

## **FMA-Guidance 2018/18 – Licence as an e-money institution**

Guidance for the granting of a licence as an e-money institution in accordance with the Liechtenstein E-Money Act (*E-Geldgesetz, EGG* – hereinafter referred to as the “EMA”) of 17 March 2011 and the Liechtenstein E-Money Ordinance (*E-Geldverordnung, EGV* – hereinafter referred to as the “EMO”) of 12 April 2011

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Addressees:	<ul style="list-style-type: none"><li>• E-money Institutions</li></ul>
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Legal Basis:	<ul style="list-style-type: none"><li>• E-Money Act (EMA) of 17 March 2011</li><li>• E-Money Ordinance (EMO) of 12 April 2011</li></ul>
Annexes:	<ul style="list-style-type: none"><li>• Annex 1: Legal basis</li><li>• Annex 2: <a href="#">E-money institution licence checklist</a></li></ul>

## 1. General information

These Guidelines provide an overview of the procedure for obtaining a licence when establishing an e-money institution in Liechtenstein in accordance with the EMA and the EMO. Decisions regarding individual cases will be made solely on the basis of legislative provisions and instructions issued by the Financial Market Authority Liechtenstein (hereinafter referred to as the "FMA") in the capacity of supervisory authority. In particular, the guidelines on the information to be provided for the authorisation of e-money institutions ([EBA/GL/2017/09](#)) must be applied. Please contact the FMA for further information.

Companies wishing to issue e-money in Liechtenstein as a business activity must obtain a licence as an e-money institution from the FMA prior to commencing business in accordance with Article 4 EMA.

In addition to issuing e-money, the following activities are also covered by the licence in accordance with Article 5(2) EMA:

- The provision of payment services in accordance with Article 2(2)(a) to (h) of the Liechtenstein Payment Services Act (*Zahlungsdienstegesetz, ZDG* – hereinafter referred to as the "PSA") of 6 June 2019;
- The granting of credit related to payment services referred to in Article 2(2)(g) and (h) PSA;
- The provision of operational services and closely related ancillary services in respect of the issuing of e-money or the provision of payment services;
- The operation of payment systems as defined in Article 4(1)(53) PSA;
- Business activities that do not consist of the issuance of e-money, provided no other legal provisions are violated as a result.

A licence to operate an e-money institution will be granted only if all the conditions set out in Article 7 EMA are met.

## 2. Licensing conditions under Article 7 EMA

### 2.1 Applicant

The applicant must be a legal person (Article 7(1)(a) EMA). The application for a licence cannot be submitted before the establishment of the company, as the applicant lacks legal personality.

### 2.2 Registered office and head office

The registered office and the head office of the e-money institution must be situated in Liechtenstein (Article 7(1)(b) EMA).

### 2.3 Governance arrangements

Article 7(1)(c) EMA requires the sound and prudent management of the e-money institution, robust governance arrangements, which include a clear organisational structure with well-defined, transparent and consistent lines of responsibility, effective procedures to identify, manage, monitor and report risks, and adequate internal control mechanisms, including sound management and accounting practices. The procedures and

mechanisms in place in this regard must be comprehensive and proportionate to the nature, scale and complexity of the e-money services provided by the e-money institution.

## **2.4 Board of Directors and Executive Board**

Members of the Board of Directors and the Executive Board of an e-money institution must guarantee the proper conduct of business in both professional and individual terms. In particular, the members of the Executive Board must be appropriately qualified for the intended position on the basis of their education and career history (see [FMA Communication 2013/7](#)). In order to ensure its sound and prudent management, the e-money institution must have an Executive Board responsible for business operations, with a total full-time equivalent (*Stellenprozent*) of at least 200 per cent, consisting of at least two members who perform their activities with joint responsibility and who may not simultaneously be members of the Board of Directors, as well as a Board of Directors with at least three members responsible for overall direction, supervision and control.

## **2.5 Qualifying holdings**

Shareholders with direct or indirect qualifying holdings in the applicant within the meaning of Article 4(1)(36) of Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 646/2012 (Capital Requirements Regulation; hereinafter referred to as the “CRR”) must satisfy the applicable suitability requirements in view of the requirement to ensure sound and prudent management of the e-money institution (Article 7(1)(d) in conjunction with Article 9 EMA). Article 9(1) EMA refers to Articles 55 et seq. of the Liechtenstein Law on Activities and Supervision of Banks, financial holding companies and mixed financial holding companies (*Gesetz über die Tätigkeit und Beaufsichtigung von Banken, Finanzholdinggesellschaften und gemischten Finanzholdinggesellschaften, BankG – Banking Act, BA*), and for this reason, in accordance with [FMA Guidelines 2018/6](#) and [FMA Guidelines 2017/20](#) are applicable.

## **2.6 Effective supervision**

There may be no close links between the e-money institution and other natural or legal persons or other circumstances that prevent effective supervision (e.g. laws, regulations or administrative procedures of a third country governing one or more natural or legal persons with which the e-money institution has close links) (Article 7(1)(e) and (f) EMA).

## **2.7 Capital**

The initial capital of an e-money institution must amount to at least EUR 350,000.00, or the equivalent in Swiss francs. In justified cases, the FMA may order tighter requirements. Since the initial capital simultaneously constitutes the minimum amount of the e-money institution’s own funds, it must at no time fall below this amount (Article 10(2) in conjunction with Article 8(2) EMA).

## **2.8 Safeguarding of funds received from customers**

In accordance with Article 11 EMA, e-money institutions must adequately safeguard the funds received directly or indirectly from customers and inform the FMA in advance about any material changes with respect to the safeguarding of funds. Article 5 EMO must be observed in this regard. E-money institutions have the option to safeguard funds according to one of the two variants stipulated under Article 20(1) PSA.

## 2.9 Outsourcing of functions

The outsourcing of functions in Liechtenstein or abroad is permitted only if the conditions set out in Article 13 EMA in conjunction with Article 6 EMO are met. Important operational functions (see Article 13(3) EMA) may not be outsourced in such a way as to impair materially the quality of the e-money institution's internal control and the ability of the FMA to monitor the e-money institution's compliance with all obligations laid down in the EMA. In connection with outsourcing, the relevant provisions of [EBA/GL/2019/02](#) must also be observed.

## 2.10 Use of agents

If an e-money institution intends to provide payment services via an agent, the e-money institution must transmit the information listed in Article 25 PSA to the FMA for the purpose of verification by the FMA (Article 14 EMA). Reference is made to [FMA Guidelines 2018/22](#) in this regard.

## 2.11 Accounting

The provisions of the BA and the Liechtenstein Persons and Companies Act (*Personen- und Gesellschaftsrecht, PGR* – PCA) apply mutatis mutandis to the accounting activities of e-money institutions. E-money institutions are required to provide separate accounting information for the issuance of e-money and the other activities referred to in Article 5(2) EMA, and an audit report must be prepared for that information (Article 16 EMA).

## 2.12 Auditors

In accordance with Article 17 EMA, e-money institutions are required to submit to an audit of their business activities each year by an independent external audit office recognised by the FMA (see also Article 7 EMO).

# 3. Informal preliminary application

Prior to submitting the licence application in accordance with Article 6 EMA, a draft version of the application (preliminary application) may be submitted to the FMA without the original documents.

As a rule, the preliminary application must have the same structure and contain the same information and documents as the definitive licence application. Here, it is important to comment on each issue with reference to any relevant documents appended, which must be consecutively numbered.

It should be noted that only key sub-aspects are checked for red flags concerning licence eligibility as part of the informal preliminary application. These checks cover the following topics:

- Business plan  
To be submitted: a draft of the business plan together with a description of the programme of operations, as well as the forecast budget calculation for the first three years;
- Qualifying holdings (taking account of the entire group) and beneficial owners (direct and indirect (attributable))  
To be submitted: passport copy and company register excerpts at all levels of the group organisational chart;
- Origin of funds

To be submitted: a description of the origin of the funds that are to be used for the establishment of the company (including the statutory capital) (together with proof of the origin of the funds);

- Complete group structure with details of relationships (share capital and voting rights)

To be submitted: a group organisational chart (all group companies including ultimate beneficial owners).

Please note that the preliminary application does not constitute a legally binding or conclusive review by the FMA, especially as only the aforementioned framework information is used for this application.

## 4. Licensing procedure

During the licensing procedure, the FMA will undertake a formal and substantive assessment of the licence application. The FMA will inform the applicant of any matters that are unclear and need to be corrected and can instruct the applicant to remedy the application.

A fee will be charged in respect of the licensing procedure (see section 5.1).

If there are any changes in material facts during the licensing procedure, they must be reported to the FMA immediately, and updated documents must be submitted if necessary.

All information provided by the applicant will be treated as confidential and is subject to official secrecy in accordance with Article 34 EMA.

The duration of the licensing procedure will depend primarily on the coherence and completeness of the information and the documents provided in connection with the application. Within three months of receipt of an application or, should the application be incomplete, within three months of submission of all the information required for the licence, the FMA must either grant the licence or communicate in writing and with reasons that the application has been rejected (Article 7(3) EMA).

The FMA will inform the applicant as soon as all of the information required for the licence has been received.

### 4.1 Licence application (Article 6 EMA)

The licence application must be structured in accordance with the checklist in Annex 2. All enclosures (including the application documents listed in section 4.2) must be consecutively numbered and referenced in the checklist and in the licence application.

The applicant must submit the original application for approval including the numbered annexes. For a digital submission, the checklist and any application document must be signed electronically by the applicant in a qualified manner. If original annexes exist, these must be submitted in the original. Annexes with a qualified electronic signature or with a digital official signature must be submitted digitally, while annexes with a handwritten signature or documents with an official stamp etc. must be submitted physically by post or messenger. Alternatively, the checklist and any application document can be signed by hand and submitted by post or courier to the FMA, Banking Division, Landstrasse 109, P.O. Box 279, LI-9490 Vaduz.

Regardless of the chosen method of submission, the documents for the assessment of the proof of the guarantee in respect of the proper conduct of business must be submitted digitally using the application form “BankG/EGG/ZDG: Beurteilung der Gewähr für einwandfreie Geschäftstätigkeit” provided on the e-Service Portal. Further information on the e-Service Portal and on creating a user account can be found at: <https://www.fma-li.li/de/e-service.html>.

As a rule, all information to be submitted to the FMA as part of the licence application must be furnished as original documents in German or as an officially certified translation. Following consultation with the FMA, documents and information can also be submitted in English. This does not include the licence application or the business plan, which must be submitted in German.

## **4.2 Application documents for a licence as an e-money institution**

The following information and documents, in particular, must be enclosed with the application for a licence as an e-money institution (see Article 7 EMA in conjunction with Article 3 EMO and [EBA/GL/2017/09](#)):

- Applicant identification details (Article 7(1)(a) EMA);
- The programme of operations setting out, in particular, the type of e-money services envisaged;
- A business plan, including a marketing plan, with a forecast budget calculation for the first three financial years and information on own funds, including the amount, and information on, and calculation of, minimum own fund requirements in accordance with Article 10 EMA;
- A description of the applicant's structural organisation, including, where applicable, a description of the planned use of agents and branches, as well as a description of any outsourcing agreements and a description of the manner of its participation in a national or international payment system;
- Evidence of initial capital in accordance with Article 8 EMA;
- A description of the measures to safeguard the funds of e-money users and/or payment service users in accordance with Article 5 EMO;
- A description of the applicant's governance arrangements and internal control mechanisms, including the administration, risk management and accounting practices;
- A description of the procedures in place to monitor, handle and follow up on security incidents and security-related customer complaints;
- The process in place to file, monitor, track and restrict access to sensitive payment data;
- Business continuity arrangements;
- The principles and definitions applicable to the collection of statistical data on performance, transactions and cases of fraud;
- Security policy document;
- A description of the internal control mechanisms to comply with obligations in relation to money laundering and terrorist financing, in particular the obligations set out under due diligence legislation, including Regulation (EU) 2015/847;
- Identity and suitability assessment of persons with qualifying holdings in the applicant;
- Identity and suitability assessment of members of the Board of Directors and the Executive Board of the e-money institution;
- Identity of statutory auditors and audit firms.

**Other application documents:**

- A declaration by an independent external audit office recognised by the FMA that it accepts the mandate as the external auditor (declaration of acceptance by the external audit office, mandate manager or lead auditor);
- A declaration by the external audit office that it is in agreement with the draft articles of association and draft rules of procedure;
- Detailed opinion of the external audit office on compliance with the licensing requirements, in particular with regard to the planned organisational structure (including IT), governance arrangements, the internal control system, risk management, the safeguarding of customer funds, the articles of association and regulations (where applicable in draft form) and the business plan. This comprehensive opinion may not be issued by a body that has been appointed as a future external auditor;
- Job descriptions/requirements profiles for members of the senior management as well as planned key functions.

The FMA may also request additional documents.

## 5. Licensing fee

A fee of CHF 30,000.00 is payable for the granting of a licence as an e-money institution (Article 30 in conjunction with Annex 1(A) of the Liechtenstein Financial Market Supervision Act (*Gesetz über die Finanzmarktaufsicht, FMAG – FMA Act*)).

## 6. Lapse, withdrawal and revocation of licences

The rules governing the lapse, withdrawal and revocation of licences are set out in Article 19 et seqq. EMA. In accordance with Article 21 EMA, the FMA may, in particular, amend or revoke licences if the e-money institution obtained the licence dishonestly by providing false information or if the FMA was unaware of material circumstances.

Please note that the licence will expire if the business activities have not been taken up within one year (Article 19(1)(a) EMA).

## 7. Data protection

The FMA processes personal data exclusively in accordance with the general data processing principles of the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC) and in line with applicable data protection law.

All information regarding the processing of personal data, including details about the purpose of processing, the data controller and the rights of data subjects, can be found in the FMA Privacy Policy: <https://www.fma.li/de/fma/datenschutz/fma-information-zum-datenschutz.html>.

## **8. Final Provisions**

### **8.1 Entry into force**

This Guidance enters into force on 1 January 2015.



## Annex 1 – Legal basis

- Liechtenstein E-Money Act of 17 March 2011 (EMA) (*E-Geldgesetz vom 17. März 2011, EGG*);
- Liechtenstein E-Money Ordinance of 12 April 2011 (EMO) (*E-Geldverordnung vom 12. April 2011, EGV*);
- Liechtenstein Payment Services Act of 6 June 2019 (PSA) (*Zahlungsdienstegesetz vom 6. Juni 2019, ZDG*);
- Liechtenstein Payment Services Ordinance of 17 September 2019 (PSO) (*Zahlungsdiensteverordnung vom 17. September 2019, ZDV*);
- Liechtenstein Law of 5 December 2024 on the Activities and Supervision of Banks, financial holding companies and mixed financial holding companies (BA) (*Gesetz vom 5. Dezember 2024 über die Tätigkeit und Beaufsichtigung von Banken, Finanzholdinggesellschaften und gemischten Finanzholdinggesellschaften; Bankengesetz, BankG*);
- Liechtenstein Ordinance of 14 January 2025 on the Activities and Supervision of Banks, financial holding companies and mixed financial holding companies (BO) (*Verordnung vom 14. Januar 2025 über die Tätigkeit und Beaufsichtigung von Banken, Finanzholdinggesellschaften und gemischten Finanzholdinggesellschaften; Bankenverordnung, BankV*);
- Liechtenstein Persons and Companies Act of 20 January 1926 (PCA) (*Liechtensteinisches Personen- und Gesellschaftsrecht vom 20. Januar 1926, PGR*);
- Liechtenstein Law of 11 December 2008 on Professional Due Diligence to Combat Money Laundering, Organised Crime, and Terrorist Financing (DDA) (*Gesetz vom 11. Dezember 2008 über berufliche Sorgfaltspflichten zur Bekämpfung von Geldwäscherei, organisierter Kriminalität und Terrorismusfinanzierung, SPG*);
- Liechtenstein Ordinance of 17 February 2009 on Professional Due Diligence to Combat Money Laundering, Organised Crime, and Terrorist Financing (DDO) (*Verordnung vom 17. Februar 2009 über berufliche Sorgfaltspflichten zur Bekämpfung von Geldwäscherei, organisierter Kriminalität und Terrorismusfinanzierung, SPV*);
- Liechtenstein Law of 18 June 2004 on the Financial Market Authority (FMA Act) (*Gesetz vom 18. Juni 2004 über die Finanzmarktaufsicht; Finanzmarktaufsichtsgesetz, FMAG*);
- FMA Communication 2013/7 – Guarantee in respect of the proper conduct of business;
- FMA Guidelines 2018/6 – Prudential assessment of qualifying holdings in e-money institutions under the Liechtenstein E-Money Act (EMA);
- FMA Guidelines 2017/20 – Prudential assessment of qualifying holdings;
- FMA Guidelines 2018/22 – Agents;
- EBA/GL/2017/09 – European Banking Authority (EBA) Guidelines on the information to be provided for the authorisation of payment institutions and e-money institutions and for the registration of account information service providers under Article 5(5) of Directive (EU) 2015/2366;
- EBA/GL/2019/02 – Guidelines on outsourcing arrangements;



- Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation);
- Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 646/2012 (CRR).