

LAW NO. 08/L-295

ON CRYPTO-ASSETS

The Assembly of the Republic of Kosovo;

Based on Article 65 (1) of the Constitution of the Republic of Kosovo,

Approves:

LAW ON CRYPTO-ASSETS

**CHAPTER I
GENERAL PROVISIONS**

**Article 1
Purpose**

1. This law aims to regulate:

1.1. Licensing, authorization and supervision of operators that carry out activities related to the emission, distribution, trading and storage of crypto-assets;

1.2. Conditions of operation and organization of operators in the field of emission, trading and storage of crypto-assets;

1.3. Conditions and criteria for transparency during the emission and trading of crypto-assets on trading platforms;

1.4. Consumer protection rules related to: services of operators for emission, trading, exchange, storage and consulting services related to crypto-assets;

1.5. Sanctions in the case of abusive practices; and,

1.6. Other matters related to services in the field of distributed ledger technology.

2. This law is partially in accordance with Regulation (EU) 2023/1114 of the European Parliament and of the Council dated 31 May 2023 on markets in crypto-assets and amending Regulations (EU) No. 1093/2010 and (EU) No. 1095/2010 and Directives 2013/36/EU and (EU) 2019/1937.

**Article 2
Scope**

1. The provisions of this law shall apply to all activities related to: counseling, issuance, distribution, marketing and preservation of crypto-assets, for all natural and legal persons exercising such activities in the territory of the Republic of Kosovo, or by the Republic of Kosovo for clients located abroad.

2. Unless expressly provided otherwise by the provisions of this law, this law does not apply to the following subjects:

2.1. Public institutions;

- 2.2. Central Bank of Kosovo;
- 2.3. Insurance and reinsurance companies; and
- 2.4. Insolvency administrators.

Article 3 **Definitions**

1. In this law, the following terms have the following meanings:

- 1.1. **Agent** - legal entity licensed for DLT-based digital technology;
- 1.2. **Applicant** - is any natural or legal person who completes an application for a license or for obtaining an Authorization according to this law;
- 1.3. **Real Asset** - any currency, share, quote, physical asset or other real value, excluding crypto-assets, which can be exchanged in real or digital markets;
- 1.4. **Responsible authorities** – the responsible authorities are: CBK, TAK and FIU;
- 1.5. **Authorization** - authorizations related to crypto-asset trading services provided for in Chapter II;
- 1.6. **TAK** - Tax Administration of Kosovo;
- 1.7. **Suspicious Act or Transaction** - the act or transaction performed or attempted, which creates reasonable suspicion that the property included in the act or transaction performed or attempted, is the product of crime or is related to the financing of terrorism and is interpreted in accordance with any sub-legal act issued by the FIU for suspicious acts or transactions;
- 1.8. **CBK** - Central Bank of Kosovo;
- 1.9. **KBRA**- Kosovo Business Registration Agency;
- 1.10. **Declaration of Compliance** - is the declaration prepared and signed by the applicant, through which the applicant declares that fulfills all the conditions, criteria and obligations defined in this law;
- 1.11. **DLT (Distributed Ledger Technology)** - is a decentralized database in which information and/or data are securely recorded, consensually verified and distributed synchronously through a network of multiple nodes or other technical means, where all copies of the distributed database are considered original;
- 1.12. **Issuer** - is any natural and legal person in the Republic of Kosovo, that issues digital tokens and virtual currency in accordance with this law;
- 1.13. **Public institution** - institution of the Republic of Kosovo established by the law;
- 1.14. **Ministry** - the responsible Ministry for Finance;
- 1.15. **Virtual asset/Crypto Asset** - a digital representation of value or the right that can be transferred or stored electronically using DLT or similar technology;

1.16. **White Paper** - is a comprehensive document that describes the technical and economic aspects of a crypto-asset;

1.17. **FIU** - Financial Intelligence Unit of the Republic of Kosovo;

1.18. **Operator** - any person registered, licensed or authorized according to this law to provide crypto-asset services;

1.19. **Authorized operator** - is any person who is the holder of the authorization;

1.20. **Licensed operator** - is any legal entity that is the holder of the license;

1.21. **FIAT money/currency** - are financial instruments in the form of banknotes and metallic coins, domestic or foreign, which have legal-tender;

1.22. **Person** - natural person or legal entity or any other company of persons registered under the relevant Law on Business Organizations or the relevant Law on Non-Governmental Organizations;

1.23. **Legal person** - legal person according to the relevant law on Business Organizations;

1.24. **Customer Verification System** - the procedure provided for by the relevant Law on the Prevention of Money Laundering and Combating Terrorist Financing;

1.25. **Digital Token** - is a digital marker which:

1.25.1. is directly dependent on DLT technology; and

1.25.2. falls exclusively into one of the digital token categories listed below:

1.25.2.1. digital payment tokens;

1.25.2.2. digital land titles;

1.25.2.3. digital token services; or

1.25.2.4. digital asset tokens.

1.26. **Transaction** - any transfer of rights, currencies, digital assets or crypto-assets, based on a written agreement or verbal agreement between two or more persons;

1.27. **Market manipulation** - is the intentional or reckless act, by any means, of any person or entity, to create a false or misleading impression of the supply, demand or price of any virtual asset, or to artificially raise or lower the price of any virtual asset;

1.28. **Market abuse** - is any unethical and illegal behavior or practice that manipulates or distorts the price or value of virtual assets or related instruments and impairs the normal functioning or integrity of the virtual asset market.

CHAPTER II LICENSE AND AUTHORIZATION OBLIGATION

Article 4 Licensing and Authorization Obligation

1. No operator may issue, trade, distribute or store crypto-assets or provide any other service related to crypto-assets, unless it is in possession of a license or authorization.
2. Authorization or licensing according to the conditions provided by this law, is not subject to the cases when, through the provisions of this law, the activity is expressly exempted from obtaining a license or authorization.

Article 5 License to operate

1. The license approved by the competent authorities for carrying out the activities provided for in this law are:
 - 1.1. license for portfolio administration services and other services for third parties - Agent;
 - 1.2. license for the operation of the online and/or physical (exchange) trading platform of crypto-assets against FIAT currency or other crypto-assets, based in the Republic of Kosovo;
 - 1.3. licensing for the operation of crypto-ATM or cryptocurrency ATMs;
 - 1.4. licensing for operators with activities of special characteristics as defined by Article 7 of this law.
 - 1.5. licensing to issue digital tokens linked to a real asset; and,
 - 1.6. licensing related to the issuance of digital tokens that are not linked to a real asset.
2. The competent authority, by means of a sub-legal act, shall define the licensing criteria for all licenses according to paragraph 1. of this Article.

Article 6 Authorizations for operation

1. The types of authorizations approved by the authorities responsible for carrying out the activities provided for by this law are:
 - 1.1. authorization to launch crypto-assets; and
 - 1.2. authorization to provide advice on crypto-assets.
2. The competent authority, by means of a sub-legal act, shall define the criteria for authorizations according to paragraph 1. of this Article.

Article 7
Activities with special characteristics

1. Entities whose activity is the mining of crypto-assets and the emission of crypto-assets indirectly through the mining procedure, operate with restrictions according to paragraph 2. of this Article.
2. The mining of crypto-assets with this law is allowed only through energy supply in the liberalized market or through self-generation from renewable energy sources.
3. Actions contrary to paragraph 2. of this Article shall be sanctioned according to the foreseeable legal provisions which prohibit the illegal supply of electricity.

CHAPTER III
GENERAL CONDITIONS FOR LICENSING AND/OR AUTHORIZATION AND
COMPETENCES OF RESPONSIBLE AUTHORITIES

Article 8
General conditions for licensing and/or authorization

1. Every applicant for licensing and/or authorization shall prove, directly or through an agent, that fulfills all the general conditions defined in this Article, as in the following:
 - 1.1. to prove the payment of the application fee;
 - 1.2. to prove that the applicant is registered with KBRA;
 - 1.3. to prove that it has a complete and functional structure according to the relevant law on business organization;
 - 1.4. to attach biography/evidence on professional and personal reputation, to perform their duties and are able to clearly understand the type of activities and the risks associated with them; and
 - 1.5. to prove, by providing a copy of the relevant document, that he has appointed at least one person responsible for the prevention of money laundering at administration/management levels in the head office.
2. Applicants for licensing/authorization shall have a contact or authorized person with physical presence in the Republic of Kosovo, responsible for the prevention of money laundering, who will be subject to the legislation in force.
3. The documentation shall be original or a notarized copy thereof.
4. In addition to the general conditions for licensing and/or authorization defined in this law, CBK, by means of a by-law, defines the specific procedures and conditions for licensing/authorization that the applicant shall fulfill.

Article 9
Application for license and/or authorization

1. After completing the application form, the applicant submits it to the responsible authority, attaching all the documentation for fulfilling the general conditions and special criteria as well as any other requirements according to the provisions of this law.

2. The application for licensing/authorization and the proof documentation can also be submitted in electronic form, according to the relevant rules.
3. The application for a license is made by the applicant himself.
4. The application for the authorizations defined in Article 6 of this law can be made by the applicant himself or through the agent.

Article 10 **Licensing and/or authorization procedure deadlines**

1. The responsible authority makes a decision regarding licensing and/or authorization after the application and documentation by the applicant himself or through the agent, according to the provisions of this law.
2. Application review procedures are regulated by means of a by-law issued by the responsible authority.

Article 11 **Competences of the responsible authorities during the procedure of licensing and/or authorization**

1. The responsible authority may request, on its own account or at the request of the cooperating authority, further clarifications or supplementary documentation from the applicant, within the deadline defined in paragraph 3. of this Article.
2. The request for further clarifications and/or supplementary documentation shall be well argued, be specific in its requests and shall contain the specified reasons related to this request.
3. If the applicant fails to provide the required clarifications and/or documentation within ten (10) working days or when, depending on the circumstances, the responsible authority decides on a longer term, but not more than twenty (20) working days, after which date the application will be considered automatically rejected.

Article 12 **Obligations of Licensed Operators**

1. Licensed Operators are obliged to undertake actions and measures for preventing and disclosing money laundry and the financing of terrorism prior, during, and after the execution of transaction or establishment of business relationship, as described in the applicable law for the prevention of money laundering and combating terrorist financing, but not limiting, as in the following:
 - 1.1. compliance with all requirements of proper care towards the client- especially, to collect and keep the author`s and beneficiary`s information required according to the "travel rule" determined by the local legislation;
 - 1.2. monitoring all transactions in the transaction platform for "suspicious activity";
 - 1.3. monitoring transactions and controlling sanctions by using control, which includes software that enables the reviewing and movement analyses of DLT (blockchain) and disclosure of anonymity technology; and

1.4. provide a copy of completed assessment of risk and disclosure of money laundry and terrorism financing for the whole business, as requested by the relevant law for the prevention of money laundering and combating terrorist financing.

2. The operators (providers of virtual assets services) shall report to the FIU-K, according to the manner and form specified by FIU-K, determined in the law for the prevention of money laundering and combating terrorist financing.

Article 13

Refusal to grant license and/or authorization

1. The granting of the license and/or authorization will be refused by the responsible authorities, for the following reasons:

1.1. non-payment of the license and/or authorization application fee by the applicant;

1.2. after ascertaining by the responsible authorities, that the applicant has submitted documentation with false, and/or incorrect or incomplete information; and

1.3. after ascertaining by the responsible authorities, in accordance with the relevant law for the prevention of money laundering and combating terrorist financing that there is reasonable suspicion that the applicant intends to use the License and/or Authorization for money laundering or terrorist financing through activity with crypto assets.

2. If the responsible authorities refuse to grant the license and/or authorization, or the application is voluntarily withdrawn by the applicant, the re-application cannot be made before three (3) months have passed from the day of the refusal. Re-application shall be treated as a new application.

3. The responsible authority for the license/authorization keeps records when applicants choose to voluntarily withdraw their application for licensing and/or authorization.

Article 14

Responsible authorities

1. The licenses defined in Article 5 of this law are issued by CBK, after communication with FIU and other relevant institutions, depending on the type of a license.

2. The authorizations defined in Article 6 of this law are issued by the CBK, after communication with the FIU and other relevant institutions, depending on the type of authorizations.

Article 15

Status of licenses and/or authorizations

1. In order to be allowed to exercise the activity provided for in the license and/or the corresponding authorization, the holder of the license/authorization shall continue to comply with the conditions and criteria defined in this law.

2. Every license and/or authorization issued is revocable by the issuing institution, according to the conditions set forth in this law.

3. The general obligations of the holder of the license and/or authorization towards their customers or third parties are as follows:

- 3.1. to act with honesty;
- 3.2. to provide services without prejudice;
- 3.3. to behave in a professional manner; and
- 3.4. to implement all the rules set in this Law, as well as other legal provisions or bylaws that may apply to the holder of the authorization.

Article 16 **Validity and duration of licenses and/or authorizations**

The license and/or authorization will begin to be valid one (1) the day after receiving notification from the responsible authority regarding the adoption of the application for licensing and/or authorization and will last indefinitely, unless the responsible authority has revoked license and/or authorization.

Article 17 **Coordination among authorities**

The coordination between the responsible authority and the relevant institutions in the adoption and issuance of the relevant authorization and/or license or in the case of exercising any type of joint duty defined in this law, is regulated by a by-law from the ministry.

Article 18 **General Responsibilities within Prevention of Money Laundering**

1. Each holder of the license and/or authorization will be considered as a reporting entity according to the relevant Law for the prevention of money laundering and combating terrorist financing.
2. Each holder of the license and/or authorization will be subject to the obligations of the reporting entities, especially the obligations deriving from the relevant Law for the prevention of money laundering and combating terrorist financing.
3. FIU-K and CBK are the competent authorities for inspection and supervision of the compliance of the operators determined according to this law for implementation of the provisions of the law on the prevention of money laundering and combating terrorist financing.
4. Inspection and supervision of the compliance according to paragraph 3. of this Article, shall be carried out in accordance with supervisory competencies of the FIU-K determined in the law on prevention of money laundering and combating terrorist financing, including the administrative sanctions and measures for improvement.

Article 19 **Suspension and revocation of license and/or authorization**

1. CBK may suspend and/or revoke the license and/or authorization in the following cases:
 - 1.1. a license and/or authorization may be suspended and subsequently revoked if the responsible authorities reasonably judge that the licensed/authorized operator:

1.1.1. no longer manages to fulfill the general conditions and/or the special criteria defined by this law;

1.1.2. has provided false or inaccurate information to the responsible authorities; and,

1.1.3. it is contrary to or no longer fulfills one or more of the general conditions and/or special criteria provided by this law.

2. In such cases, the responsible authority shall suspend the license and give its holder a period of fifteen (15) working days or, depending on the circumstances, a longer period but not more than twenty-five (25) working days from the date of the announcement of the decision explaining the reasons for the suspension, to present his position regarding the decision for license suspension.

3. If the licensed/authorized operator fails to respond within the deadline defined in paragraph 2. of this Article, the responsible authority revokes the license, arguing in the decision the reasons for the revocation.

4. The License and/or Authorization may also be revoked directly by the responsible authority, in the following cases:

4.1. when the licensed/authorized operator does not start the activity for which he was licensed within six (6) months from the date of issuance of the license and/or authorization;

4.2. when the licensed/authorized operator becomes subject to a liquidation process or declares bankruptcy; and

4.3. if any relevant institution that has competencies in regard to the licensed/authorized operator, requests in writing and on reasonable grounds the revocation of the license and/or authorization.

CHAPTER IV THE REGISTERS

Article 20 Maintaining and updating the register

1. Every operator that holds a license or authorization will be published in the public register, which is maintained by CBK.

2. The register shall be updated regularly and in any case at least every twelve (12) months starting from the date on which the license was issued.

3. The registration of licenses/authorizations and any other decision of the responsible authorities must be carried out according to the provisions of the by-laws in implementation of this law.

CHAPTER V ISSUE, LAUNCH OF TOKENS AND WHITE PAPER

Article 21 Obligations of the issuers

1. An issuer must:

- 1.1. exercise its activity with honesty and integrity;
- 1.2. exercise its activity taking into the account interests and needs of each buyer of digital token/virtual currency while exercising its activity;
- 1.3. treat fairly, clearly and not misleading all buyers of digital tokens/virtual currency;
- 1.4. have suitable code of corporate governance;
- 1.5. maintain protocol of systems and security in the highest suitable standards;
- 1.6. set, on its own or through a third party, systems on prevention, detection and elimination of risk of financial crimes;
- 1.7. set, on its own or through a third party, systems on prevention, detection and elimination of risk of money laundering and financing terrorism; and
- 1.8. have sufficient financial sources.

2. When an issuer owns a website where it is obliged to publish any announcement or information to the public according to the provisions of this law, that obligation shall be considered fulfilled, in cases where the issuer publishes such information or announcement in its website.

Article 22 Conditions for launching the digital token

1. The launching of digital token products and the request for listing and trading of digital tokens and/or virtual currency in the digital trading platforms, shall be possible only after the issuer has fulfilled all the following conditions, cumulatively:

- 1.1. to design, according to the specification of the case, the White Paper, which must be in compliance with all conditions and criteria defined in this law; and
- 1.2. to submit to the competent authority, the request for authorization of the digital token and according to the relevant legal request, the White Paper Prospect.

Article 23 The white paper

1. The Crypto-Asset White Paper shall contain the following information:

- 1.1. a detailed description of the issuer, including a summary of the main financial information regarding the issuer and a detailed description of main participants involved in designing and development of the project;
- 1.2. a contact telephone number and an email address of the issuer;

- 1.3. a detailed description of the issuer`s project, the type of crypto-asset that will be offered to the public for which the market admission is required;
 - 1.4. if different from the issuer and operator, the identity of a person that has drawn up the crypto-asset white paper and the reason why that particular person drew it up;
 - 1.5. information on sustainability indicators regarding the issue of crypto-asset;
 - 1.6. a detailed description of characteristics of the offer for the public, in particular the number of crypto-assets that shall be issued or for which trade admission is required, the issue price of crypto-assets and the terms of subscription;
 - 1.7. a detailed description of the rights and obligations attached to the crypto-assets and procedures and conditions by which the issuer, provider and consumers shall be allowed to exercise these rights; and
 - 1.8. information on the technology used, protocols and technical standards applied by the issuer of crypto-assets allowing for holding, storing and transferring of these crypto-assets;
2. A Crypto-Asset White Paper shall contain the following statement: “The offeror of the crypto-asset is solely responsible for the content of this Crypto-Asset White Paper”.
 3. The Crypto-Asset White Paper shall contain a clear statement that:
 - 3.1. the crypto-asset may lose its value in part or in full;
 - 3.2. the crypto-asset may not always be transferable;
 - 3.3. the crypto-asset may not be liquid;
 - 3.4. where the offer to the public concerns a utility token, that utility token may not be exchangeable against the good or service promised in the crypto-asset white paper, especially in the case of a failure or discontinuation of the crypto-asset project.
 4. The crypto-asset white paper shall contain a statement from the management body of the offeror of the crypto-asset. That statement, shall confirm that the crypto-asset white paper complies with this Title and that, to the best of the knowledge of the management body, the information presented in the crypto-asset white paper is fair and makes no omission likely to affect its import.
 5. Each Crypto-Asset White Paper shall contain the date.
 6. The Crypto-Asset White Paper shall be drawn up in one of the official languages of Kosovo and/or in english language.
 7. The crypto-asset white paper shall be made available in a machine-readable format.
 8. CBK, shall draft certain forms and formats for the purposes of application of criteria from this Article.
 9. Until the issuance of different formats, the operator may use formats that summarize all the information provided for by this Article.

CHAPTER VI PROHIBITION OF MARKET ABUSE

Article 24 Market abuse

1. Market abuse includes:

- 1.1. Market manipulation; and,
- 1.2. Trading based on privileged information.

2. The prohibitions and requirements provided for in this Chapter apply to all actions of any legal or natural person, which constitute market abuse, described in this Chapter, or detailed through special sub-legal acts issued by the responsible authority, in relation to digital tokens/virtual currencies that are admitted for trading in one of a trading platform, or those for which a request has been submitted to be accepted for trading on this stock exchange or platform.

Article 25 General market manipulation provisions

1. This chapter applies in relation to all transactions with digital tokens/virtual currencies for:

- 1.1. actions or omissions committed in the Republic of Kosovo related to transactions with digital tokens/virtual currencies of any legal entity that is established, operates or is listed inside or outside the Republic of Kosovo;
- 1.2. actions or omissions committed outside the Republic of Kosovo related to transactions with digital tokens/virtual currencies of any legal entity that is established or operates in the territory of the Republic of Kosovo;
- 1.3. actions that occur in the territory of the Republic of Kosovo related to all digital tokens/virtual currencies, regardless of whether they are traded inside or outside the territory of the Republic of Kosovo; and,
- 1.4. actions that occur outside the territory of the Republic of Kosovo related to all transactions with digital tokens/virtual currencies but that are shown within the territory of the Republic of Kosovo.

Article 26 Illegal acting creating false market

1. No one should commit or be the reason for commitment of any act with intention to:

- 1.1. convey false or misleading information as if trading of the digital tokens/virtual currencies is being conducted on a trading platform; or,
- 1.2. convey any false or misleading information regarding the purchase or price of any of these digital tokens/virtual currencies.

2. No one has the right that through the purchase and sale of digital tokens/virtual currencies which do not include the change of the ultimate beneficiary of these instruments, or through any fictitious transaction or means, maintain, increase, decrease or cause fluctuations in the market price of anything virtual or digital.

3. Without prejudice to the general application of paragraph 1. of this Article, the person commits a violation if:

3.1. implements, participates, is involved or performs, directly or indirectly, any type of sales transaction of digital tokens/virtual currencies, when this transaction does not entail any change of the ultimate beneficiary of the respective digital tokens/virtual currencies; or,

3.2. presents or arranges for an offer to be presented for the purchase and sale of any digital token/virtual currency for a specified price, when it has presented or has taken the measures to be presented, or is aware that a person related to it has presented or has taken the measures to present, an offer to buy or sell the same digital token/virtual currency, for a price that is essentially the same as the first price mentioned.

4. For the purposes of this Article, the purchase or sale of digital tokens/virtual currencies does bring any changes to the ultimate beneficiary, if the person who had an interest in the digital token/virtual currency before the purchase or sale, or the person related to him/her in regard to these digital tokens/virtual currency, has a direct or indirect interest in financial instruments even after the transaction.

5. The digital token/virtual currency sale transaction referred to in subparagraph 3.1. of this Article includes:

5.1. presenting an offer for purchase or sale of digital tokens; and

5.2. presenting an invitation, regardless of how it is worded, that expressly or impliedly invites a person to offer digital tokens/virtual currencies for sale or purchase.

6. Violations of the provisions of paragraphs 1. and 2. of this Article constitute a criminal offense and are punished according to the Criminal Code of the Republic of Kosovo.

Article 27

Market manipulation

1. Market manipulation will consist of:

1.1. transactions or trading orders which give, or are likely to give, false or misleading signals about the supply, demand, or about the price of digital tokens/virtual currencies, or which provide holding of the price of one or some of the digital tokens/virtual currencies at an artificial level through a person or persons who act in cooperation, unless the person who carried out the transaction or gave the order for trading proves that his reasons for doing this action are legitimate and that such transactions or trading orders comply with accepted market practice;

1.2. transactions or trading orders made through the use of fictitious devices or any other form of fraud; and

1.3. dissemination of information through the media, including the internet, or by any other means, which gives or is likely to give false or misleading signals about the digital token/virtual currency, including spreading false or misleading rumors and news,

in case when the person who conducted the distribution knew, or should have known, that the information was false or misleading.

2. In relation to journalists when acting in the capacity of a journalist, the dissemination of information will be assessed keeping in mind the rules governing their profession, except when they benefit directly or indirectly, materially or non-materially, from the dissemination of this information.

3. In particular, the following activities and behaviors derived from the definition of market manipulation according to paragraph 1. of this Article will be considered market manipulation:

3.1. the activity of a person or several persons who act in cooperation, to secure a dominant position over the supply or demand for one or several digital tokens/virtual currencies, with the consequence of directly or indirectly keeping unchanged the sale and purchase prices of digital tokens/virtual currencies;

3.2. the sale and purchase of digital tokens/virtual currencies at the closing of the market, with the consequence of misinforming investors who act based on the closing prices; and

3.3. benefiting from the occasional or regular use of traditional or electronic media for expressing an opinion on a digital token/virtual currency or, indirectly, on its issuer, having previously held a position on this digital token/virtual currency, benefiting then from the influence of the opinion expressed on the price of this digital token/virtual currency, without informing and publicly declaring the conflict of interest.

Article 28

Prohibition of market manipulation

1. No one shall conduct or be involved in conducting, directly or indirectly, a number of transactions with digital tokens/virtual currencies, which have or may have as a consequence:

1.1. false increase;

1.2. false decrease; or,

1.3. determining, maintaining or falsely stabilizing the price, or trading volume of digital tokens/virtual currencies, with the aim, among other things, of inciting other persons to buy or sell these digital tokens/virtual currencies, or other digital tokens/virtual currencies associated with them, whether or not those persons intend to do so.

2. In the sense of this Article, the transaction related to digital token/virtual currency includes:

2.1. presentation of an offer for the purchase and sale of digital tokens/virtual currencies; and,

2.2. presenting an invitation, regardless of how it is worded, that expressly or impliedly invites a person to offer selling or buying the digital tokens/virtual currency.

3. Violation of the provisions from paragraph 1. of this Article constitutes a criminal offense and is punished according to the Criminal Code of the Republic of Kosovo.

Article 29

Privileged information

1. For the purpose of this Article, privileged information includes information of a precise nature, which has not been made public, and which has a direct or indirect connection to one or several issuers, or to one or several digital tokens/virtual currencies, and which, if made public, would have a significant effect on the prices of these digital tokens/virtual currencies, or on the prices of other related digital tokens/virtual currencies.
2. For the purposes of paragraph 1. of this Article, information will be considered to be of a precise nature if it contains circumstances that exist or are expected to exist, or an event that has occurred or is reasonably expected to occur, and is sufficiently specific, to draw a conclusion as a possible effect of these circumstances, or to influence the price of digital tokens/virtual currencies, or the price of other digital tokens/virtual currencies related to them.
3. For the purposes of paragraph 1. of this Article, information which, if made public, would have a significant effect on the price of digital tokens/virtual currencies, means information that a reasonable investor would partially or fully use in taking decisions to invest.

Article 30

Prohibition of trading based on privileged information

1. For the purpose of this Article, trading based on privileged information occurs when a person possesses privileged information and uses this information by buying or selling, for his own purpose or for the purpose of third parties, directly or indirectly, digital tokens/ virtual currencies to which this information relates.
2. Using privileged information by canceling or changing an order related to the purchase or sale of digital tokens/virtual currencies to which this information relates, and when this order was placed before the person in question possessed the privileged information, shall also be deemed to constitute trading based on privileged information.
3. This Article applies to all persons who possess privileged information as follows:
 - 3.1. managerial or supervisory members of the issuer;
 - 3.2. persons who own a significant share in the capital of the issuer;
 - 3.3. persons who have access to the information through their employment, profession or duties; or
 - 3.4. persons who have access to privileged information after being involved in criminal activities.
4. This Article also applies to any person who possesses privileged information in circumstances other than those referred to above and when this person knows or should have known that this information is privileged.
5. When the person is a legal entity, this Article will be applied in accordance with the law of the field, to natural persons who participate in decision-making regarding the purchase, sale, cancellation or amendment of an order in the name and for the account of the legal entity in question.

6. Violation of the requirements of this Article constitutes a criminal offense and is punished according to the provisions of the Criminal Code of the Republic of Kosovo.

Article 31
Prohibition of trading based on privileged information and unlawful disclosure of privileged information

1. No person may:

- 1.1. carry out or attempt to carry out trading based on privileged information;
- 1.2. recommend another person to trade based on privileged information; or,
- 1.3. unlawfully disclose privileged information.

2. Any action contrary to the requirements of Article 25 of this law and this article constitutes a criminal offense and is punished according to the Criminal Code of the Republic of Kosovo and other laws in force.

3. The competent authorities shall issue a sub-legal act regarding the rules and management of crypto-assets during the criminal proceedings.

CHAPTER VII
PUNITIVE PROVISIONS AND APPEAL

Article 32
Minor Offence Sanctioned by Fines

1. The legal person shall be fined in the amount from five thousand (5,000) euro to twenty thousand (20,000) euro for minor offence as in the following:

- 1.1. exercising the activities regulated by this law without the licenses or authorizations of the relevant authorities, in cases where these activities require a license and/or authorization;
- 1.2. not providing or concealing information when requested by the responsible authorities in accordance with this law; and,
- 1.3. violation of market abuse provisions.

2. For minor offences from paragraph 1. of this Article, the responsible person of a legal person shall be fined in the amount from one thousand (1,000) euro to three thousand (3,000) euro.

3. For minor offences from paragraph 1. of this Article, the natural person exercising an individual business shall be fined in the amount from two thousand (2,000) euro to six thousand (6,000) euro.

4. For minor offences from paragraph 1. of this Article, the natural person shall be fined in the amount from five hundred (500) euro to one thousand five hundred (1.500) euro.

Article 33 Appealing

1. Against any decision issued pursuant to this Law, an appeal is allowed in compliance with the relevant Law on General Administrative Procedure.
2. The superior body that examines the appeals according to this Article is the Appeals Commission established with the decision of the Minister of the Ministry responsible for Finances.
3. In accordance with paragraph 2. of this Article, the Minister, with sub-legal act shall determine the composition of the commission and the mandate of the commission members.
4. The work and procedure of the appeals commission shall be based on the rules determined for collegial bodies in the relevant Law on General Administrative Procedure.
5. Against the decisions of the appeals commission, the dissatisfied party can initiate an administrative dispute to the competent court.

CHAPTER VIII FINAL PROVISION

Article 34 Bylaws

After the entry into force of this law, within the period of six (6) months, the Ministry and CBK shall issue sub-legal acts for its implementation.

Article 35 Entry into force

This law shall enter into force fifteen (15) days after its publication in the Official Gazette of the Republic of Kosovo.

**Law No. 08/L-295
31 October 2024**

Pursuant to the article 80, paragraph 5 of the Constitution of the Republic of Kosovo, Law shall be published in the Official Gazette of the Republic of Kosovo.