



Crypto Assets : the number of VASPs is on the rise In Luxembourg

The status of a Virtual Asset Service Providers (VASP) is one of the latest regulatory entity statuses in the Luxembourg financial sector introduced by the law of 12 November 2004 on the fight against money laundering and terrorist financing, as amended, implementing the so-called fifth Anti-Money Laundering Directive (officially, the Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing).

Taking into account the ever increasing popularity of crypto assets and the financial services provided by numerous actors in relation to such crypto assets - such as exchange, safe-keeping, administration, selling, converting, or otherwise transferring crypto assets on its own behalf or on behalf of another natural or legal person - the number of Luxembourg VASPs has been on the rise since 2020 and now there is a total number of 10 (ten) VASPs registered on the list of the Luxembourg Commission for the Supervision of the Financial Sector (CSSF). Even a substantive amount of ongoing fees due for the registration (reaching EUR 15,000 per year in early 2023) does not apparently discourage potential VASP promoters from registration with the CSSF and it is expected that the number of Luxembourg-registered VASPs will continue to grow in the years to come (with over ten additional VASP registrations with the CSSF already pending) as the crypto asset markets develop further (including with the imminent adoption of the much debated Markets in Crypto-Assets Regulation set to apply as from 2024).



The rising number of VASPs registered in Luxembourg, their inclusion in a wider regulatory framework and the development of a new formal registration process with the CSSF are manifest signs that crypto assets and specialized crypto asset service providers (such as VASPs) are becoming an integral element in the ecosystem of the Luxembourg financial sector.

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