

## Blockchain Strategy

The EU wants to be a leader in blockchain technology – not just by using it but also as an innovator and as a home to significant blockchain platforms, applications and companies.



Blockchain technology allows people and organisations who may not know or trust each other to collectively agree on and permanently record information without a third-party authority. By creating trust in data in ways that were not possible before, blockchain has the potential to revolutionise how we share information and carry out transactions online.

The EC's strategy is designed to meet these goals. At a high level, the EC wants to support a “gold standard” for blockchain technology in Europe that embraces European ideals and its legal and regulatory framework.

This “gold standard” for blockchain includes:

- **Environmental sustainability:** Blockchain technology should be sustainable and energy-efficient.
- **Data protection:** Blockchain technology should be compatible with and where possible support Europe's strong data protection and privacy regulations
- **e-Identity:** Blockchain technology should respect and be compatible with, but also enhance the usefulness of, Europe's evolving e-Identity framework. This includes being compatible with e-signature regulations, such as eIDAS, as well as supporting a sensible, pragmatic decentralised and self-sovereign identity framework.
- **Cyber security:** Blockchain technology should be able to provide high levels of cyber security.
- **Interoperability:** Blockchains should be interoperable between themselves and with legacy systems in the outside world.

# Elements of the EC's blockchain strategy

The EC is strongly supporting blockchain on the policy, legal and regulatory, and funding fronts. The most significant parts of the strategy include:

- **Building a pan-European public services blockchain:** The European public sector is playing a trailblazing role in blockchain by building its own blockchain backbone infrastructure for the public sector and including, over time, interoperability with private sector platforms. This vision is being realised through the European Blockchain Partnership, a joint effort of all 27 EU Member States, Norway and Liechtenstein and the European Commission. The output is the European Blockchain Services Infrastructure (EBSI), which will come into production in 2021.
- **Promoting legal certainty:** The EC recognises the importance of legal certainty and a clear regulatory regime in areas pertaining to blockchain-based applications. It is currently focusing on developing a pro-innovation legal framework in the areas of digital assets (tokenisation) and smart contracts that protects consumers and provides legal certainty for businesses. The EC strongly supports a pan-European framework and hopes to avoid legal and regulatory fragmentation. With the view to increase investments and to ensure consumer and investor protection, the Commission recently released a proposal for regulating crypto assets, updating the anti-money laundering rules for crypto assets, and creating a pan-European regulatory sandbox for innovative blockchain solutions.
- **Increasing funding for research and innovation:** The EU provides funding for blockchain research and innovation both through outright grants and by supporting investment. Grants are given through the Horizon programme. From 2016-2019, the Commission provided some EUR 180 million in grants through Horizon 2020. Significant budget for further grants is expected in the follow-up Horizon programme, known as Horizon Europe. The EC supports investment in blockchain startups and projects through the new AI & Blockchain Investment fund, which invests in venture capital funds targeting AI and blockchain startups and early stage ventures.
- **Promoting blockchain for sustainability:** The EU recognises the potential of, and supports the use of blockchain technology in, fostering sustainable economic development, addressing climate change, and supporting the European Green New Deal.
- **Supporting interoperability and standards:** The EC believes strongly in the importance of standards in promoting blockchain technology. It is involved in the work of ISO TC 307, ETSI ISG PDL, CEN-CENELEC JTC19 and IEEE and in ITU-T as far as blockchain is concerned, and looks to engage with all relevant bodies globally like INATBA (see below).
- **Supporting blockchain skills development:** There are initiatives focused on skills development coming to ensure the high level skills that are needed are available.
- **Interacting with the community:** The EC interacts with the private sector, academia and the blockchain community primarily through two bodies:
  - The International Association of Trusted Blockchain Applications (INATBA) is a public/private partnership designed to bring the Member States of Europe together with the private sector as well as other stakeholders like academia to further the blockchain ecosystem in Europe. INATBA promotes interoperability of blockchain technologies and good governance, and acts as interlocutor of governments and international bodies.
  - The European Blockchain Observatory and Forum, which is an European Parliament funded Pilot Project, aims to pool expertise to identify and monitor blockchain initiatives and trends globally to create a comprehensive, publicly available source of blockchain knowledge, in support of the blockchain ecosystem within the EU.

# Related Content

## Big Picture

Blockchain

A European way of using blockchain technology will build a more secure online environment for EU citizens and businesses.

## Dig deeper

Blockchain funding and investment

The EU provides funding for blockchain research and innovation through outright grants and prizes, and by supporting investment.

[European Blockchain Services Infrastructure](#)

The European public sector is playing a trailblazing role in blockchain by building its own blockchain backbone infrastructure for the public sector with, over time, interoperability with private sector platforms. This is known as the European Blockchain Services Infrastructure...

[Legal and regulatory framework for blockchain](#)

The European Commission recognises the importance of legal certainty and a clear regulatory regime in areas pertaining to blockchain-based applications.

[Blockchain for climate action](#)

The European Commission aims to use innovations in blockchain technologies to help fight climate change.

Blockchain standards

The European Commission takes an active role in the blockchain standards community, engaging and working closely with all relevant bodies around the world.

[European Blockchain Partnership](#)

The European Blockchain Partnership (EBP) is an initiative to develop an EU strategy on blockchain

and build a blockchain infrastructure for public services.

EU Blockchain Observatory and Forum

The EU Blockchain Observatory and Forum facilitates dialogue between decision makers, thought leaders, and the blockchain community.

---

**Source URL:** <https://digital-strategy.ec.europa.eu/policies/blockchain-strategy>