



Blockchain and the EU Single Market: what future?, 9th June, Algorand and the European University Institute

A unique gathering of EU policy makers, regulators, academics, business leaders, and blockchain association representatives took place in Florence, in a round-table organised by the School of Transnational Governance of the European University Institute (EUI). EUI is the University of the EU officials and it is an EU Institution.

The EUI Policy Dialogue, which was organised with the support of the Algorand Centre of Excellence (ACE), discussed three major topics: (1) the role of blockchain in the framework of Digital Europe, (2) the tokenization of payment systems and the impact of MiCA as a global regulatory standard, and (3) the tokenization of financial and real assets with particular emphasis on the DLT Pilot Regime Regulation.

GBBC Digital Finance had a prominent role in this discussion with three of its Board Members invited. Lawrence Wintermeyer participated in the tokenization of assets panel, Sandra Ro in the panel about Blockchain and Digital Europe, and Dimitris Psarrakis, moderated the panel of tokenization of assets.

In the first panel, with the participation of Andrea Renda (EUI and CEPS), Primavera de Filippi (Harvard University), Joachim Schwerin (European Commission), Peteris Zilgalvis (EU Court of Justice) and Sandra Ro, the discussion was about the competitive advantage of the European Union in the field of DLTs. The panel discussed the ecosystem, regulatory and strategic dimensions of Blockchain in transforming business and operational models, improving efficiency and delivering value in several markets and social settings.

The second panel discussed MiCA. Leonardo Giani (EUI) moderated the discussion with the participation of Harald Uhlig (University of Chicago), Christiana Vovidou (European Commission), Alessia Benevelli (European Banking Authority), and Benjamin Burlat (ESMA). The discussion was about how financial markets will look like the day after the adoption of MiCA, how MiCA can become a global regulatory standard that will influence other jurisdictions, and challenges in the drafting of the Regulatory and Technical Standards (RTS). Dimitris Psarrakis, in his intervention stressed the importance of seeing MiCA licencing process in line with the DORA Regulation (especially the operational resilience of CASPs), the systematic risk of the omission of staking as service of the Centralised Exchanges, and the need to clarify the scope of DeFi and DEXs.

The third panel was about the tokenization of financial and real assets. Dimitris Psarrakis moderated this panel with the participation of Lawrence Wintermeyer, Martin Diehl (Bundesbank), Alina Dragomir (ESMA), Barbara Halasek (UBS) and Marcus van Abbe (r3). The discussion was about the economic benefits of tokenization of financial assets, the reduction of friction in the financial value chains, and the impact of the DLT Pilot Regime in the operational efficiency of MTFs, Clearing Houses and Central Counterparties. Participants also discussed the utility of a Digital Euro for the last leg of the clearing of a financial transaction, the compliance and AML challenges and the benefits of embedded supervision.

The Policy dialogue was concluded with a fireside chat between Martin Diehl of Bundesbank and Bjarke Smith-Meyer of Politico, where emphasis was placed on the



characteristics and the utility of a future Digital Euro project, the technological challenges, the impact of a Digital Euro in the monetary sovereignty of the Union and the competitive advantage of a Digital Euro in a global market.

The EUI Policy Dialogue, was an excellent opportunity for GBBC Digital Finance to deepen its relationship with the leading EU policy makers and strengthen its role as trusted partner of the EU Institutions in the development and implementation of the blockchain regime in Europe.