ISO 9001, ISO 27001 and PCI DSS compliant environment
4. Secure data handling and separation of duties
5. No 'letter-box' setups – we ensure full operational presence in line with Article 30
6. Continuous internal training on MiCA, DORA, GDPR, and EBA/ESMA expectations
7. Risk assessment, due diligence, and real-time oversight capability

Our role in your compliance journey:

We support your regulated operations with services that are commonly delegated under MiCA, including:

- ✧ Execution of KYC/KYB verification workflows
- ✧ Transaction flagging & risk-based escalation
- ✧ Document validation and customer communication
- ✧ First-line support for regulatory inquiries
- ✧ Audit preparation & documentation structuring
- ✧ L1 / L2 multilingual customer support (22 languages)
- ✧ Complaint tracking, resolution support, and fraud alerting
- ✧ Knowledge base and SOP development
- ✧ Operational process design under your compliance policy

Why It Matters?

Outsourcing under MiCA and DORA comes with real responsibility.

It requires clear documentation, risk controls, jurisdictional transparency and continuity.

We provide operational teams that are:

- ✧ Fully under EU jurisdiction
- ✧ Trained in data handling and process control
- ✧ Structured for long-term audit resilience

We align with your compliance – and deliver processes you can rely on.

Want to see how MiCA compliant outsourcing looks in practice?

We'll walk you through it!

CONTACT US ONLINE

corex.cx ↗

contact@corex.cx ↗

OR VISIT US AT HQ

Ul. Florijana Andrašeca 18a, Zagreb, Croatia

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Guide to MiCA Licensing

2025