

SEC-CFTC Joint Staff Statement (Project Crypto-Crypto Sprint)

Staff of SEC and CFTC

Sept. 2, 2025

Introduction

The SEC's Division of Trading and Markets and the CFTC's Division of Market Oversight and Division of Clearing and Risk (collectively, the "Divisions")^[1] are announcing a cross-agency initiative in furtherance of the SEC's Project Crypto and the CFTC's Crypto Sprint to coordinate efforts regarding the process for enabling the trading of certain spot crypto asset products.

The President's Working Group on Digital Asset Markets report on "Strengthening American Leadership in Digital Financial Technology" (the "PWG Report") recommends that the SEC and CFTC coordinate to make America the best place in the world to innovate with blockchain technology and participate in crypto asset markets.^[2] Specifically, the PWG Report recommends that the agencies should use their existing authorities to promote "regulatory clarity that best keeps blockchain-based innovation within the United States." As part of this effort, the Divisions are coordinating to issue guidance "regarding the listing of leveraged, margined, or financed spot retail commodity transactions on digital assets" to implement the PWG Report recommendations.

This joint statement provides the Divisions' view that current law does not prohibit SEC- or CFTC-registered exchanges from facilitating trading of these spot crypto asset products. As contemplated by the PWG Report, the Divisions' coordination will promote trading venue choice and optionality for market participants within the United States. In line with these goals, the Divisions stand ready to support consideration by their respective agencies of exchange trading in certain spot crypto asset products.

Spot Commodity Products

Absent an exception or other appropriate relief, the Commodity Exchange Act (CEA) requires that certain leveraged, margined, or financed "retail commodity transactions"^[3] be conducted on a CFTC-registered designated contract market (DCM) or on a CFTC-registered foreign board of trade (FBOT).^[4] One such exception is for retail commodity transactions listed on an SEC-registered national securities exchange (NSE).^[5] Today, the Divisions provide their view that DCMs, FBOTs, and NSEs are not prohibited from facilitating the trading of certain spot crypto asset products. Market participants are invited to engage with SEC staff or CFTC staff, as needed.

Considerations for Market Participants

The Divisions will promptly review filings and requests by DCMs, FBOTs, and NSEs seeking to facilitate trading of certain spot crypto asset products. As market participants prepare to submit any necessary registrations, proposals, or requests for appropriate relief to the SEC and/or CFTC, the Divisions stand ready to engage regarding any questions. The following considerations are relevant to market participants seeking to operate markets and trade spot crypto asset products:

- Margin, Clearing, and Settlement: In the Divisions' view, applicable rules permit clearinghouses to partner with a custodian to maintain customer accounts.
 - The SEC's Division of Trading and Markets stands ready to address questions from SEC-registered clearing agencies that wish to participate.
 - The CFTC's Division of Clearing and Risk stands ready to address questions from CFTC-registered derivatives clearing organizations (DCOs).
 - The Divisions stand ready to address any regulatory questions associated with commercial relationships between DCOs and NSEs.
- Monitoring of Underlying Markets: In the Divisions' view, sharing of reference pricing venues by NSEs, DCMs, and FBOTs enhances effective market surveillance. The Divisions stand ready to assist with any questions that arise related to effective information sharing.
- Public Dissemination of Trade Data: In the Divisions' view, public dissemination of transactions by NSEs and DCMs provides the public with valuable data. The Divisions stand ready to consider any questions that arise about making spot crypto asset market data from NSEs and DCMs publicly available.
- Promoting Fair and Orderly Markets: In the Divisions' view, efficient executions and transparency promote trading opportunities and competition among market participants. The Divisions are prepared to engage with trading venues about applying fair and orderly market principles as they seek to operate markets for participants to trade spot crypto asset products.
- Innovation with Investor and Customer Protections: The Divisions stand ready to work with market participants to encourage technological innovations in markets and trading while ensuring investor and customer protections.

Division Contacts

For further information regarding this joint initiative, please contact the respective offices of each Division below:

SEC Division of Trading and Markets, (202) 551-5777, tradingandmarkets@sec.gov

CFTC Division of Market Oversight, (202) 418-5000, DMOLetters@CFTC.gov

CFTC Division of Clearing and Risk, (202) 418-5430, DCR@CFTC.gov

[1] This statement represents the views of the staff of the Divisions. It is not a rule, regulation, guidance, or statement of the SEC or the CFTC, and the SEC and the CFTC have neither approved nor disapproved its content. This statement, like all staff statements, has no legal force or effect: it does not alter or amend applicable law, and it creates no new or additional obligations for any person.

[2] President's Working Group on Digital Asset Markets, Strengthening American Leadership in Digital Financial Technology (July 30, 2025), available at: <https://whitehouse.gov/wp-content/uploads/2025/07/Digital-Assets-Report-EO14178.pdf>.

[3] A "retail commodity transaction" is any agreement, contract, or transaction in any commodity that is entered into with, or offered to (even if not entered with), a person that is not an eligible contract participant or eligible commercial entity; and entered into, or offered (even if not entered with), on a leveraged or margined basis, or financed by the offeror, the counterparty, or a person acting in concert with the offeror or counterparty on a similar basis. 7 U.S.C. § 2(c)(2)(D)(i)(I)-(II).

[4] 7 U.S.C. § 2(c)(2)(D)(iii).

[5] 7 U.S.C. § 2(c)(2)(D)(ii)(IV).

Last Reviewed or Updated: Sept. 2, 2025