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EU regulatory overhaul raises concerns over supervision of tokenised funds

Policymakers consider changes to virtual asset oversight

By Robert Van Egghen | 7 August 2026

Tokenised funds and crypto-asset products would face a blurring of regulatory accountability under plans by Brussels to overhaul the supervision of virtual assets, asset managers have warned.

EU policymakers are considering a proposal under the market integration and supervision package (Misp) that would subject all crypto asset service providers to direct supervision by the **European Securities and Markets Authority**.

The change would include management companies operating crypto products.

Meanwhile the **European Commission** is consulting on whether the remit of the EU's Markets in Crypto Assets regulation (Mica) should be expanded to cover a wider range of tokenised assets, which would bring these instruments under Esma's supervision as well.

Under the Misp proposal, management companies designated as crypto asset service providers could find themselves supervised by Esma for some activities and by their national regulator for others, said **Corinne Lamesch**, deputy chief executive of the **Association of the Luxembourg Fund Industry**.

But the prospect of asset managers investing in virtual assets being overseen by both Esma and national regulators has sparked concern in the funds industry.

A senior fund executive, speaking on condition of anonymity, said shifting the supervision of tokenised assets to Esma would raise questions over which regulatory body a management company would ultimately be accountable to.

The person added that the proposals had also caused disquiet in the industry that supervisory powers would gradually move to the Paris-based watchdog as managers further innovated with tokenising assets.

A Luxembourg-based executive said the funds industry was hopeful that many of the forms of tokenisation deployed by asset managers would avoid being categorised as requiring central supervision by Esma.

This would avoid creating a complicated supervisory situation for asset managers, the person added.

Asset managers tokenising a fund must currently decide whether the token acts in a similar way to units of a traditional Ucits or alternative investment fund, in which case the product falls under Mifid II and supervisory responsibilities remain with the management company's national regulator.

However, if the token acts in a similar fashion to a stablecoin – where the value of the token is pegged to the value of the underlying asset – the token would be designated as a digital asset under Mica and require supervision by Esma.

Oskar Åslund, chief strategy officer at **AKJ,** a tokenised fund platform operator, said tokenised funds would benefit from being subject to central supervision as it would make it simpler to innovate and operate cross-border.

"The unfortunate thing would be if the rules became different between different jurisdictions," Åslund said.