

Article Information

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Blockchain Bites: Mastercard expedites CBDC exploration, WeWork welcomes digital currencies for payments in and out, US show its ongoing support for BTC and digital assets, Venmo enables digital currency purchases in-app

Michael Bacina, Barbara Vrettos and Jade McGlynn of the Piper Alderman Blockchain Group bring you the latest legal, regulatory and project updates in Blockchain and Digital Law.

Mastercard expedites CBDC exploration

Mastercard positioned itself early as a key institutional player to facilitate central bank digital currencies (CBDCs). The Q1 2021 earnings call foreshadows no intention to slow down as Mastercard will begin to explore applications to exist on top of CBDCs.

[Earlier this year](#) Mastercard established a framework for their digital asset endeavours. Primarily this involved bolstering consumer protection, AML/CTF compliance and a focus on spending rather than investment and holding. The foray into smart contracts appears to be the next step here.

Michael Miebach, CEO of Mastercard, [said](#) that Mastercard intends to explore applications that can exist on top of CBDCs and that:

this could be a smart trade contract...So smart contract technology is what we're investing in.

Mastercard has hinted that it has "[several new crypto partnerships approved for launch this quarter](#)". It will be interesting to see if, and how, these partners harness the proposed smart contract functionality and whether this raises any regulatory concerns as Mastercard potentially dabbles into is offering a smart trade contract.

WeWork welcomes digital currencies for payments in and out

The global powerhouse of shared office space, which has had a surprising rebound during COVID after it's much maligned attempted initial public offering last year, has announced it will be receiving payments in digital currencies and offering to make payments in digital currencies as well.

WeWork joins other high profile businesses accepting digital currencies which include Wikipedia, Microsoft, AT&T, Overstock, [Twitch](#), the [Miami Dolphins](#), the [Dallas Mavericks](#), and Piper Alderman (see [here](#) for a list for the USA and [here](#) for a list of Australian retailers).

What is notable is that WeWork plans to both accept and make payments to landlords and third party partners who want to be paid in digital currency, which is a step further than merely accepting Bitcoin. WeWork is partnering with [BitPay](#) and [Coinbase](#) to offer this additional functionality, which is sure to help in the mainstreaming of digital assets.

Here in Australia, [RelayPay](#) partnered with Piper Alderman to offer payment of our invoices in a range of digital assets including the major cryptocurrencies and stablecoins.

US continues to show its support for Bitcoin and digital assets

In the space of a week the US has demonstrated its ongoing intentions to provide more supportive guidance and clearer regulatory parameters for digital assets in the wake of it's increased mainstream attention.

Last Tuesday, the United States House of Representatives [passed new legislation](#) with a key focus on creating "*regulatory clarity for cryptocurrencies*" through the establishment of a digital asset working group with "*members from the SEC, CFTC and the private sector*". Introduced by Representative Patrick McHenry, this particular act was coined the [Eliminate Barriers to Innovation Act](#).

Following the trend of support, [last Friday](#) the state of Louisiana published a resolution which gave a special mention to Bitcoin and some of it's recent accomplishments.

The [House Resolution \(No.33\)](#) touted the success of Bitcoin:

in becoming the first decentralized trillion dollar asset and to encourage the state and local governments to consider ways that could help them benefit from the increased use of this new technology.

Consequently, the resolution followed that:

THEREFORE, BE IT RESOLVED that the House of Representatives of the Legislature of Louisiana does hereby commend Satoshi Nakamoto for his contribution to economic security.

With [Bitcoin's market cap broke above \\$1 trillion](#), "*signalling growth of more than 900% in less than one year*", the incentive is clear for U.S regulators to unify the patchwork of digital asset regulations to encourage innovators to enter, and remain in, the U.S market.

Venmo joins Paypal in enabling digital currency purchases in-app

In another step towards wider adoption, payment giant Venmo has recently released in-app purchasing of digital currency, giving their 70 million users access to Bitcoin, Litecoin, Ethereum and Bitcoin Cash.

This follows [Paypal's move in April](#) in giving US users the ability to purchase digital currencies within Paypal's ecosystem. Venmo is using the [Paxos Trust Company](#), which Paypal is also partnered with, to provide the digital asset conversion and custody.

More than 30% of Venmo users already own digital currencies and 20% of those started their digital currency journey during the COVID pandemic. The rollout is to be staged, with Darrell Esch, General Manager of Venmo, saying:

No matter where you are in your cryptocurrency journey, crypto on Venmo will help our community to learn and explore cryptocurrencies on a trusted platform and directly in the app they know and love.

No word yet on when this will be available to Australian customers either from Paypal or Venmo, but at a recent Blockchain Week event hosted by the Australian Stock Exchange, Paypal's Simon Banks said that Paypal would be looking to bring their digital currency purchasing offering to Australians "*as soon as we can*".