# Crypto, TradFi & Digital

## European tokenised market special: MiCA under review, Pontes in preparation, Appia in design

*Decoding financial, AI and data regulation to anticipate, comply and decide*

## Framework under review, infrastructure under construction: Europe shapes its tokenised market

Previous editions of the Regulatory Brief have tracked, step by step, the maturing of the European crypto-asset framework: technological sovereignty (Edition #10), the entry into application of MiCA STORs at CSSF level (Edition #12), the end of the MiCA grandfather clause (Edition #13), the European Parliament's vote on dollar stablecoins (Edition #16), the protection of retail investors (Edition #17), the ESMA-AMF clarification of the perimeter of advice on crypto-assets (Edition #20), and the global regulatory fragmentation of AI and data (Edition #21). This twenty-second edition continues that thread by focusing on two complementary European workstreams that are simultaneously redrawing the legal framework and the infrastructure of the European crypto and tokenised market.

Two institutional sequences fit together. The first is the targeted consultation launched by the European Commission on 20 May 2026 on the application of MiCA and on activities currently outside the regulation's perimeter. This consultation, whose official page now displays a deadline of 30 September 2026 at 23:59 CEST, will feed into the report the Commission must present by 30 June 2027 at the latest under Article 140 of MiCA, and may, where appropriate, accompany a legislative proposal amending or supplementing the regulation. The second sequence is the speech delivered in Frankfurt on 26 August 2026 by Piero Cipollone, Member of the Executive Board of the ECB, who presented the Eurosystem's strategy for supporting the move of financial tokenisation from experimentation to operational use, structured around two complementary initiatives: Pontes (an operational solution for settlement in central bank money) and Appia (a programme defining the long-term European architecture of the tokenised market).

These two sequences belong to different orders: the MiCA consultation prepares a possible legislative development, while Pontes and Appia build an institutional and technical infrastructure.

They nevertheless converge on the same trajectory: making the European tokenised market a coherent whole, equipped with a suitable legal framework and a public settlement infrastructure in central bank money. They also respond, each in its own way, to the same threefold concern: European competitiveness, investor protection and operational sovereignty in the face of the potential fragmentation of the global ecosystem.

For CASPs authorised under MiCA, market infrastructures, banks, asset managers, fintechs and professional investors, this edition offers an editorial reading of a moment when the European framework and its infrastructure are entering a new phase simultaneously.

## The main signal

**The MiCA consultation and Cipollone's speech of 26 August 2026 ask the same question from two different angles: how does Europe move from regulating an emerging market to building a mature ecosystem?**

The Commission's targeted consultation is not limited to gathering feedback on the first difficulties in applying MiCA. It probes in depth the boundary between MiCA and MiFID II on tokenised financial instruments, the possible extension of the perimeter to DeFi, staking, crypto-asset lending and borrowing and NFTs, the potential introduction of new obligations for CASPs (appropriateness test, periodic reporting), and even the private-law foundations of the legal treatment of tokens (ownership, transfer, enforceability against third parties, insolvency). Cipollone's speech of 26 August addresses exactly the same subjects through the infrastructure angle: Pontes must enable DvP settlement in central bank money on DLT, but the ECB acknowledges that a technically synchronised transaction cannot be regarded as definitively settled if its finality is not recognised in the various States concerned.

The fact that these two workstreams are unfolding in parallel, without direct coordination but with converging questions, is a structural operational signal. For European players, it means that the future public infrastructures (Pontes, Appia) and the forthcoming legislative developments (the 2027 MiCA application report, a possible legislative proposal) can no longer be followed as two separate files, because together they form the operational architecture of tomorrow's tokenised market. One point of vigilance to watch in the coming months: the effective coordination between the legal orientations formulated by the ECB and the European legislative proposals.

## Focus 1 - The MiCA consultation: framework, timetable and perimeter

The European Commission's targeted consultation, launched on 20 May 2026, aims to gather the views of industry firms, public authorities, supervisors and central banks on the first difficulties in applying MiCA, on the activities that remain outside its perimeter, and on avenues for simplification and proportionality. It is at once an assessment of the first conditions of application, a search for simplification of existing obligations, a reflection on activities currently outside the perimeter, and preparation for the legislative report expected in 2027.

One practical point to be aware of before submitting any contribution: an inconsistency currently persists between the official documents on the deadline. The page dedicated to the targeted consultation now displays 30 September 2026 at 23:59 CEST, while the initial PDF questionnaire, published on 20 May, still mentions 31 August 2026, and the Commission's general crypto-assets page also continues to indicate 31 August. Respondents would therefore be well advised to check the submission interface directly before finalising their contribution. Nothing at this stage confirms that the public consultation aimed at a wider audience has also been extended.

This consultation is not an improvised challenge to the regulation. Article 140 of MiCA requires the Commission to present, by 30 June 2027 at the latest, a report on its application, after consulting the EBA and ESMA. The regulation notably requires an assessment of the classification of crypto-assets, client protection, the perimeter of crypto-asset services, the prudential requirements applicable to CASPs and the regulatory treatment of decentralised finance. Article 142 also provides for a specific review of the subjects left outside the initial regulation, in particular DeFi, crypto-asset lending and borrowing and NFTs. The term “MiCA 2” may be used as editorial shorthand, provided it is made clear that, at this stage, it does not correspond to any officially tabled legislative proposal.

### What to watch

- The **effective deadline for submitting contributions**: to be checked on the Commission's official interface, given the inconsistencies between the published documents.
- The **summary of contributions** that the Commission will publish at the end of the consultation, and its interplay with the future application report provided for by Article 140 of MiCA.
- The **EBA and ESMA opinions expected as part of the 2027 report** and their influence on a possible legislative proposal.

## Focus 2 - Extended perimeter, reinforced obligations: the open questions

The Commission's questionnaire covers an unusually broad field. Three areas deserve particular attention.

First area: the boundary between MiCA and the other financial regulations. The Commission questions the dividing line between crypto-assets falling under MiCA and tokenised financial instruments falling in particular under MiFID II, MiFIR, the Prospectus Regulation or MAR. It asks whether financial instruments recorded on DLT should continue to fall under sectoral financial legislation or whether certain assets and services should be brought together under MiCA. It acknowledges that characterisation can remain complex, in particular because certain concepts relating to transferable securities still rest partly on national laws. What is at stake goes beyond the legal classification of a token: that characterisation determines the authorisation regime, the marketing rules, the disclosure obligations, the market regime and the market-abuse rules.

Second area: the obligations applicable to CASPs. The Commission is examining the relevance of the current list of crypto-asset services, the possible introduction of an appropriateness test for the reception and transmission of orders, order execution and placing, the level of minimum capital requirements for the different classes of CASPs, the supervision of groups combining several regulated or unregulated activities, the possible introduction of consolidated supervision or colleges of supervisors, the fight against third-country operators continuing to solicit European clients without authorisation, and the interplay between MiCA, DORA and the future payment-services rules. One particularly structural point concerns prudential and operational reporting: apart from reports linked to suspected market abuse, MiCA does not provide for general periodic reporting of CASPs' activities. The Commission therefore asks whether they should regularly declare their direct holdings of crypto-assets, their derivatives exposures, the volumes of leveraged products and their counterparty risks. At this stage, these are options put out for consultation and no new reporting obligation has yet been adopted.

Third area: activities currently outside the perimeter. The consultation examines several criteria that may reveal the existence of an identifiable intermediary or control within a DeFi protocol, such as the holding of administration keys, the ability to make updates, or influence over governance. Among the avenues put to respondents are the certification of certain DeFi protocols or smart contracts, the integration of compliance tools into protocols that are not fully decentralised, the possible liability of CASPs giving their clients access to DeFi applications, the restriction of that access to certified protocols, and the establishment of public or private lists of protocols classified by risk profile. Staking, crypto-asset lending and borrowing, NFTs, prediction markets and perpetual contracts on crypto-assets are also the subject of open questions. The consultation does not decide: it documents the options.

### What to watch

- The **sectoral industry positions**: European and national trade associations will progressively publish their position papers, useful for anticipating the points of consensus and disagreement.
- The **development of the debate on the liability of regulated intermediaries** giving access to DeFi, which is one of the most structural points for European CASPs.
- The **legal treatment of tokens** (ownership, transfer, enforceability against third parties, insolvency): the question of possible full or partial harmonisation, of a European conflict-of-laws regime, or of a "28th regime" directly recognising certain legal effects of DLT registers.

## Focus 3 - Pontes: DvP settlement in central bank money on DLT

On 26 August 2026, Piero Cipollone presented in Frankfurt the Eurosystem's strategy on financial tokenisation. This strategy rests on two complementary initiatives: Pontes, an operational solution for settlement in central bank money; and Appia, a programme designed to shape the long-term European architecture of the tokenised financial market. Both initiatives essentially concern wholesale financial markets and transactions between financial players. They are not a mechanism intended for retail payments.

Pontes must allow transactions carried out on DLT platforms to settle their cash leg in central bank money. The solution will link these platforms to the Eurosystem's TARGET services. In its initial architecture, Pontes is to offer two settlement methods: the use of settlement tokens on a Eurosystem DLT infrastructure, or settlement in T2, the Eurosystem's real-time gross settlement system. Synchronisation must enable delivery versus payment (DvP), so that the transfer of the asset and the payment are executed simultaneously or not at all. In the initial phase, the legal finality of the settlement of the cash leg will be achieved when the corresponding movement has been recorded in T2.

Initial access is restricted. Participants will in particular need access to T2. The operators able to connect their infrastructures include central securities depositories, operators authorised under the DLT Pilot Regime, certain payment systems, central counterparties and various regulated financial institutions meeting the Eurosystem's criteria. Pontes is therefore not designed as a public blockchain freely accessible to any player. The work builds on the experiments conducted by the Eurosystem in 2024 with 64 participants, in the context of more than 50 trials and experiments. The initial launch of Pontes is scheduled for the third quarter of 2026; it is therefore appropriate to speak of a planned go-live, not of a service that is already fully operational. The ECB then plans an extension of operating hours to 22.5 hours per business day, immediate settlement finality directly within the Eurosystem's DLT environment, 24/7 operation by mid-2028, and greater programmability, resilience and multi-currency capabilities.

### What to watch

- The **effective go-live of Pontes in Q3 2026** and the first volumes of DvP settlement in central bank money.
- The **development of the access criteria** for Pontes, in particular for operators authorised under the DLT Pilot Regime and for CASPs.
- The **timetable for the functional ramp-up**: extended hours, immediate finality in the DLT environment, multi-currency capabilities and 24/7 operation by mid-2028.

## Focus 4 - Appia: the long-term European architecture

Appia pursues a broader objective than Pontes. The programme is to deliver, in 2028, a blueprint defining the Eurosystem's role in an integrated tokenised financial market. It is not yet a matter of building a single, definitively chosen infrastructure: the ECB is studying both the hypothesis of a shared European network and that of several interoperable networks. The work is organised around six building blocks: asset interoperability and common standards; the conduct of monetary policy and the mobilisation of collateral on DLT; European infrastructures for tokenised central bank money; cross-border connections and international interoperability; security, resilience and regulatory adaptations; and the implementation strategy and interplay with existing infrastructures.

The ECB identifies three structural risks to which the strategy responds. The first is fragmentation: the multiplication of incompatible networks could separate assets, participants and liquidity across several closed ecosystems. The second is the loss of the monetary anchor: if tokenised markets cannot access central bank money, they could depend on private settlement means exposed to credit or liquidity risks. The third is external dependence: infrastructures, technologies, governance rules or settlement assets could be controlled from outside Europe. This dimension ties in directly with the European debates on technological sovereignty discussed in Edition #10, because the issue is not only tokenising assets, but determining who will control the infrastructures, the standards and the settlement asset of the future European market.

One structural point in Cipollone's speech deserves emphasis: technical interoperability will not be enough. The ECB considers that an asset cannot be regarded as genuinely portable if its legal status becomes uncertain when it moves from one register to another. Likewise, a technically synchronised transaction cannot be regarded as definitively settled if its finality is not recognised in the various States concerned. Piero Cipollone therefore calls for greater clarity and harmonisation regarding the legal status of tokenised assets, ownership rights, settlement finality, the liability of the various participants, custody and asset servicing, and the enforceability of the outcomes produced by smart contracts. This observation directly echoes the MiCA consultation, which likewise questions the legal treatment of the ownership, transfer and insolvency of tokens.

### What to watch

- The **progress of the six Appia building blocks** and the publication of intermediate milestones ahead of the blueprint expected in 2028.
- The **interplay between Appia and the MiCA consultation** on the legal treatment of tokens (ownership, transfer, insolvency), a subject where infrastructure and law converge.
- The **positioning of stablecoins and tokenised deposits** in the future ecosystem: the ECB envisages that the infrastructure will facilitate convertibility between different private settlement assets, without replacing MiCA or creating a new authorisation regime.

## Key takeaways

**Five structural points to take on board:**

- The **review of MiCA is under way**: the Commission's consultation runs until 30 September 2026 and will feed into the application report expected by 30 June 2027 at the latest, which may be accompanied by a legislative proposal. At this stage, no new obligation has been adopted and everything remains a matter of options put out for consultation.
- The **changes envisaged for CASPs are substantial**: an appropriateness test for the reception, transmission and execution of orders, periodic reporting of crypto-asset holdings, derivatives exposures and counterparty risks, consolidated supervision of multi-activity groups, and a strengthened fight against third-country operators soliciting European clients without authorisation.
- **DeFi, staking, crypto-asset lending and borrowing and NFTs could enter the regulated perimeter**: the consultation examines criteria of effective decentralisation (administration keys, governance), the certification of protocols and the possible liability of CASPs giving their clients access to DeFi applications.
- From the **third quarter of 2026, Pontes will enable delivery versus payment (DvP) settlement in central bank money** for transactions on DLT platforms, via a connection to the TARGET services. Access is reserved for wholesale market players meeting the Eurosystem's criteria (T2 access required); the ramp-up is planned through to 24/7 operation by mid-2028.

- **Appia will deliver by 2028 the blueprint** for the European architecture of the tokenised market, in response to the three risks identified by the ECB: network fragmentation, loss of the central bank money anchor and external dependence. The workstream common to both initiatives and to the MiCA consultation: **the legal status of tokens** (ownership, transfer, settlement finality, insolvency), identified on both sides as the missing piece of the edifice.

## Conclusion

The sequence of recent weeks confirms that Europe is entering a new phase of its ambition for the tokenised market. The legal framework laid down by MiCA in 2023, which has applied to ARTs and EMTs since 30 June 2024 and, for the most part, since 30 December 2024, and which reached the maximum end of the transitional regime applicable to certain pre-existing CASPs on 1 July 2026 following the end of the grandfather clause (Edition #13), is now being assessed and potentially set to evolve, in the direction of an extension of the perimeter (DeFi, staking, NFTs), a clarification of the boundary with tokenised financial instruments, and a strengthening of CASPs' obligations (appropriateness test, periodic reporting). In parallel, the public settlement infrastructure in central bank money is being built: Pontes for the operational short term, Appia for the long-term architecture. For CASPs, market infrastructures, banks and asset managers, the strategic consequence is clear: investment, technical-architecture and contractual-positioning decisions will now have to take account not only of the current MiCA framework, but also of a 2027-2028 horizon in which both the legal framework and the European infrastructure will have evolved. The Regulatory Brief will continue to document this trajectory in the editions to come.

## Main sources

- **European Commission**, *Targeted consultation on the review of MiCA Regulation*, 20 May 2026, displayed deadline: 30 September 2026; finance.ec.europa.eu. (The initial PDF still mentions 31 August 2026 as at the date of this publication).
- **Regulation (EU) 2023/1114 (MiCA)**, in particular Articles 140 and 142; EUR-Lex.
- **Piero Cipollone, ECB**, *From vision to delivery: building Europe's tokenised financial market*, speech of 26 August 2026; ecb.europa.eu.
- **ECB - Eurosystem**, *Pontes*, a settlement solution for DLT transactions in central bank money, launch scheduled for the third quarter of 2026; ecb.europa.eu.
- **ECB - Eurosystem**, *Appia - paving the way for a future-ready, integrated financial ecosystem leveraging tokenisation and DLT*, 11 March 2026; ecb.europa.eu.
- **ECB - Eurosystem**, *The Eurosystem's exploratory work on new technologies for wholesale central bank money settlement*, June 2025, covering the experiments conducted in 2024; ecb.europa.eu.
- **Complementary European texts**: DLT Pilot Regime, Regulation (EU) 2022/858; DORA, Regulation (EU) 2022/2554; MiFID II; MiFIR; MAR.

### *The Seqlense Regulatory Brief - Crypto, TradFi & Digital - Edition #22*