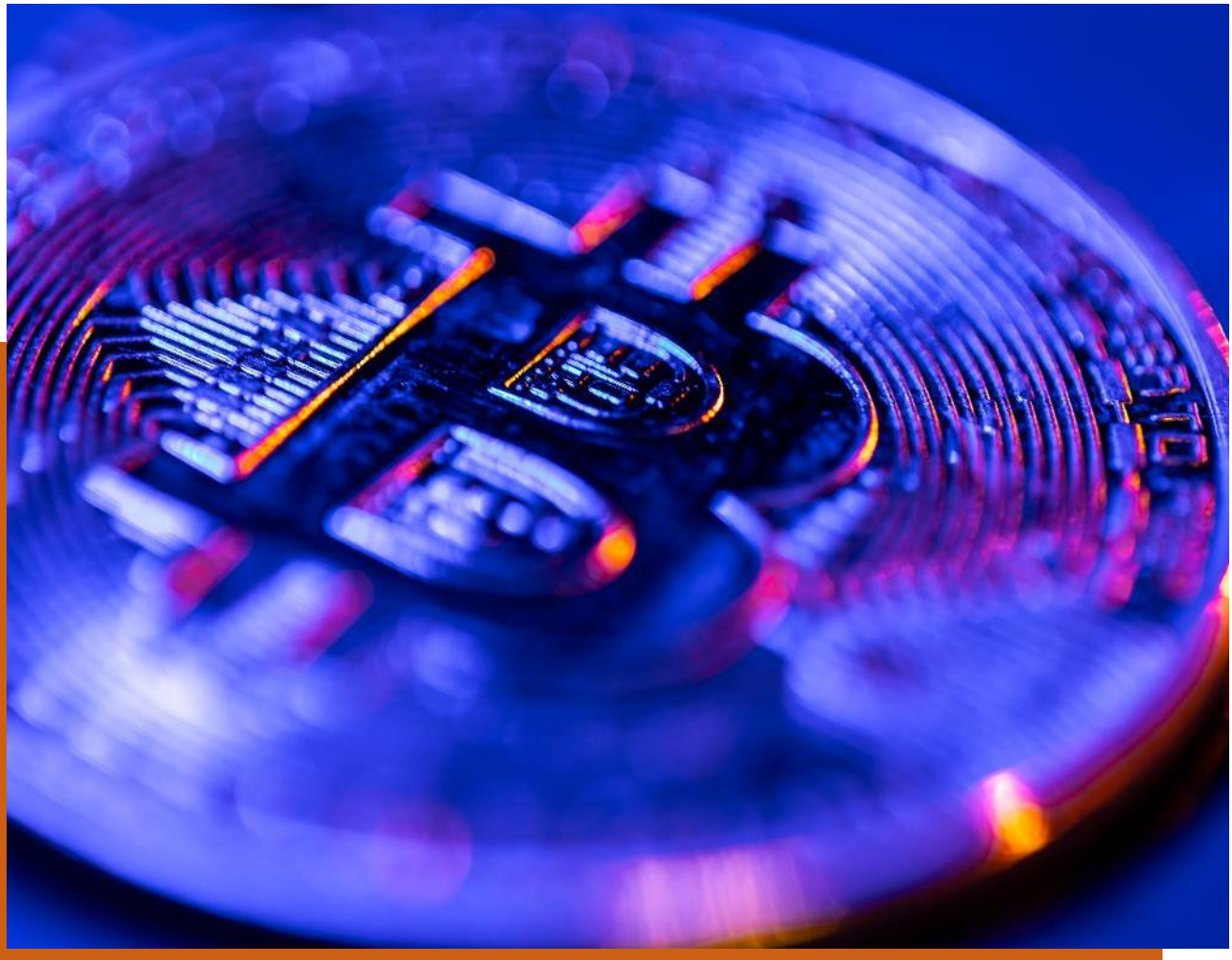
KINSTELLAR

Navigating the MiCA Landscape:

Considerations for Forum Shopping in CEE and Beyond



Introductory note

As the European financial market undergoes its most significant digital transformation to date, the full implementation of the Markets in Crypto-Assets Regulation (MiCA) is emerging as a defining milestone for the global crypto economy. By establishing a harmonized legal framework, the EU is effectively transitioning from a fragmented regulatory patchwork into the world's largest single market for regulated digital assets. For crypto-asset service providers (CASPs) and institutional investors, this shift promises a "single passport", legitimizing the industry and fostering unprecedented growth.

However, the reality of operating under this unified framework remains complex and commercially nuanced. While the text of the regulation is identical across Member States, the application of these rules varies significantly due to differences in local administrative capacity, supervisory culture, and national legal traditions. The choice of a "home" jurisdiction is no longer merely a compliance formality; it is a fundamental business decision with profound implications for capital efficiency, speed-to-market, and operational scalability.

National Competent Authorities (NCA) across Central and Eastern Europe are adopting diverse approaches – from pragmatic, business-friendly supervision to strict, banking-style oversight. Critical divergences are emerging in areas such as "gold-plating" (additional national requirements), the interpretation of local substance, tax efficiency, and, most notably, the accessibility of banking infrastructure. For businesses seeking to secure a license, overlooking these "hidden" local disparities can lead to unexpected operational bottlenecks and significant cost overruns.

This publication provides a comprehensive overview of the regulatory landscape across the CEE region and other Kinstellar jurisdictions—Austria, Bulgaria, Croatia, the Czech Republic, Hungary, Kazakhstan, Romania, Serbia, Slovakia, Turkey, Ukraine and Uzbekistan. It is designed to assist prospective MiCA applicants in looking beyond the statutory framework and assessing the practical considerations that influence "forum shopping" within the EU, as well as the corresponding regimes in key non-EU markets. Our goal is to deliver the commercial insight necessary to manage regulatory risks, navigate local complexities, and identify the jurisdiction that best supports your strategic objectives in the new era of regulated crypto-assets..

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Information current as of January 2026. This brochure provides a strategic overview of the regulatory landscape surrounding the implementation of the Markets in Crypto-Assets Regulation (MiCA) across key Central and Eastern European jurisdictions. It is intended for general informational purposes only and does not constitute legal, professional, or investment advice. For tailored guidance or expert consultation regarding MiCA compliance and jurisdictional considerations, please contact our team.

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AUSTRIA

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

The Austrian Financial Market Authority (FMA) is a highly regarded regulator with deep expertise in the field of distributed-ledger-technology (DLT) and crypto-assets. Austria was one of the first countries to establish national procedures for the MiCA application and provide extensive guidance for license applicants. In particular, the FMA supports license applicants with a transparent and efficient process. They foster an open communication and see themselves as a facilitator of innovation while at the same promoting a high level of compliance. Market participants very much appreciate this approach.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

The FMA is making a lot of effort to efficiently process all MiCA applications. As of November 2025, 6 MiCA licenses have been granted to Austrian crypto-asset service providers. There is no official data available, but it is known in the market that several MiCA license applications are still pending. The FMA has established a special division and dedicated sufficient resources to deal with pending license applications.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

The FMA has gained a reputation for being a strict and credible supervisory authority with high standards, but also with a deep expertise regarding DLT and crypto-assets. A MiCA license issued by the FMA is considered very strong and several large Asian crypto-asset exchange platforms have chosen Austria specifically for its high regulatory standards as they see this as a competitive advantage. There is no risk that any other regulator may challenge passporting as the FMA is gaining more and more reputation for their crypto expertise. The FMA is highly regarded by other EU supervisory authorities, including strict jurisdictions.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

The FMA is very professional and experienced. They want to be a facilitator of innovative business models, including crypto-asset services, and they actively market this role. They offer a lot of guidance for the application process and they appreciate pre-submission consultations. They prefer to closely work together with applicants and it is common to have several in person meetings with them, while at the same the licensing process is formal and in writing. Well-prepared, high-quality submissions will have the most prospects of success as the FMA also requires a high level of compliance. The FMA also offers a regulatory sandbox for ambitious business models, where entities may operate in a test phase with a lot of guidance and support from the FMA. The FMA has also established a dedicated and well-structured section on its website concerning MiCA, where applicants can access comprehensive guidance and standardized document templates relevant to the application process.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

While basically, the official language for license applications is German, the FMA also accepts documentation and communication in English. It is also possible to submit policies, agreements and governance documents in English. However, it should not be entirely relied upon this possibility.

7. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

Neutral. The standard Corporate Income Tax (CIT) rate in Austria is 23 %. This is the statutory rate applied to taxable profits. There is no separate "crypto tax box" or reduced tax rate specifically for corporations (unlike for individuals, who are taxed at a flat 27.5% income tax rate). If the company is actively developing blockchain technology or related software (Research & Development), it may apply for the Austrian research premium (Forschungsprämie). This is a refundable cash grant of 14% of eligible R&D expenditures. There are no general statutory rulings specifically targeting crypto incentives.

8. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

The FMA interprets the EU AML requirements rather strictly. According to the Austrian national risk analysis 2025, crypto-assets are still regarded as a high risk. Therefore, license applicants are required to show a high level of compliance with Austrian AML and KYC requirements. License applicants should be aware of this and prepared to commit to implementing a rather sophisticated AML framework.

9. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

While Austria markets itself as a “crypto hub”, commercial reality is different and it is still difficult for crypto-asset service providers to secure a local corporate bank account. Major local banks systematically refuse to open accounts for crypto-businesses based on internal risk assessments. Therefore, up until now, license applicants typically rely on foreign EU banks for their corporate bank accounts. However, with the recent crypto boom in Austria, this situation very likely will change now.

10. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

Available, but in high demand as there are increasingly more crypto-businesses coming to Austria, all seeking for qualified compliance and AML officers. Due to this competition, crypto-businesses offer rather attractive compensation packages.

11. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

The FMA has deep expertise as regards complex crypto activities, but they also demand a high level of compliance. Further, Austria has very high standards as regards consumer protection rights. The FMA does not have a negative stance per se as regards high-margin activities, but they will expect that consumer rights are acknowledged. Therefore, such high-risk activities will attract higher scrutiny and may prolong the application timeline. Applicants should take a phased approach, licensing for core services first.

12. Does the regulator require local presence of executives or senior managers of the CASP?

The FMA expects that at least one member of the management board is located physically in Austria and speaks fluently German. Further, they expect that also the AML officer is physically located in Austria and speaks fluently German. Depending on the type, size and complexity of the business model, the FMA may require that more executives or senior managers are physically located in Austria. However, the FMA is open to double-hatting and holding several executive roles in other group entities is usually not a problem as long as it is ensured that there are no conflicts of interest and the respective individual can dedicate adequate time resources to the licensed entity.

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BULGARIA

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

The Bulgarian National Bank ("BNB") and the Financial Supervision Commission ("FSC"), which share responsibilities under MiCA, are traditionally cautious regulators with a strong focus on financial stability and compliance. Their commercial stance appears to be measured and cautiously pragmatic. While pre-submission consultations are not formally institutionalised and applicants should not expect iterative application-shaping or informal problem-solving, the FSC has indicated a willingness to engage in pre-submission discussions and to provide high-level guidance through preliminary assessments of proposed business models. This suggests an open but procedurally disciplined approach, combining accessibility with a preference for formal processes and clearly defined supervisory boundaries.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

There is no official public data on application backlogs or staffing levels of the FSC the BNB relating to MiCA licence processing. Nevertheless, the FSC estimates the approximate duration of the licensing procedure to be between 4 and 6 months, depending on the applicant's preparation and response time to additional document requests.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

A Crypto-Asset Service Provider ("CASP") licence issued by Bulgaria's competent authority (the FSC for CASPs and the BNB for e-money token issuers) under MiCA is legally valid and fully passportable throughout the European Union. There is no indication that such licences would be refused recognition by other Member States. However, as under MiCA generally, host NCAs may apply closer supervisory scrutiny in cross-border contexts where questions arise regarding the licensee's governance or economic position.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

The Pre-submission consultations are not formalised, but the FSC has shown openness to preliminary engagement. Applicants may seek a high-level, pragmatic assessment of the proposed business model to receive general guidance prior to submission. However, applicants should not expect iterative "application shaping", informal problem-solving, or ongoing back-and-forth discussions during the preparation phase.

In practice, the FSC has demonstrated a willingness to engage at an early stage, particularly during the MiCA transitional period. As of November 2025, it has proactively contacted crypto-asset companies registered with the National Revenue Agency and held in-person meetings to explain the licensing procedure. This outreach has focused on companies benefiting from the transitional period, which in Bulgaria ends on 31 December 2025.

Once an application is submitted, the supervisory approach is predominantly formal. Where applications are incomplete, the regulator typically issues written requests for additional information or documentation rather than engaging in informal dialogue or Q&A exchanges.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

Bulgarian is the default language of proceedings. Core documents (including

governance arrangements, internal policies, AML framework, and key contracts) are generally expected to be submitted in Bulgarian. While English documentation may be accepted at the regulator's discretion, this should not be relied upon. In practice, full translation is strongly recommended to avoid delays or formal objections.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

Bulgaria has a flat Corporate Income Tax rate of 10%, one of the lowest in the European Union. There are no specific crypto-asset tax incentives, rulings, or exemptions, but also no punitive measures. The jurisdiction is tax-efficient but not crypto-tailored.

7. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

Bulgaria has implemented EU AML rules via its national AML legislation – the Measures Against Money Laundering Act and secondary implementing legislation. There is no national "gold-plating" beyond European Union standard AML obligations, but supervisors tend to apply them conservatively. Documentation, record-keeping, and internal controls are scrutinised heavily.

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

There is no authoritative public data on the willingness of Bulgarian banks to onboard crypto-asset service providers. As in many other European Union jurisdictions, local banks may adopt a cautious approach, particularly for unlicensed or newly established crypto businesses. In practice, applicants should anticipate potential delays. Please note that if a Bulgarian corporate entity is established it is mandatory for the capital contribution account to be opened with a Bulgarian bank.

9. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

There are no publicly available salary or availability benchmarks for crypto-specialist compliance officers in Bulgaria. Based on broader CEE market practice, budgeting in the range of approximately EUR 2,000–4,000 per month for a dedicated senior compliance profile is commonly used as an indicative planning assumption.

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

The regulator's primary focus appears to be on standard CASP activities under MiCA, such as custody, exchange, and brokerage. More complex or higher-risk activities (e.g., staking, crypto-lending, yield-generating products, or algorithmic trading) may attract increased supervisory attention, additional information requests, and longer review timelines. As a result, a phased licensing strategy and starting with core services is generally advisable.

11. Does the regulator require local presence of executives or senior managers of the CASP?

Neither the MiCA Regulation nor the Bulgarian Markets in Crypto-Assets Act explicitly requires local residency of executives. As part of the authorisation process, the competent authority assesses organisational soundness and the fitness and propriety of management. Key executives (including the CEO, Compliance, and AML functions) are expected to demonstrate sufficient time commitment, availability, and effective decision-making authority. In practice, purely remote arrangements or heavily "multi-hat" regional roles may raise supervisory questions regarding governance.

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CROATIA

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

The Croatian National Competent Authorities are the Croatian National Bank ("HNB") and the Croatian Financial Services Supervisory Agency ("HANFA"). Both HNB and HANFA have presented themselves as quite formalistic in our past experiences. Having said that, there is a general possibility of pre-submission consultation, and both HNB and HANFA are open to discussion and clarification when justified.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

Currently, there is no formal publicly available information on the backlog of MiCA applications in Croatia. Informal data indicates that 19 crypto-asset service providers (CASPs) have submitted applications to HANFA, with 8 approved and 11 pending. However, there is no clear data on the total number of applications, staff allocated to MiCA licensing, or processing times, making it impossible to estimate the current backlog or capacity of the regulator.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

A MiCA licence issued by HANFA or HNB in Croatia is legally valid and can be passported across the EU, in line with the MiCA framework. We are unaware of any instances of EU member states formally rejecting a Croatian-issued MiCA licence.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

HNB and HANFA are professional and experienced regulators; they will not "co-build" the application with you. Pre-submission consultations are possible, but applicants should not expect informal, ad-hoc guidance. HNB and HANFA will expect a well-prepared, high-quality submission before any substantive dialogue. All significant interactions will be formal and in writing. HANFA has also established a dedicated section on its website concerning MiCA, where applicants can access comprehensive guidance.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

The proceedings are generally conducted in Croatian, and most documents in the licensing proceedings must be submitted in Croatian. Translation costs therefore need to be considered. However, HNB and HANFA may allow, on a case-to-case basis, auxiliary documents to be submitted in English.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

Crypto-assets are classified as capital gains for income tax purposes and are subject to a 12% tax rate under the Income Tax Act. However, the Act provides a tax incentive, stipulating that if the crypto-assets are held for a period of two years or longer, any resulting gains will be exempt from taxation.

7. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

Croatia's AML regime is largely aligned with the EU AML directives. It generally follows the EU AML framework, but the AML Act has

a somewhat broader definition of obliged entities that deal with virtual assets prescribing that the act shall apply to every legal person or sole proprietor who carry out virtual-asset-related activities, which activities are listed in the Act itself, as follows: a) custody and administration of virtual assets, b) managing of a virtual-asset trading platform, c) exchange of virtual assets for fiat currency that is legal tender, d) exchange of one virtual asset for another virtual asset, e) execution of virtual-asset transactions, f) services relating to the offering or sale of virtual assets, g) reception and transmission of virtual-asset orders on behalf of third parties and h) virtual-asset advisory services. Other than the above, there are essentially no materially stricter or unique requirements that would complicate operations for crypto-asset service providers (CASPs)..

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

Croatian banks typically follow strict and detailed KYC procedures, which are also conducted when depositing share capital during the incorporation phase. Given the nature of the cryptocurrency industry, new entrants may expect the process to be challenging, as banks may show reluctance to accept such clients, which may result in a time-consuming process without guarantee of success.

9. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

There is no publicly available data regarding this matter. Therefore, we are unable to provide an estimate.

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

There is no official public stance from HANFA or HNB on high-margin activities like staking, crypto-lending, or algorithmic trading under MiCA in Croatia. While these activities are not explicitly authorized or prohibited, regulatory caution from EBA and ESMA suggests they may face heightened scrutiny due to risks such as liquidity and credit concerns. Applicants in Croatia should be prepared for potential regulatory uncertainty and increased compliance requirements.

11. Does the regulator require local presence of executives or senior managers of the CASP?

According to the Act on the Transposition of the MiCA Directive ("Act"), all members of the Management Board of a CASP must obtain approval from HANFA upon their appointment. This approval will be granted only if the qualifications outlined in the Act are met. Furthermore, the Act prescribes obligation of the Management Board to dedicate an appropriate amount of time in order to manage risk related to crypto assets. However, none of these qualifications explicitly require the physical presence of members of the Management or Supervisory Board. Also, HANFA has the authority to summon all members of the Management and Supervisory Board for a hearing during the supervision process

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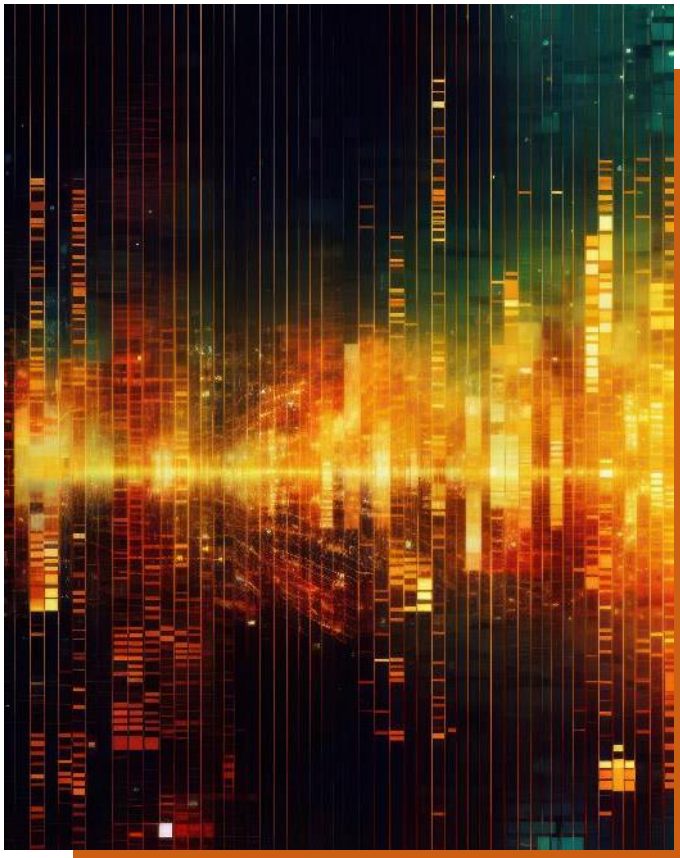

CZECH REPUBLIC

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

Formal, strict, and experienced. The Czech National Bank (CNB) is a highly sophisticated regulator with deep experience from banking and MiFID supervision. Their public stance is to "end the chaos" of the previous light-regulation (trade license) era. They are acting as a serious filter, not a promoter. Applicants should expect formal, by-the-book interactions.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

Official data from the CNB (as of September 29, 2025) confirms a massive backlog of 207 ongoing license proceedings. While 0 applications have been formally denied on merit so far, 11 applications have already been procedurally refused/stopped due to incompleteness or failure to meet formal standards. As of November 2025, no CASP license has been granted by CNB. The fact that over 200 firms are currently "stuck" in the pipeline confirms that the process is moving slowly. New applicants must anticipate entering a highly saturated queue where formal precision is the only way to avoid immediate procedural refusal.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

The CNB is regarded as a stable and credible supervisory authority within the EU. A licence issued by the CNB is seen as robust, conferring full passporting rights. However, market observers note a potential risk: strict jurisdictions (e.g., France's AMF) may challenge passporting from newer crypto-hubs. In this context, the Czech licence benefits from the CNB's solid banking reputation, reducing the risk of such challenges.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

The CNB is a professional and experienced regulator; they will not "co-build" the application with you. Pre-submission consultations are possible, but applicants should not expect informal, ad-hoc guidance. The CNB will expect a well-prepared, high-quality submission before any substantive dialogue. All significant interactions will be formal and in writing. The CNB has also established a dedicated and well-structured section on its website concerning MiCA, where applicants can access comprehensive guidance and standardized document templates relevant to the application process.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

The proceedings are conducted in Czech. All key policies, agreements, and governance documents must be submitted in Czech. English annexes may be accepted individually, but should not be relied upon. Translation costs therefore need to be considered.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

Neutral. The standard Corporate Income Tax (CIT) rate of 21% applies. There are no known specific tax incentives, "crypto-friendly" rulings, or tax holidays. The jurisdiction is tax-neutral, not a tax haven.

7. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

While the Czech Republic historically "gold-plated" the 5th AML Directive, the CNB has publicly stated its current goal is "no gold-plating" for the MiCA transition. The CNB has confirmed that the current AML Act will not be significantly gold-plated..

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

Despite recent legislative amendments theoretically guaranteeing a "right to a bank account," the commercial reality is hostile. Major local banks systematically refuse to open accounts for crypto-businesses based on internal risk assessments. This hostility significantly impacts the incorporation phase. New entrants often face a deadlock - they need a bank account to incorporate, but local banks won't open one without a license. Applicants are forced to rely on foreign EU banks, which entails additional costs for sworn translations and administrative delays.

9. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

Available, but in high demand. The market for qualified compliance and AML officers with crypto-sector knowledge is tight, as MiCA introduces entirely new responsibilities. Market data suggests budgeting from €3000/month for ongoing compliance support.

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

The CNB's primary focus is on standard CASP activities (Custody, Exchange, Brokerage). High-risk or complex activities (e.g., algorithmic trading, crypto-lending, DeFi protocols) will attract significantly higher scrutiny and may prolong the application timeline. Applicants should take a phased approach, licensing for core services first.

11. Does the regulator require local presence of executives or senior managers of the CASP?

The CNB strictly assesses time capacity and conflicts of interest. Consequently, the local CEO must be "fully dedicated" to the Czech entity. Holding concurrent executive roles in other group entities (e.g., a Regional CEO structure) is typically problematic. Furthermore, the key decision-maker is expected to reside physically in the Czech Republic to ensure availability for supervision.

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HUNGARY

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

In Hungary, the powers of the NCA are exercised by the Hungarian National Bank (Magyar Nemzeti Bank, "**MNB**"). In the course of its operation, the MNB is, in principle, bound by formal legislation; however, in its capacity as a regulatory and market-supervisory authority, it seeks to engage in communication that facilitates compliance by market participants, and its interpretative opinions issued upon individual requests play an important orienting role for such market participants. The MNB is open to pre-submission or informal consultations; however, such discussions are typically substantive only where MNB is presented with a sufficiently developed plan (e.g. a high-level business and regulatory roadmap, envisaged service scope, governance setup and implementation timeline etc.). Ad hoc or purely exploratory enquiries are usually turned away or less likely to result in meaningful feedback.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

As of today, the MNB has not published official, granular statistics on the number of pending MiCA authorisation applications or on the dedicated supervisory staff allocated specifically to MiCA licensing. Publicly available information and supervisory communications primarily relate to cross-border notification procedures and the transition of existing service providers, rather than to standalone domestic MiCA authorisation files. As of November 2025 a total of 32 service providers have obtained recognition as cross-border crypto-asset service providers.

On a separate note, it is also worth noting that under the emerging Hungarian regime, "crypto-asset exchange" (i.e., exchanging crypto-assets for fiat or for other crypto-assets) is treated as a distinct service category. Based on the current Hungarian rules, an exchange transaction may only be executed on the basis of a "certificate of compliance" issued by a crypto-asset exchange validation service provider. Importantly, such validation providers fall under a separate licensing / registration regime supervised not by the MNB, but by the Supervisory Authority for Regulatory Affairs (*Szabályozott Tevékenységek Felügyeleti Hatósága*, "**SZTFH**"). Currently there is only one service provider available on SZTFH's website. This may result in difficulties for crypto asset service providers where they have to meet these additional requirements as well if they wish to engage in exchange services.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

The MNB is not regarded in any materially different way than other NCAs. In practice, the MNB is generally perceived internationally as a conservative and enforcement-oriented supervisor, with a strong focus on prudential soundness, governance and compliance.

In accordance with the provisions of MiCA, any authorisation issued by it must be recognised by all EU Member States. Any restrictions on cross-border activities would need to be based on specific, case-by-case supervisory concerns under MiCA rather than on a general assessment of the home authority.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

The procedure is conducted primarily via the MNB's electronic case-management information system (the "**ERA System**"), in accordance with the relevant procedural framework laid down by MiCA.

In order to facilitate the preparation of applications required for the initiation of authorisation proceedings, the MNB operates a telephone customer service providing basic information on the procedure; however, such information does not constitute the official position of the MNB. Where questions arise in relation to a specific individual case that cannot be answered satisfactorily by way of telephone or written communication, the possibility of an in-person consultation is available. Upon request, the MNB may also issue written interpretative opinions, as it has previously done in several MiCA-related matters. In addition, the MNB supports the conduct of the proceedings by publishing detailed technical information notes.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

In the course of the authorisation procedure, submission of the complete documentation in Hungarian is mandatory. In practice, the MNB may accept supporting or background documentation in English on a case-by-case basis, in particular where such documents are not determinative for the supervisory assessment (these documents can usually be defined on pre-submission meetings). Any certified translation must be issued either by the Hungarian Office for Translation and Attestation or by a translator holding a certified legal/technical translator or translator-reviser qualification.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

In Hungary, the corporate income tax rate (9%) is low by European standards; however, no specific tax incentives are available for crypto-asset activities. Under Hungarian tax law, the only type of income tax in respect of which incentives are provided for crypto-asset activities is personal income tax.

7. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

Beyond the general AML framework, Hungarian regulation lays down several obligations specifically applicable to crypto-asset services, some of which derive from EU law, such as special customer due diligence measures and data reporting obligations.

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

Although, at the level of declarations, the MiCA does indeed encourage crypto-asset service providers' access to banking services, individual risk assessments carried out by banks may significantly limit the practical realisation of this objective as Hungarian banks remain highly conservative and newly established entities without an operational track record may find opening a bank account challenging and time-consuming.

These practical difficulties might extend the incorporation phase, including the opening of a temporary bank account for the purpose of depositing share capital. In the absence of a functioning bank account, operation may not be commenced which will also stall the MiCA authorisation process. As a result, early engagement with potential banking partners and careful planning around account opening are critical for crypto-asset businesses considering Hungary as their home Member State.

9. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

In the Hungarian market, the median annual labour cost (excluding taxes) of compliance experts is EUR 20,226; however, given that in the present case the position would be filled by an experienced professional with specialised sectoral expertise, an amount up to twice this figure would not appear unreasonable.

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

The MNB's operational activity typically covers the more traditional segments of the financial markets, and its approach to high-margin cryptocurrency activities is therefore only partially known. With regard to the legal assessment of staking, the MNB has not, to date, taken an official position, while cryptocurrency-based lending may not be carried out lawfully under the currently applicable legal framework. In relation to algorithmic trading, the MNB has issued several opinions; however, these primarily address detailed aspects of algorithmic trading practices and do not amount to a coherent, uniform position on the regulatory assessment of algorithmic trading.

11. Does the regulator require local presence of executives or senior managers of the CASP?

No, Hungarian regulation does not impose any such additional requirements on the operation of crypto-asset service providers; as a condition for the provision of services, it merely refers to the general governance and management requirements set out in the MiCA.

However, in line with MiCA and general supervisory practice, the MNB may, as part of its authorisation assessment, examine whether the effective management, decision-making and control functions are exercised in a manner that ensures appropriate oversight and accountability. This may in practice influence supervisory expectations regarding substance and accessibility of senior management.

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KAZAKHSTAN

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

Kazakhstan has a dual-track crypto framework: (i) a relatively sophisticated, market-oriented regime within the Astana International Financial Centre ("**AIFC**"), and (ii) a rapidly evolving national regime for digital assets, supervised primarily by the National Bank of Kazakhstan ("**NBK**").

Commercially, the authorities are strategically pro-innovation and openly positioning Kazakhstan as a regional digital-assets and fintech hub (pilot projects with NBK - like stablecoins, crypto-cards, national crypto-fund, licensing of crypto-exchangers, expansion of unbacked digital-asset circulation beyond the AIFC, etc.). At the same time, their supervisory style remains cautious, formalistic and risk-based rather than light-touch.

In practice this means that regulators are available for structured pre-submission discussions, especially on novel business models, but they will not "co-design" the application or compromise on core prudential, AML/CFT and consumer-protection expectations. Applicants should expect by-the-book processes, detailed documentation requirements and a strong focus on governance, transparency of group structure and source of funds, even against a generally supportive policy backdrop.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

Kazakhstan is not an EU Member State and MiCA does not apply directly. Instead, Kazakhstan is in the process of building its own national framework for digital assets and crypto-asset service providers, with responsibilities shared between the National Bank of Kazakhstan and the financial regulator.

To date, no official statistics have been published on (i) the number of pending licensing / authorisation applications for crypto-related activities or (ii) the number of staff dedicated to reviewing such applications. Consequently, it is not possible to provide a reliable numerical estimate of the current backlog.

Based on publicly available information, AFSA has established a structured authorisation process for digital asset market participants within the AIFC. However, the exact workload, internal review capacity and average processing time are not publicly disclosed.

Based on public statements and recent legislative changes, the regime is still in an active implementation phase, and applicants should reasonably expect a non-trivial processing time and a formal, document-heavy review, but any concrete figures on backlog would be speculative.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

Kazakhstan is not a Member State of the European Union, and therefore the MiCA regime does not apply to Kazakh regulators and licences. As a result, no MiCA "passporting" effect exists for any licence issued by a Kazakh authority.

The relevant regulators for crypto-assets in Kazakhstan (primarily the National Bank of Kazakhstan and the AIFC regulators) are generally perceived internationally as developing but increasingly active and institutionally strengthening authorities. Over the past two years, Kazakhstan has demonstrated a clear policy shift towards the structured legalisation and supervision of crypto-asset activities through:

- the AIFC digital asset regime;
- pilot infrastructures;
- licensed exchanges;
- crypto-payment and stablecoin sandbox projects.

However, a licence issued in Kazakhstan is not automatically recognised in the EU, and would not be eligible for passporting into EU Member States under MiCA. Accordingly, there is no legal risk of EU Member States refusing to recognise a "passport" from Kazakhstan, since no such passport can arise in the first place.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

In Kazakhstan, the organisation of the circulation of digital assets (i.e., operating trading venues, exchanges and related infrastructure) is effectively concentrated within the AIFC and supervised by Astana Financial Services Authority ("**AFSA**") as the competent authority for that perimeter.

In practice, AFSA's approach can be described as structured and generally pragmatic, but still institutionally formal.

For full licencing, AFSA explicitly builds in a pre-application stage, where the applicant submits a pre-application form. This functions as an initial screening and is used for clarifying the proposed business model, identifying the relevant licence perimeter and tailoring the subsequent information requirements.

AFSA is open to clarifications and Q&A at this stage, but interaction is usually structured and documented – via portal correspondence and e-mail rather than casual calls. Applicants should not expect AFSA to "co-design" the business model, but rather to react to a reasonably mature proposal.

Once a full application is submitted, the process becomes predominantly formal and written: AFSA typically works off the business plan, policies (AML, risk management, IT/cybersecurity etc.) and governance materials, and issues written requests for additional information or refinements.

AFSA may agree to calls or meetings in more complex or novel cases, but even then, key points are usually followed by written confirmations and formal correspondence.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

In the context of authorisation for digital-asset activities, the relevant NCA is AFSA rather than NBK. AIFC legal and supervisory framework is English-language based, and AFSA conducts licensing proceedings in English.

As a rule, core application documents (business plan, policies and procedures, governance documents, client-facing documentation) are prepared and submitted in English. Full translation into Kazakh or Russian is not generally required for the AIFC licensing process.

Limited bilingual materials may be needed in practice (e.g. for interaction with Kazakh onshore authorities or local counterparties), but this is a business/operational consideration rather than a formal AFSA requirement.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

In 2025 the standard Corporate Income Tax rate in Kazakhstan is 20%. There are no specific crypto-tailored corporate tax incentives of general application outside the AIFC. Certain crypto-related activities (notably mining) are subject to additional sector-specific fiscal charges (including mining fees and electricity-linked levies), which may increase the effective tax burden. The sale (transfer) of digital assets is exempt from VAT under the Tax Code currently in force as of 2025. This applies generally to transactions involving digital assets, including those carried out via licensed digital asset exchanges.

On another hand, AIFC offers a preferential tax regime. Qualifying AIFC participants may benefit from:

- 0% Corporate Income Tax on income from certain financial and auxiliary financial services, including qualifying digital-asset activities, until 2066;
- Exemptions from VAT on specific financial services;
- Exemptions from property and land tax (subject to meeting AIFC conditions).

These incentives apply only to entities incorporated and licensed in the AIFC and do not extend to onshore Kazakhstan by default.

7. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

Kazakhstan applies a risk-based AML/CTF framework broadly aligned with FATF standards. The regime includes:

- mandatory customer identification and verification (KYC);
- ongoing transaction monitoring;
- reporting of suspicious transactions to the competent authorities;
- enhanced due diligence for high-risk clients and transactions.

In practice, the Kazakh AML regime is procedurally detailed and enforcement-oriented, with a strong focus on transaction reporting thresholds, cash-flow monitoring and source-of-funds verification. While the framework is not formally "gold-plated" against EU AML standards, its practical application may be more formalistic and conservative, particularly for crypto-related activities, which are treated as high-risk by default.

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

In Kazakhstan the picture is mixed and strongly depends on the regulatory "perimeter" of the crypto business:

- Within the AIFC ecosystem (licensed exchanges, digital asset providers, sandbox participants), access to local banking is generally feasible. NBK and AIFC have launched several pilot projects under which second-tier banks may open accounts for crypto businesses and support crypto-linked products (e.g. "crypto-cards", fiat on/off-ramp for AIFC-licensed exchanges). In practice, AIFC-licensed entities usually can open corporate accounts with selected partner banks, including for share capital and operational needs.
- Outside the AIFC perimeter, for unlicensed or foreign crypto businesses without a clear regulatory status, banks remain conservative and may still refuse accounts on AML / risk-profile grounds. In such cases, obtaining a local corporate account can be challenging and may delay or effectively block incorporation if the model assumes an onshore (Kazakh) entity.

Overall, the practical banking risk is moderate rather than high. However, for structures completely outside AIFC, banking access risk remains medium–high.

9. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

The local market for compliance professionals with specific crypto-asset experience is still emerging. Most suitable

candidates come from traditional banking, securities, or payments/fintech backgrounds and then build crypto expertise on top of that, often via AIFC projects or work with licensed digital asset exchanges.

There is no reliable public data on a dedicated "crypto compliance" salary segment yet. Based on general senior compliance roles in financial services, one should expect that a qualified Head of Compliance with relevant experience would command a mid to upper-market package, broadly comparable to senior compliance officers in regulated financial institutions (with a premium where the role combines crypto, AIFC and international group exposure).

Overall, availability can be described as limited but not non-existent: suitable candidates do exist, but they are in short supply and may need additional, role-specific training in the crypto context.

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

At this stage, there is no clearly articulated, public, Kazakhstan-wide policy line specifically targeting staking, crypto-lending or algorithmic trading as separate categories of activity.

Because the framework is evolving and there is no stable track record of approvals for mass-market staking, crypto-lending or algorithmic trading aimed at retail users, any such business model should be treated as medium-to-high regulatory risk and would require early, case-by-case engagement with the regulator rather than being assumed acceptable by default.

11. Does the regulator require local presence of executives or senior managers of the CASP?

Yes, for licensed crypto-asset activities carried out in AIFC, AFSA generally requires the appointment of locally based key executives and officers. In particular, core control functions such as the Senior Executive Officer, Compliance Officer are expected to be either physically present in Kazakhstan or to demonstrate sufficient availability and operational involvement.

While not all directors must necessarily be residents of Kazakhstan, AFSA places strong emphasis on effective local substance, real decision-making presence, and ongoing regulatory accessibility of senior management.

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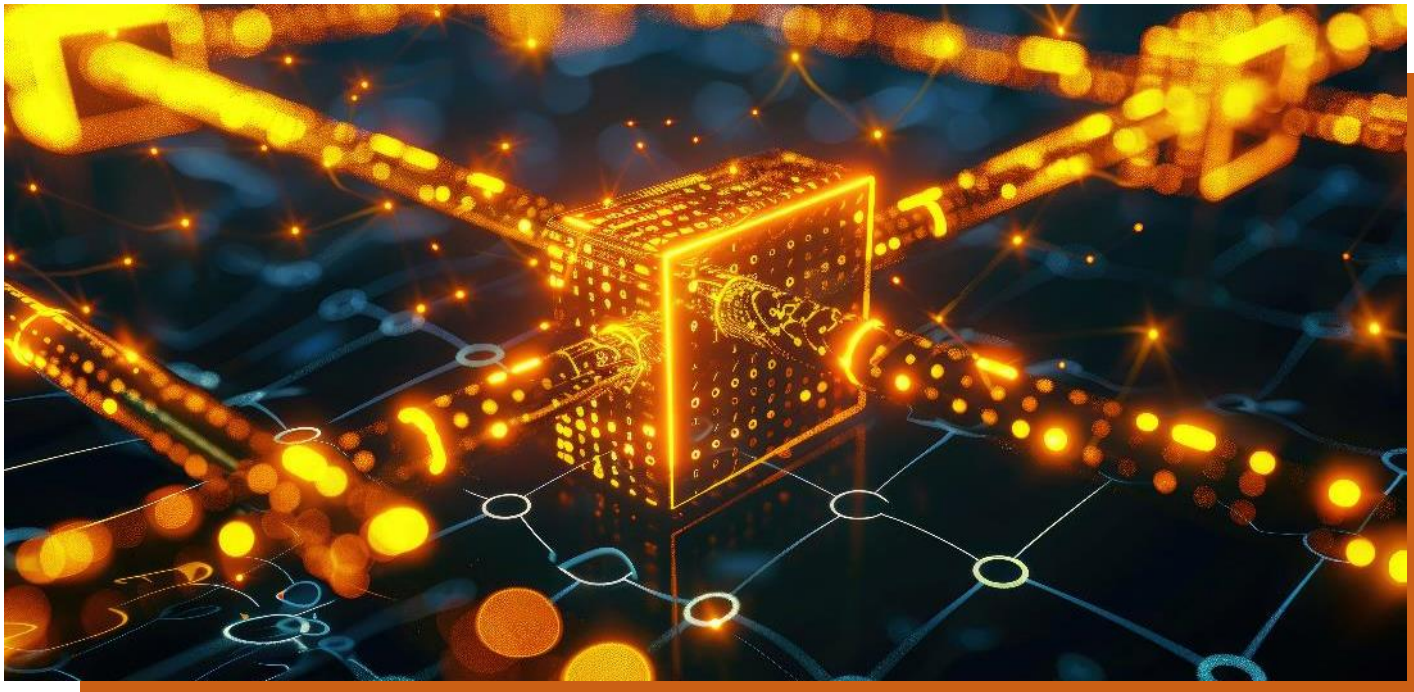

ROMANIA

MiCA has yet to be implemented in Romania. Under the current draft law[1], two authorities share responsibility for the oversight of crypto services: the Financial Supervisory Authority (**FSA**) and the National Bank of Romania (**NBR**), depending on the entity providing the services. The FSA is the primary authority for the sector, authorising and supervising CASPs, while the NBR, the central bank of Romania, oversees crypto activities conducted by credit institutions (banks) and supervises the issuance of e-money tokens (EMTs). Under the draft law, the FSA is designated as Romania's single point of contact with the European Securities and Markets Authority (ESMA), while the NBR is the contact for the European Banking Authority (EBA).

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

The commercial stance with regards to crypto-assets of the national competent authorities (the FSA and the NBR) can be considered more prudent and conservative, with regulations leaning more towards formalism and rigidity. Generally, the NBR aligns itself with international regulations, striking a balance between ensuring the stability of the Romanian financial market and supporting innovation.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

Such information is not made public by the NBR, nor the FSA. Moreover, as MiCA has yet to be implemented in Romania, the procedures for transparency and reporting such information have not been put in place either.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

As Romania is a Member State, the NBR, as central bank, and the FSA are subject to all EU regulations regarding crypto-asset services. Therefore, licences issued by the NBR under MiCA will generally be legitimate and recognized in all other EU Member States, as the rules regarding freedom of services, passporting and the freedom of establishment apply.

However, there are minor risks that some Member States may apply additional requirements or be reluctant to automatically recognize licenses, especially if there are significant differences in their approaches to cryptocurrencies or financial market regulations. In any case, licenses issued by the NBR remain an important validation that will pave the way for access to European markets, but the way in which Member States implement and interpret MiCA must also be observed.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

Even if the NBR generally has a more conservative approach with regards to crypto-asset services, the central bank is open to consultations both in the pre-submission phase, as well as during the licensing process. However, applicants should be well-prepared with a high-quality submission, so as to ensure more efficient and high level guidance. The aforementioned aspects constitute the current practice of the NBR, not a specific legal requirement imposed upon the central bank.

[1] *Proiect de Ordonanță de Urgență privind stabilirea unor măsuri de punere în aplicare a Regulamentului (UE) 2023/1114 al Parlamentului European și al Consiliului din 31 mai 2023 privind piețele criptoactivelor și de modificare a Regulamentelor (UE) nr. 1093/2010 și (UE) nr. 1095/2010 și a Directivelor 2013/36/UE și (UE) 2019/1937, precum și pentru modificarea și completarea unor acte normative* - https://mfinante.gov.ro/static/10/Mfp/transparenta/proiectOUGMICA_23052025.pdf

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

The proceedings in front of the NCAs are conducted in Romanian language, as the country's official language. Documents required for the licensing process must be submitted in Romanian, so as to ensure an efficient and steady process. Documentation in English from other EU institutions may be accepted, as well as English standard annexes, but these should not be relied upon. Therefore, translation costs must be taken into consideration.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

The tax regime is neutral. The standard Corporate Income Tax (CIT) rate of 16% applies and there are no specific tax incentives for crypto-asset service providers. However, the draft law for the implementation of MiCA provides for a monthly regulatory fee for authorised CASPs. Licensed crypto-asset providers must pay 0.5% of their monthly operating income to the FSA before the 15th day of the following month. This "supervisory tax" funds the oversight, regulation and control of the market. Importantly, failure to adequately pay this fee on time can lead to the automatic revocation of the licence[2].

In short, for companies involved in crypto-asset activities, it is essential to monitor legislative changes and consult regularly with a tax specialist, since the regime is constantly evolving.

7. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

The draft law for the implementation of MiCA integrates CASPs into the national AML regime (Law 129/2019), treating them as other financial institutions, meaning that they must implement robust AML procedures. Therefore, CASPs are required to conduct customer due diligence (KYC checks), monitor transactions, report suspicious activity and have an AML officer. This stricter regime ensures the integrity of the financial market and contributes to the prevention of money laundering.

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

As mentioned, MiCA has yet to be fully implemented in the Romanian legislative landscape. The process of opening a local corporate bank account for a CASP is subject to the internal regulations of the account bank, as well as the KYC policies of the bank in question. Moreover, based on the origin country of the investor or the country where the CASPs is incorporated, some banks may have more cumbersome requirements, resulting in a significant increase in the duration of the incorporation process.

9. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

Experienced Heads of Compliance with crypto-sector knowledge are available, but in high demand, as the market is constantly evolving. There is no public data regarding the average compensation level, therefore, a reputable recruiting agency should be consulted.

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

The NBR has a reserved, cautious approach towards crypto-assets, previously deeming

[2] *Art. XL – (1) Pentru activitățile desfășurate potrivit art. II alin. (1) se instituie o taxă în cuantum de 0,5% aplicată asupra veniturilor din exploatare obținute din încasările lunare realizate din activitățile autorizate potrivit regulamentului, de către furnizorii de servicii de criptoactive autorizați. (2) Suma rezultată din aplicarea acestei taxe se virează integral către ASF, în vederea susținerii activității de reglementare, supraveghere și control a pieței respective. (3) Obligația de calcul, reținere și virare a taxei revine fiecărui operator lunar, până la data de 15 a lunii următoare celei pentru care se datorează taxa. (4) Nerespectarea prevederilor prezentului articol atrage revocarea autorizației deținute.*

them as *"speculative, highly volatile, and extremely risky assets with a high potential to generate financial losses for investors[3]".* Therefore, activities such as staking, crypto-lending, or algorithmic trading face an even higher level of scrutiny from the NBR and the FSA.

11. Does the regulator require local presence of executives or senior managers of the CASP?

Although not explicitly stated in the draft law for implementation, general practice under MiCA will likely require that CASPs have a registered office in Romania or the EU *(providing services in Romania through freedom of services)* and local management, so as to ensure effective supervision by the national competent authorities. Corporate governance regulations also implicitly require that executives/managers be located in a manner that allows for compliance with KYC, AML and other sector-specific requirements.

[3] *Raport 2022 privind evaluarea națională a riscurilor de spălare a banilor și finanțare a terorismului – ONPCSB - https://www.onpcsb.ro/pdf/Rezumat%20NRA%20Public.pdf*

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SERBIA

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

In Serbia, the authority to supervise digital assets is divided between the National Bank of Serbia (NBS) and the Serbian Securities Commission (SSC). The NBS is responsible for supervising the implementation of the Digital Assets Act and licensing in relation to virtual currencies, while digital tokens fall under the authority of the SSC.

When it comes to their practical commercial stance, both authorities are formal and procedurally strict, following a clearly defined regulatory framework. However, they tend to be open to preliminary discussions, especially when it comes to clarifying requirements before the formal submission of applications. Once the application process begins, however, the approach becomes more rigid and document-driven, with a strong focus on compliance and statutory criteria.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

Serbia is not an EU Member State, and as such, MiCA is not applicable in Serbia. However, Serbia's Digital Assets Act, regulates the licensing of companies providing services related to digital assets.

According to publicly available information, as of December 2025, three companies hold licenses for the provision of services related to digital assets. Information regarding pending applications is not currently available.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

Serbia is not an EU Member State and, consequently, the Serbian supervisory authorities (the NBS and the SSC) do not qualify as NCAs under MiCA. Licences issued in Serbia are granted pursuant to the Serbian Digital Assets Act and such licences have no legal effect under MiCA.

On the other hand, before establishing a branch in a foreign country and commencing the provision of services abroad, a locally licensed digital asset service provider must obtain approval from the NBS and SSC.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and

active Q&A sessions, or do they rely strictly on formal, written communication?

It is possible to schedule a meeting with both the NBS and the SSC to discuss some open questions and the general procedure, but the applicant should not expect detailed guidance regarding the application. During the review of the application, the NBS and the SSC may request additional clarifications and documents if they deem them necessary.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

The proceedings are conducted in Serbian. All key policies and governance documents must be either drafted in Serbian or bilingual (Serbian and another language). Any documents issued by foreign authorities, or any other documents in a foreign language, must be accompanied by a translation prepared by a court-sworn translator. Translation costs should therefore be taken into account.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

The standard Corporate Income Tax (CIT) rate of 20% applies. There are no specific tax incentives for the digital asset service providers.

7. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

The Serbian AML legal framework is largely aligned with the Fifth AML Directive. While some aspects of the Serbian AML framework may require particular attention in operational processes, such as specific thresholds and formats of reporting, there are no significant additional requirements beyond those set out in the EU AML package.

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

Opening a corporate bank account for digital asset service providers can be challenging, largely due to the cautious approach of banks toward this sector. Many banks apply enhanced due diligence, including detailed KYC, source-of-funds verification, and risk assessments specific to virtual assets. While it is possible to open a corporate account, banks may request additional documentation and assurances regarding compliance with AML obligations.

9. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

Qualified and experienced Heads of Compliance with specific knowledge of the crypto sector are relatively scarce in Serbia. While there is a growing pool of compliance professionals familiar with traditional financial services, only a limited number have direct experience with digital asset service providers. There is no reliable public data on a dedicated "crypto compliance" salary segment yet.

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

As of the current legal framework in Serbia, the NBS and SSC has not expressed a specific stance - positive or negative - on high-margin activities such as staking, crypto-lending, or algorithmic trading. These activities are not explicitly regulated under the current legal framework. As such, the authorities have not issued formal guidance on these activities, and undertaking them may carry regulatory uncertainty.

11. Does the regulator require local presence of executives or senior managers of the CASP?

Yes. At least one member of the management board of a digital asset service provider must be a resident of the Republic of Serbia and have an active command of the Serbian language.

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SLOVAKIA

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

Formal, strict, and experienced. The National Bank of Slovakia (NBS) is a highly sophisticated regulator with deep experience from banking and MiFID supervision. Applicants should expect formal, by the book interactions, however regarding the MiCA licence proceedings, the NBS is open to pre-licensing dialogue prior to submitting the application itself.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

To this date (as of December 8, 2025) there are 30 ongoing license proceedings, but no CASP license has been granted by NBS yet. According to the latest annual report of the NBS, the NBS had to reflect, among other things, new challenges such as MiCA, and in this context, implemented the necessary changes in the area of statistics. However, the report does not clarify whether there were any personnel changes in the department handling MiCA applications.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

The NBS is regarded as a stable and credible supervisory authority within the EU. A licence issued by the NBS is seen as robust, conferring full passporting rights. However, market observers note a potential risk: strict jurisdictions (e.g., France's AMF) may challenge passporting from newer crypto-hubs. In this context, the Slovak licence benefits from the NBS's solid banking reputation, reducing the risk of such challenges.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

The NBS is a professional and experienced regulator; they will not co-build the application with you. Pre-submission consultations are possible, but applicants should not expect informal, ad-hoc guidance. The NBS will expect a well-prepared, high-quality submission before any substantive dialogue. All significant interactions will be formal and in writing. The NBS has also established a dedicated and well-structured section on its website concerning MiCA, where applicants can access comprehensive guidance and standardized document templates relevant to the application process.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

The proceedings are conducted in Slovak. All key policies, agreements, governance documents and application, including annexes must be submitted in Slovak. If any of the annexes are in another language, an officially certified translation into Slovak must also be submitted. However, English or Czech annexes may be accepted individually upon a written proposal of the applicant, but should not be relied upon. Translation costs therefore need to be considered.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

Neutral. The standard Corporate Income Tax (CIT) progressive rate of applies. The tax rate in Slovakia is 10% if the total taxable income does not exceed EUR 100,000.

If the total taxable income exceeds EUR 100,000 but is below EUR 5,000,000, the rate is 21%. For total taxable income exceeding EUR 5,000,000, the tax rate is 24%. There are no known specific tax incentives, crypto-friendly rulings, or tax holidays. The jurisdiction is tax neutral, not a tax haven.

7. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

While the Slovak Republic historically gold - plated the 4th and 5th AML Directive, the NBS make no statement regarding imposing significant requirements beyond the EU AML requirements nor has made any statements to the MiCA transition.

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

Despite legal regulation theoretically guaranteeing a right to a bank account, the commercial reality is hostile. Major local banks systematically refuse to open accounts for crypto businesses based on internal risk assessments. This hostility significantly impacts the incorporation phase. New entrants often face a deadlock. They need a bank account to incorporate, but local banks won't open one without a license. Applicants are forced to rely on foreign EU banks, which entails additional costs for sworn translations and administrative delays.

9. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

Available, but in high demand. The market for qualified compliance and AML officers with crypto-sector knowledge is tight, as MiCA introduces entirely new responsibilities. Market data suggests budgeting from €3000/month for ongoing compliance support.

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

The NBS's primary focus is on standard CASP activities (Custody, Exchange, Brokerage). High-risk or complex activities (e.g., algorithmic trading, crypto-lending, DeFi protocols) will attract significantly higher scrutiny and may prolong the application timeline. Applicants should take a phased approach, licensing for core services first.

11. Does the regulator require local presence of executives or senior managers of the CASP?

The NBS strictly assesses time capacity and conflicts of interest. Consequently, the local CEO must be fully dedicated to the Slovak entity. Holding concurrent executive roles in other group entities (e.g., a Regional CEO structure) is typically problematic. Furthermore, one of executive management board member is expected to reside physically in the Slovak Republic to ensure availability for supervision.

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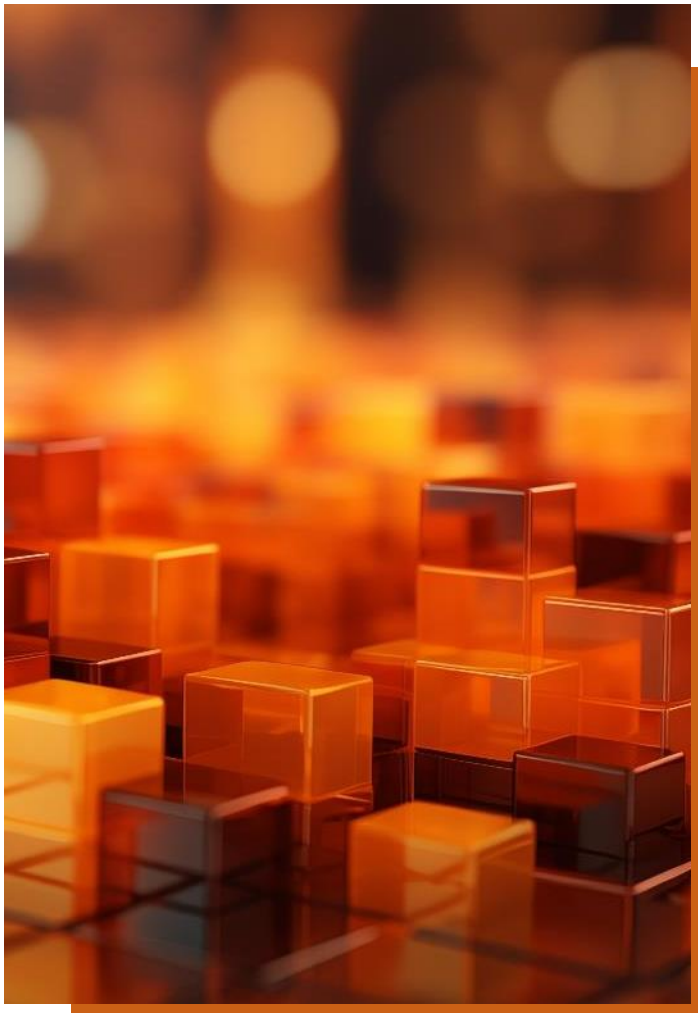

TURKEY

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

In Turkey, the Central Bank of the Republic of Turkey (the "**CBRT**"), the Capital Markets Board (the "**CMB**" or the "**NCA**"), and the Financial Crimes Investigation Board ("**MASAK**") act as the key national competent authorities responsible for regulating and supervising crypto-asset activities. The CMB regulates licensing and market conduct of crypto-asset service providers, the CBRT oversees payments-related aspects, and MASAK enforces AML/KYC compliance obligations.

These authorities generally prioritise strict regulatory compliance, procedural precision, and investor protection over commercial flexibility. As a result, their approach is predominantly formalistic and rigid, with limited room for informal or pre-submission consultations.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

At this stage, the NCA has not published any official figures regarding the expected number of CASP licence applications, the volume of applications received, or the staffing resources allocated to reviewing CASP licensing files. As Turkey's regulatory framework for crypto-asset service providers is still in an early implementation phase following the 2024 legislative amendments, there is currently no publicly available data on application backlogs or review capacity.

Please also note that there is no official timeline for the NCA to issue a CASP licence. The time it takes to process applications can vary based on the completeness of the submission and the overall workload of the NCA.

3. How is the NCA perceived internationally and how legitimate is a licence issued by it under MiCA (including any risks that other Member States might refuse to recognise the passporting of such licence)?

Turkey is not an EU Member State, and licences issued by the NCA therefore have no legal effect under MiCA. As a result, a CASP licence granted by the NCA does not benefit from MiCA passport and cannot be used to access the EU market. Consequently, there is no risk of refusal by other Member States, as CASP licences issued by the NCA fall entirely outside the MiCA framework and are not eligible for recognition in the first place.

Furthermore, Turkey does not have a standalone regulatory regime equivalent to MiCA. Instead, crypto-asset regulation has been introduced through amendments to the Capital Markets Law, rather than through a comprehensive MiCA-style framework. As a result, the scope and structure of Turkish regulation do not fully align with MiCA in a way that would support cross-recognition.

While a CASP licence issued by the NCA may demonstrate that a firm meets certain organisational and compliance standards under Turkish law, it has no regulatory recognition for MiCA purposes and cannot substitute for, support, or facilitate an EU-issued authorisation.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

For licensing procedures, the NCA primarily relies on formal, written communication as part of its official correspondence process. This ensures compliance with regulatory standards and maintains a clear record of interactions. However, the NCA also adopts a pragmatic approach by remaining informally open to discussions aimed at improving the efficiency of the licensing process. While there is no legislative framework mandating in-person liaison meetings or structured Q&A sessions, in practice, the NCA demonstrates flexibility by allowing pre-submission meetings. These informal engagements provide applicants with an opportunity to

clarify requirements and address potential issues early, thereby facilitating smoother and more effective licensing outcomes.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

As a general rule, any document submitted to a Turkish authority must be in Turkish. When a document is issued by a foreign authority in another language, a notarized Turkish translation must be provided.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

The standard Turkish corporate income tax ("**CIT**") rate is 25%, the general rate for non-financial companies. Turkey does not have a standalone crypto tax regulation instead; crypto activity is taxed under existing tax rules depending on how the activity is characterized.

The Turkish Tax Administration ("**Administration**") released a ruling ("**Ruling**") dated September 23, 2020, numbered 60938891-120.01.02.09[GVK: 3-1]-33826, expressing an opinion on cryptocurrency-related taxation, giving opinion on whether Inheritance and Transfer Tax applies to Bitcoin assets kept in the decedent's account and transmitted to heirs. According to the Ruling, Inheritance and Transfer Tax applies to all moveable and immovable rights and receivables that can be acquired. Accordingly, the whole value of Bitcoin inherited by heirs must be stated on the Inheritance and Transfer Tax return. The Turkish Tax Administration has not published any new comments on cryptocurrency.

7. Does the local AML framework impose significant requirements beyond the EU AML package that could complicate operations (e.g., specific transaction reporting, stricter KYC)?

Turkey has recently tightened AML rules for crypto and introduced measures that can be stricter. Turkey is not an EU member; however, Turkey has adopted measures broadly similar to EU directives while adding domestic specific regulations.

MASAK regulations classify crypto as a high-risk financial activity and since 2021, crypto-asset service providers as obliged entities thereunder. MASAK has been publishing targeted crypto rules and communiqués since late 2024, imposing enhanced identification, transaction monitoring and reporting obligations and heavy penalties for non-compliance on crypto asset service providers. Some of these obligations are:

- Mandatory sender and recipient information for all crypto transfers
- Stricter remote identification rules
- Transaction limits and high-risk pattern flags
- Very high suspicious transaction reporting

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

While this is not explicitly regulated, in practice each bank manages the process of opening a bank account independently, and most banks evaluate CASP activities as high-risk. This leads banks to apply greater scrutiny and demand extensive documentation during the initial opening process. CASP applicants may be required to provide additional documentation, such as detailed explanations of their business model and ultimate beneficial owners, proof of regulatory notifications to the AML and comprehensive AML/KYC documentation. However, once the bank account is duly opened, we do not observe these difficulties extending to the incorporation phase (e.g. wiring the share capital).

9. What is the availability and average cost of a qualified, experienced Head of Compliance with crypto-sector knowledge?

The local pool of compliance professionals with in-depth crypto-asset expertise remains in an early stage of development. Most qualified candidates originate from traditional financial sectors such as banking, securities, or payment services. Qualified candidates for a senior compliance role with crypto-sector expertise may also be sourced internationally among Turkish citizens. This is because markets abroad, where the crypto industry is

more mature and established, have a deeper pool of Turkish professionals who may have already held similar positions. At present, there is no reliable public benchmark for the salary range of a "a qualified, experienced Head of Compliance with crypto-sector knowledge".

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

The CMB, as the NCA, has traditionally placed investor protection at the core of its regulatory philosophy. This principle strongly influences its stance toward activities involving significant leverage or high margins. While such activities can generate substantial returns, they also introduce heightened loss risk for investors, prompting the NCA to adopt a cautious and measured approach to safeguard market participants. Also, for crypto-asset service providers, the licensing framework is relatively new, and regulatory practices are still evolving.

As a result, the market is at its early stages to definitively characterize the NCA's position as broadly positive or negative towards specific activities of the sector. Instead, the current stage can be described as one of observation and gradual policy development, with investor protection continuing to guide the authority's decisions.

11. Does the regulator require local presence of executives or senior managers of the CASP?

The NCA strictly assesses organisational structure, board composition, staffing requirements, and conflict-of-interest safeguards in line with the applicable regulations. In this context, NCA regulations require that the general manager of a crypto-asset service provider must be employed exclusively for this position, must be resident in Turkey, and must be appointed on a full-time basis.

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UKRAINE

As of today, Ukrainian legislation on virtual assets remains at a formative stage. The Law of Ukraine "On Virtual Assets" No. 2074-IX, dated 17 February 2022, which was intended to create a comprehensive framework for virtual assets, has not entered into force and, in practice, has never become operational.

Against this background, the Ukrainian Government has moved to a new, more ambitious model. A Draft Law of Ukraine "On Virtual Asset Markets" (the "**Draft VAM Law**") is currently under consideration by the Parliament. This Draft VAM Law fundamentally recasts the earlier law and is designed as a MiCA-based implementation act, effectively importing the core concepts and architecture of the MiCA Regulation into Ukrainian law even before Ukraine joins the EU. The legislative intent is clear: the earlier law is seen as insufficiently detailed for today's market and economic realities, while the new draft aims to deliver high-quality, MiCA-level regulation from the outset.

The Draft VAM Law has already been adopted in the first reading and is expected to be approved in full in the near term, potentially entering into force within the current year. In light of the draft provisions and the established practice of financial regulators in Ukraine, the responses below set out expected regulatory and licensing practice for crypto-asset businesses operating under the forthcoming regime.

1. How is the competent authority expected to approach market participants in practice? Is the supervisory culture anticipated to be pragmatic and open to pre-submission dialogue, or predominantly formalistic and process-driven?

The Draft VAM Law introduces a dual-regulator supervisory model, under which the National Bank of Ukraine (the "**NBU**") is responsible for the supervision of e-money tokens, while a newly created Virtual Asset Market Regulator will act as the primary authority for all other virtual-asset activities. While the future administrative practice of the new regulator remains largely unknown at this stage, the supervisory approach of the National Bank of Ukraine, given its long-standing role as regulator of banks, insurers, and other financial institutions, is well established and reasonably predictable.

In practice, the NBU is procedurally formalistic but substantively pragmatic. It is typically open to informal, non-binding pre-submission discussions, particularly in relation to complex or novel business models, with such exchanges aimed at risk identification rather than advance regulatory clearance. At the same time, the NBU is strict and uncompromising on formal compliance, requiring comprehensive documentation and full adherence to statutory and regulatory requirements.

2. What level of supervisory workload and processing time should applicants realistically expect once the regime becomes operational, taking into account anticipated demand and regulator capacity?

As the Draft VAM Law has not yet entered into force, it is not possible to forecast the regulator's future workload. However, based on established practice in financial licensing in Ukraine, regulator's capacity is typically constrained, and licences are rarely issued strictly within statutory deadlines. In practice, this is due to an extended processing timeline, as the NBU frequently relies on "stop-the-clock" requests for additional information, which can significantly prolong the effective review period for complex applications.

3. How is a licence issued under the Draft VAM Law expected to be perceived internationally?

A licence issued under the Draft VAM Law will confer full legal authorisation to operate within Ukraine. However, until Ukraine accedes to the EU, it is not possible to assess any formal recognition or reliance on such a licence by foreign regulators.

4. How is engagement with the regulator expected to function during the licensing process in practice? To what extent can applicants rely on informal clarifications and iterative dialogue versus strictly formal, written exchanges?

The Draft VAM Law frames the licensing process as a formal, document-driven procedure, requiring submission of a complete application package, subject to fixed statutory review periods, and granting the regulator the right to request additional information and suspend the review timeline while such information is provided. In practice, based on the current approach of the NBU, the regulator is expected to remain open to informal pre-submission meetings and clarificatory Q&A, particularly for complex or non-standard cases; however, all key positions and decisions are ultimately established exclusively through formal written submissions.

5. What should applicants expect in practice regarding the acceptance of English-language documentation?

The Draft VAM Law expressly provides that documents submitted to the regulator by foreign applicants must be filed in Ukrainian only until Ukraine accedes to the EU, and in either Ukrainian or English from the moment of EU accession. In addition, foreign official documents are generally required to be apostilled (unless an applicable international treaty provides otherwise).

6. What is the expected effective corporate income tax treatment for crypto-asset activities?

The Draft VAM Law does not introduce a separate corporate income tax regime for virtual-asset activities, and providers remain subject to the standard corporate income tax rate of 18%. It does not provide sector-specific incentives such as reduced rates, tax holidays, or accelerated depreciation for VASPs. However, a notable positive feature is that core services related to virtual-asset operations are exempt from VAT, which lowers the overall tax burden.

7. How demanding is the expected AML/CFT framework in practice compared to the EU AML package?

The Draft VAM Law largely mirrors the EU AML framework, including MiCA and FATF standards, and does not introduce materially stricter KYC thresholds or novel AML concepts that would fundamentally complicate operations.

In practice, an additional jurisdiction-specific expectation is likely to apply: Ukrainian AML legislation and supervisory practice typically require enhanced checks for any "russian nexus", meaning that VASPs may be expected to verify the absence of russian citizens or entities with russian beneficial ownership among their clients and counterparties.

8. What practical challenges should crypto businesses expect when opening local corporate bank accounts?

Based on current practice, opening a Ukrainian corporate bank account for a crypto business is expected to be challenging but feasible, with difficulties primarily driven by enhanced AML/KYC scrutiny, including complex ownership structures, foreign beneficial owners, regulated activities, and cross-border transaction flows. Local banks typically require extensive documentation and the process may take several weeks. As a result, foreign businesses generally need early engagement with a bank and careful structuring, noting that there is no legal prohibition on opening such accounts in Ukraine – the constraints are practical rather than regulatory.

9. What availability and cost level should market participants realistically expect for experienced compliance professionals with expertise in the crypto sector?

As the regulated crypto market has not yet launched, it is difficult to accurately assess the availability and cost of an experienced Head of Compliance. However, during the initial market phase, when local crypto businesses are being established and regulatory practice is still forming, the pool of qualified professionals is expected to be limited, while demand will be high, likely resulting in elevated remuneration levels.

10. How are regulators expected to view higher-risk or higher-margin activities such as staking, crypto lending, or algorithmic trading in practice?

Based on the established administrative

practice of financial regulators in Ukraine, supervision is expected to be pragmatic and strongly risk-oriented. As a result, higher-risk or higher-margin activities such as staking, crypto lending, or algorithmic trading are likely to face heightened scrutiny and a generally cautious, potentially negative supervisory stance.

11. What level of local management or executive presence is the regulator expected to require in practice?

The Draft VAM Law does not impose any formal residency or relocation requirements for directors, executives, or senior management of a VASP. Senior management functions may be performed from abroad, provided that the VASP ensures effective governance, responsiveness to supervisory authorities, and full compliance with licensing and AML/CFT requirements. In practice, however, regulators are likely to expect a local compliance or liaison function (such as a compliance officer or authorized representative) to be in place, although this remains an operational expectation rather than a statutory requirement under the draft law.

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UZBEKISTAN

1. How would you describe the NCA commercial stance? Are they pragmatic and open to pre-submission consultations, or formalistic and rigid?

The regulatory stance of the National Agency for Prospective Projects (the "NAPP") is formalistic and compliance-driven, not commercially accommodating. While general pre-submission inquiries are possible, responses are typically formal and limited to referencing the relevant legislation. The agency does not engage in informal "co-design" consultations and expects a complete, fully compliant application from the outset.

2. What is the NCA's current estimated backlog for MiCA applications (how many applications are pending vs. how many staff are allocated)?

Publicly available information does not allow for an estimation of the backlog of pending crypto-asset service provider license applications at NAPP, as neither the number of in-process applications nor staffing levels are disclosed in its public reports. However, regardless of the potential volume of applications, the licensing procedure operates under a strict statutory deadline. According to the order of the director of the NAPP No. 3380 of 15 August 2022, approving the "Regulation on the procedure for licensing the activities of service providers in the sphere of crypto-asset turnover" (the "Regulation No. 3380"), the NAPP must decide on whether to issue or refuse a license within a period not exceeding twenty working days from the date of receiving the application.

3. How is a NCA-issued license perceived internationally, and what is its legitimacy outside of Uzbekistan?

A license issued by the NAPP provides official legitimacy to operate within the jurisdiction of the Republic of Uzbekistan. However, the available legal and official sources do not contain any information regarding the international perception or formal recognition of this license in other jurisdictions.

4. What is the NCA's practical approach to dialogue during the licensing process? Are they open to informal, pragmatic pre-submission meetings and active Q&A sessions, or do they rely strictly on formal, written communication?

NAPP's practical approach to dialogue relies

strictly on formal, written communication, reflecting its compliance-driven stance. The licensing process, as detailed in Regulation No. 3380, is a codified procedure based on the submission and review of a specific package of documents. While general pre-submission inquiries may be possible, responses are typically limited to referencing the relevant legislation. The agency does not engage in informal meetings, active Q&A sessions, or any "co-design" of the application. All significant interactions are expected to be conducted through official, documented channels.

5. To what extent does the NCA accept documentation in English? Is full translation of all policies and other documents into the local language mandatory?

While the specific crypto-asset licensing framework only explicitly mentions one document that requires translation, namely, Regulation No. 3380, which mandates that criminal record certificates for foreign founders and managers be submitted with a notarized translation into the state language, this should be viewed within the broader context of national legislation. The Law on the State Language establishes that official business and clerical work with state agencies and organizations are to be conducted in the state language. In line with this overarching legal principle, and following practical recommendations from NAPP representatives, it is strongly advised that applicants proceed on the basis that the entire application package, including all internal policies and supporting materials, must be submitted in the Uzbek language to ensure full compliance and prevent any potential procedural delays.

6. What is the effective Corporate Income Tax rate, and are there any specific tax rulings or incentives (positive or negative) for crypto-asset activities?

Highly favourable. A specific, overriding incentive is established by Presidential Decree No. PP-3832 dated 3 July 2018 (the "Presidential Decree No. PP-3832"). This decree explicitly states that for the period up to 1 January 2029, income received by both legal entities and individuals from operations related to the turnover of crypto-assets is not an object of taxation and is not included in the tax base for any taxes or other mandatory payments. Consequently, while the standard Corporate Income Tax rate established in the Tax Code is 15%, it does not apply to income derived from crypto operations during this specified incentive period.

7. Does the local AML framework in Uzbekistan impose significant requirements that could complicate operations for crypto-asset service providers (e.g., specific transaction reporting, stricter KYC)?

Yes, the local AML framework is stringent and imposes several significant requirements that can complicate operations. Notably, the framework includes specific "gatekeeping" provisions under Regulation No. 3380 that prohibit individuals with prior convictions for economic crimes, as well as companies from offshore jurisdictions, from being founders or holding management positions, representing a higher-than-standard barrier to entry. Furthermore, a significant operational complexity arises from a dual data localization mandate. Regulation No. 3380 requires all operational servers to be physically located in Uzbekistan, while the Law on Personal Data separately mandates that the collection, systematization, and storage of personal data of Uzbek citizens must also occur on servers physically located within the country. This dual requirement for both operational and personal data infrastructure to be localized creates considerable architectural and compliance overhead for international operators.

8. How challenging is it generally for a crypto-business to secure a local corporate bank account? Crucially, does this difficulty extend to the incorporation phase (depositing share capital)?

The legal framework makes securing a local bank account a mandatory and integral part of the licensing process, rather than an operational challenge to be overcome later. Regulation No. 3380 explicitly requires crypto-exchange license applicants to provide a certificate from a commercial bank of the Republic of Uzbekistan confirming that the required charter capital has been deposited and that a specific portion is reserved in a separate account. This directly links the incorporation and funding phase to the necessity of local banking access.

9. What is the availability and average cost of a qualified experienced Head of Compliance with crypto-sector knowledge?

Available, but in high demand. Due to the developing nature of the local crypto-asset market, the talent pool for experienced compliance officers with sector-specific knowledge is limited. Based on market indicators, the estimated monthly salary for such a role ranges from UZS 18,000,000 to UZS 30,000,000 (approximately €1,300 – €2,200).

10. Does the NCA have a known specific stance (positive or negative) on high-margin activities like staking, crypto-lending, or algorithmic trading?

The NAPP's stance is implicitly restrictive and narrowly focused, operating on a principle of positive licensing where only explicitly defined activities are permitted. The foundational legal acts, including Presidential Decree No. PP-3832 and Regulation No. 3380, establish a closed list of four licensable service provider types: crypto-exchanges, mining-pools, crypto-depositories, and crypto-stores. High-margin activities such as staking, crypto-lending, or platforms for algorithmic trading are not defined within these legal acts and, consequently, do not have a corresponding license category, effectively placing them outside the regulated market.

11. Does the regulator require local presence of executives or senior managers of the CASP?

While the legal acts do not contain an explicit residency requirement for individual executives or senior managers, the regulatory framework imposes other significant local presence mandates. First, Regulation No. 3380 specifies that a license can only be issued to a legal entity registered as a resident of the Republic of Uzbekistan. Most critically, the same regulation explicitly requires that the service provider's electronic platform and all associated servers must be physically located on the territory of the Republic of Uzbekistan. This combination of a mandatory local legal entity and physical in-country technical infrastructure necessitates a substantial on-the-ground management presence for effective operational control and supervision, even without a formal residency rule for executives.

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