

TABLE 1 - Alignment, tensions and strategic implications in crypto-asset regulation: the US SEC's 'Project Crypto' speech and the EU's MiCAR framework

A topic-by-topic assessment of regulatory philosophy, points of convergence/divergence and strategic contrast.

Topic	US approach (summary)	EU approach (MiCAR) (summary)	Main divergences/strategic contrasts and risks
1. Classification and legal status	Flexible and adaptable categorisations; the GENIUS Act and the "Project Crypto" <i>scale back the general presumption</i> that all crypto assets must be considered securities, with the aim of speeding up issuance and reducing legal barriers. [GENIUS Act §§3, 14]	Codified taxonomy distinguishing electronic money tokens, asset-referenced tokens and other crypto-assets, excluding existing financial instruments (MiFID II). MiCAR uses a substance over form test to ensure clarity and uniformity of application across Member States. [MiCAR Articles 2-3, 10-11]	Agility vs. predictability – The US approach allows for rapid reclassification and adaptation, while the EU approach ensures consistency but less flexibility. Risk: Cross-border businesses may face inconsistent definitions, creating structural divergence in classification across jurisdictions.
2. Issuance / Capital formation	Onshoring through incentives: flexible exemptions (e.g. for certain token offerings, airdrops), "ad hoc" disclosure and push to remove the "securities stigma". Aims to attract issuers to US markets. [Speech of 31 July 2025; see also Presidential Working Group Report (30 July 2025)]	Mandatory white papers for public offers, supervision by national authorities and certain exemptions. Designed to build trust before access, with uniform transparency requirements. [MiCAR Arts. 5–7, 14–15]	Speed versus certainty: the United States could compromise the uniformity of investor protection in favour of faster capital formation; the comprehensiveness of MiCAR could slow down some innovations, but it promotes simplified cross-border acceptance within the EU.
3. Stablecoins	Issuance of "Payment stablecoins" under the GENIUS Act only by permitted entities, with criminal penalties for violations. It requires a high-quality liquid reserve with a 1:1 coverage ratio, detailed audits, redemption obligations and priority in the event of insolvency. The law also requires a Treasury study on endogenously backed tokens. [GENIUS Act §§3–5, 14]	Divided into electronic money tokens (based on a single fiat currency) and asset-backed tokens (based on a basket or non-fiat references). Both require clear redemption mechanisms, separation of reserves, stress testing and 'significant' supervision of tokens (e.g. potential involvement of the central bank). ¹ [MiCAR Arts. 16–30, 43–48]	Accelerated leadership vs preventive containment – The US approach aims for rapid market dominance but may require subsequent adjustments if unexpected risks emerge. The EU regulatory framework is more cautious from the outset and focuses on containing systemic risk.
4. Custody	Liberalisation through reinterpretation: self-custody is considered an essential right, and the choice of custody service providers is expanded through modernisation of intermediary custody frameworks. Regulators aim to relax	Emphasis on structural investor protection : separation of client assets by custodian, robust liability regimes and disclosure requirements on custody risks. [MiCAR Arts. 58–67]	Speed of expansion vs. consistent standards – Rapid liberalisation in the United States could lead to inconsistent custody guarantees for investors. The EU's uniform approach should ensure

¹ Tokens based on significant assets or electronic money tokens are subject to additional requirements (e.g. more frequent reporting, closer monitoring by the EBA/ESMA).

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	traditional constraints imposed on broker-dealers to allow the custody of crypto-assets, including revocation of Staff Accounting Bulletin (SAB) No. 121. [Presidential Working Group Report of 30 July 2025]		consistency, but requires additional compliance costs.
5. Trading venues / 'Super-apps'	Permissive merger into a "super-app" for trading, lending, custody and staking with minimal regulatory friction, provided that broad disclosure standards are met. The goal is an integrated " " platform for all crypto-asset services. [SEC Chairman Speech of 31 July 2025]	Conditional integration: MiCAR establishes detailed operating rules (e.g., admission procedures, user disclosure, transparency) with limited bundling subject to notification to authorities. Once authorised in one EU Member State, providers can obtain an EU-wide "passport." [MiCAR Arts. 68–80]	Efficiency of integration vs. clarity of responsibility: the US model favours rapid bundling but blurs responsibilities. MiCAR imposes compartmentalised business lines with explicit regulatory paths.
6. DeFi / On-chain software	Immediate inclusion with minimal forced intermediation. Pure code or truly decentralised projects must be recognised without artificially introducing legacy intermediary structures. [SEC Chairman Speech of 31 July 2025]	Gradual and evidence-based approach: pursuant to Article 140, the European Commission and supervisory authorities (ESMA, EBA) will study DeFi to define potential future measures, while a grey area remains between 'fully decentralised' systems (excluded) and partially decentralised services (regulated). [MiCAR Art. 140]	First-mover risk vs. measured sustainability – The United States may discover hidden vulnerabilities in DeFi as it grows rapidly, while the EU's measured approach may allow for a more thorough assessment of risks but slower innovation.
7. Innovation / Exemptions	Broad "principles-based" exemption to encourage experimentation; agile disclosure protocols may avoid burdensome disclosure requirements if they meet certain security conditions (e.g., network rewards, small-scale pilot projects). [SEC Chairman Speech of 31 July 2025]	Proportional exemptions, with thresholds subject to supervision for small or limited offers. Periodic reviews ensure the potential expansion or reduction of exemptions. [MiCAR Arts. 4, 15, 136]	Speed-induced inconsistency vs. controlled progress – The United States favours rapid market entry, but uneven compliance could lead to mixed results. MiCAR's methodical approach ensures consistent oversight but could slow initial growth.
8. Investor protection	Flexible and 'fit for purpose' disclosure that balances concerns about stifling innovation. Some legacy rules could be eased or reinterpreted. [SEC Chairman Speech on 31 July 2025] [Presidential Working Group report (30 July 2025)]	The fundamental protections define the prerequisites for public offerings, including comprehensive white papers, marketing restrictions, and rules on conflicts of interest. Regulatory authorities may suspend non-compliant offerings. [MiCAR Arts. 13, 79–85]	Variable outcomes for investors vs. solid ex ante trust – The United States seeks to keep pace with innovation, which can lead to uneven disclosure. The EU's uniform access conditions create trust from the outset but may hinder rapid expansion.
9. Licensing / Fragmentation	The GENIUS Act establishes detailed application procedures for authorization, requiring comprehensive	Harmonisation from the outset: once authorised in one EU Member State, a provider can operate throughout the	Potential internal fragmentation vs. unified single market – The United States may still face a

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	evaluation of financial condition, management competence and integrity, and safety and soundness factors. With reference to issuers authorised under Federal/State law, a single approach is not guaranteed, as the Act establishes separate pathways for Federal qualified payment stablecoin issuers, State qualified payment stablecoin issuers, and subsidiaries of insured depository institutions. [GENIUS Act §5]	bloc. MiCAR establishes dual supervision for significant tokens: EBA supervision for significant asset-referenced tokens under Article 117, and shared supervision between competent authorities and EBA for significant e-money tokens, with specific exemptions for tokens with 80% concentration in home Member States under Article 57. [MiCAR Arts. 53–68, 117, 119]	patchwork of state regulations, while the EU centralises licensing and avoids internal arbitrage.
10. Market integrity / Systemic risk	Modernisation-oriented, typically addresses risk through issuer-led controls and iterative adjustments. The GENIUS Act requires certain studies and reports if stablecoins expand systemically. [GENIUS Act §§3(f), 14–15]	Multi-level governance, including the designation of "significant tokens" that can trigger central bank intervention. Strict ex ante capital, liquidity and reporting requirements. Significant asset-referenced tokens require EBA supervision, while significant e-money tokens fall under shared supervision between competent authorities and EBA, with mandatory stress testing and enhanced capital requirements [MiCAR Arts. 40, 43–48]	Elasticity vs. structured resilience – The United States may be slower to anticipate systemic problems, while the EU's formal designations provide preventive guardrails.
11. Environment / Sustainability	Largely absent from the public framework of the "Project Crypto". Focus remains on market leadership and innovation; environmental criteria are not an integral part of the rules on stablecoins or exchanges. (No reference in the GENIUS Act)	Integrated approach, which includes potential climate-related information and ESG considerations in subsequent revisions of MiCAR. [MiCAR Art. 140 (elements to be reviewed may include environmental impact)]	Omission vs integration – The EU addresses sustainability from the outset; the US may face retroactive changes if global or domestic environmental concerns intensify.
12. Strategic orientation / Leadership	Pursues 'competitive advantage' by moving faster than global competitors, focusing on onshore innovation and loosening outdated constraints. [SEC Chairman Speech of 31 July 2025]	Seeks regulatory leadership as a consistent benchmark for international markets, emphasising legal stability and consistency at Union level. [MiCAR recitals 1-13]	Short-term scale vs long-term exportability – The US seeks to quickly attract global projects; the EU is building an exportable regulatory model that could become an international model over time.

TABLE 2 - Comparison of stablecoin regulations: US GENIUS Act vs EU MiCAR

Dimension	USA – GENIUS Act	EU – MiCAR
Definitions and scope	Payment stablecoins: digital assets used as a means of payment, redeemable at a fixed value, fully backed 1:1 by high-quality liquid reserves. Endogenous stablecoins are the subject of a dedicated study. Non-payment stablecoins are not covered by the main regime but are subject to monitoring.	Two categories: electronic money tokens (EMTs) referencing a single official currency, considered electronic money; asset-referenced tokens (ARTs) referencing baskets of assets to stabilise their value. EMTs referencing both EU and non-EU currencies (e.g. USD) are included. Instruments already regulated elsewhere are excluded.
Issuer qualification	Issuers must be “permitted payment stablecoin issuers,” limited to: (i) subsidiaries of insured depository institutions; (ii) federal qualified issuers authorised by the Comptroller; or (iii) state qualified issuers licensed under state law. Foreign issuers may qualify through conditional access framework if deemed comparable by Treasury.	EMTs: issuers must be EU-established credit institutions or electronic money institutions authorised under EU law. ARTs: issuers must be EU-established and authorised legal entities under Article 21, or credit institutions meeting Article 17 requirements. Non-EU issuers cannot directly issue ARTs or EMTs without establishing an EU entity.
Reserve and coverage requirements	Mandatory identifiable reserves (US currency, insured deposits, short-term Treasury securities, restricted repurchase agreements) to cover 1:1 tokens. Strictly limited rehypothecation.	ARTs must hold separate reserves subject to stress testing and potential calibration of own funds based on their relevance. EMTs are based on established frameworks for the creditworthiness of electronic money.
Redemption rights and procedures	Redemption policies are publicly disclosed. Fee-permissible redemption. Token holders have a priority claim in the event of insolvency. Adjustments to automatic suspension facilitate the execution of redemption.	EMTs have unconditional redemption rights at par value and fee-free. ARTs have permanent redemption obligations, with a reserve structure and redemption schedule subject to supervision to ensure enforceability.
Governance and operational controls	Flexible but robust governance: tailored risk management, CEO/CFO certifications, AML/sanctions compliance, under the supervision of federal/state regulatory authorities.	Prescriptive governance: mandatory disclosure of stabilisation mechanisms, liquidity and repayment planning, EBA guidelines and greater control over significant tokens.
Systemic relevance and supervision	No formal "significance" label. However, regulatory requirements are proportional to the size of the issuer: for example, a \$10 billion threshold for federal supervision versus state supervision, \$50 billion for enhanced reporting. The systemic risks of innovative models are deferred to further study.	An explicit classification of importance requires enhanced supervision, adjustments to own funds and the possible involvement of the central bank. Binding negative opinions from the ECB or national central banks can block authorisation, thereby preserving monetary sovereignty.
Transparency and disclosure	Monthly public disclosure of the composition of reserves, repayment mechanisms, independent certifications and strict labelling standards.	Pre-offer disclosure through detailed white papers. Ongoing transparency requirements include the impact on sustainability in broader governance contexts.

Dimension	USA – GENIUS Act	EU – MiCAR
Interest payments to holders	Explicit prohibition on paying interest to stablecoin holders, maintaining their status as payment instruments rather than investment products.	Prohibition on paying interest on EMTs and ARTs to preserve monetary stability and prevent reclassification as financial instruments subject to investment services regulation.
Supervisory and intervention powers	Strict enforcement, including registration rescission for persistent non-compliance and secondary trading bans. Broader tools include cease-and-desist orders, civil/criminal penalties, prohibition on unauthorised issuance, and priority for token holders in insolvency, and coordination between regulators. Federal approval supersedes and prevails over state licensing requirements.	Multi-level supervision with escalation for significant tokens, authority to impose recovery plans and a structured sanctioning framework calibrated according to the systemic impact and severity of the breach.
Monetary and financial stability tools	Systemic stability managed through issuer constraints, reserve priorities and continuous monitoring of emerging risks.	Preventive systemic controls through materiality thresholds, mandatory stress tests and periodic reviews of implementation reports to recalibrate regulatory requirements.
Provisions relating to cross-border issuers	GENIUS Act Section 18 establishes a comprehensive framework for foreign payment stablecoin issuer access without U.S. establishment, requiring Treasury Secretary determination of comparable foreign regulation, Comptroller registration, and compliance with US reserve requirements for US customers, and jurisdictional compliance. Reciprocity arrangements possible.	Territorial establishment model: public offers or admission of ARTs/EMTs require the issuer to be EU-established and authorised (Arts. 16, 48). Non-EU entities cannot issue ARTs/EMTs into the EU without EU establishment and authorisation. Limited pathways exist for non-EU tokens via qualified-investor exemptions (Art. 4(2)(c)) or services provided by EU-authorised CASPs.
Regulatory philosophy / Framework	Leadership through speed and conditional openness. Regulation is described as an enabler of innovation, designed for competitive positioning and subject to iterative recalibration.	Definition of regulatory standards with a cautious and layered approach. Priority given to stability and predictability through ex ante risk controls and harmonised frameworks.
Implementation timetable	GENIUS Act provides for implementation 18 months after the date of enactment (on 18 July 2025) or 120 days after the primary Federal payment stablecoin regulators issue final regulations implementing the Act, whichever is earlier.	Entry into force: 29 June 2023. Application of Title III (ART and EMT) from 30 June 2024; full application of the other provisions from 30 December 2024.

Legislative sources:

1. **United States:** GENIUS Act - *Guiding and Establishing National Innovation for U.S. Stablecoins Act of 2025 (GENIUS Act)* – enacted on 18 July 2025.
2. **EU:** MiCAR - Regulation (EU) 2023/1114 of 31 May 2023, Official Journal L 150/40, entry into force 29 June 2023, general application from 30 December 2024.