



regulatory oversight. It can be assumed that the legal certainty created by the TVTG will spur companies from various sectors to consider entering the market, which will, in turn, tend to lead to a growth in competition. From a client perspective and for the Liechtenstein financial market as a whole, a healthy competitive situation is very positive and can be assessed as advantageous.

Furthermore, the legislation affords consumers a basis for trusting in these new technologies that was not necessarily present before and facilitates the customers' search for suitable partners within the token economy. It can be expected that the law and the associated legal certainty will lead to Liechtenstein gaining in importance as a fintech and blockchain location for entrepreneurs and consequently allowing the location to benefit from new market participants. In addition, regulation discourages dubious market participants, which proactively minimizes reputational risks.

Ultimately, taking into consideration Liechtenstein's reputation as a financial center, the country is well-suited to provide all the services necessary to enable token-based projects to flourish. For example, Liechtenstein's membership in the European Economic Area allows for the passporting of certain licenses and services to Europe as a whole, affording entrepreneurs access to the European single market. Although this passport ability does not include the registration requirements that are specific to the TVTG, it is the

hope that this model will give way to a European-wide framework of a similar spirit. In fact, the structure and spirit of the TVTG already serves as inspiration for other jurisdictions, even those outside of Europe.

Only time will tell what the ultimate effect of this legislation is, but it is clear that the prospects are bright, and the blockchain community here looks forward to inviting more innovators to Liechtenstein to drive change that will undoubtedly be felt on a global scale.