

Article Information

Author: Michael Bacina

Service: Blockchain, FinTech

Sector: Financial Services

Blockchain Bites: Canadian Walmart branches into blockchain, France test trial digital currency, Germany passes breakthrough bill

Walmart Canada has introduced an automated blockchain-based network for payments management, France's central bank has announced plans to test a digital currency as early as the first quarter of 2020, and Germany will very soon be able to provide digital assets to their clients. Michael Bacina, Louisa Xu, Tom Skevington and Petros Xenos of the Piper Alderman Blockchain group bring you the latest legal, regulatory and project updates in Blockchain.

Switzerland proposes new and improved regulatory framework for DLT

12 months after [announcing](#) a government-wide blockchain strategy, which has included ongoing consultation aiming to create a more certain legal foundation for DLT, the Federal Council of Switzerland has detailed its [proposed updates to banking, corporate and financial infrastructure laws to accommodate DLT](#). Rather than propose the introduction of new laws specific to blockchain, the proposal sensibly provides for specific amendments to nine federal acts, covering both civil law and financial market law. Parliament is slated to examine the proposal in detail in early 2020.

The regulatory environment has certainly attracted global attention, with the Libra Association choosing Switzerland as a base to establish operations. While Switzerland hasn't shown as much aversion to blockchain application as some of its [neighbours](#), legislators have been frank about the challenges. The Swiss blockchain strategy has acknowledged that the true potential of blockchain "cannot yet be conclusively estimated" as it has yet to be tested on a widespread scale. Similarly, the initial government report talks frankly about the implications for anti-money laundering, counter-terrorism financing and monetary policy of the rise of digital currency.

Juventus score blockchain screamer into the top corner

Juventus have signed a multi-year strategic partnership with blockchain and crypto platform [Socios.com](#) to create the Juventus Official Fan token. This comes two weeks after Socios.com announced it had [signed a similar deal](#) with French football club Paris Saint Germain (PSG). Juventus boast 340 million supporters across the globe and a 60 million social media fanbase. The tradeable Fan Token \$JUV will enable fans to participate in a mobile voting and polling platform.

Juventus has already begun implementing this technology, and have given fans the first opportunity to join the voting process through Socios.com, deciding the platform's official music which will be used to replace Chelsea Dagger by The Fratellis, the song that currently plays whenever the Juventus team scores a goal at the Allianz Stadium. Voting by fans on the goal song is a small start, but the continued growth of blockchain systems into sport is showing the marathon of technology adoption is continuing.

France's central bank to test trial digital currency in 2020

The global digital currency race has been rapidly picking up speed in the latter half of 2019 with the [Banque De France](#), France's central bank, [announcing plans to test](#) a digital currency as early as the first quarter of 2020. [Reports](#) suggest that Libra and China's moves towards a Central Bank Digital Currency (CBDC) have pressured the French government into accelerating plans for launch.

Central bank's Governor Francois Villeroy de Galhau says the creation of a CBDC is a crucial focus, saying: "We want to start running experiments rapidly and will launch a call for projects before the end of the first quarter of 2020." Speaking on Wednesday at a [finance conference](#) in Paris, Villeroy said that he was eager to support the use of a CBDC to exchange and settle tokenized financial assets between financial companies.

France's central bank has advertised for an experienced crypto-economics [analyst](#) with a solid knowledge of game theory and public or private blockchain as well as a [development engineer](#), to work on the bank's digital strategy and identify blockchain applications for key banking functions. France have joined an increasing list of countries, including the US, Canada and China, which are experimenting with digital currencies. Unfortunately Australia remains absent from that list.

Breakthrough German law allows banks to sell bitcoin in 2020

A local German news outlet, [Handelsblatt](#), has reported that under the new law titled, '[Law Implementing the Amending Directive to the Fourth EU Money Laundering Directive](#)', banking institutions in Germany will very soon be able to provide digital assets to their clients. The bill has already been passed by Bundestag, Germany's federal parliament. Effective from 1 January 2020, banks will be able to provide their clients crypto investments alongside traditional securities like bonds and stocks with just a "push of a button."

Companies wishing to continue to provide services in Germany now have three options:

1. set up a German company before the end of this year, and then apply for a licence;
2. work with a cryptocurrency custodian who is licensed in Germany,
3. work with a licence provider, which can offer a "complex but clever" solution.

Companies have already begun to act on the new German law. Crypto Storage, a subsidiary of Swiss financial services provider, [Crypto Finance](#) announced plans to [open an office](#) in Frankfurt. Given the risk of debanking of cryptocurrency companies in years past, this law is a very positive movement towards embracing digital assets and enabling banks to use their trusted position in society to help introduce more investors to these products.

Bacina at Blockchain for Oil & Gas Australia

Thank you to [Energy and Blockchain Conference Networks](#) for having Michael Bacina on panel with [Nicholas Giurietto](#) of [Blockchain Australia](#), [Dr Jemma Green](#) of [Power Ledger](#), [John Phillips](#) of [460degrees](#), and [Graham Oakford](#). A very interesting panel with insightful commentary and in depth questions from a knowledgeable Audience.

Walmart Canada branches into blockchain for freight and payments management

The Canadian branch of the retail giant, Walmart, has [introduced an automated blockchain-based network](#) for payments management and freight tracking. The new system was developed in collaboration with the blockchain company [DLT Labs](#). It is designed to improve freight and payment processing, and helps users to automatically verify transactions, trace deliveries, and handle reconciliation and payments.

While some retail giants have expressed their own doubts regarding blockchain, Walmart has been an early adopter of blockchain to manage, integrate and synchronize at least some of its supply chain and logistics data in real-time and on a shared ledger.

This announcement follows [a patent application](#) submitted by Walmart earlier this year for a drone communication system based on blockchain technology. In theory, that vehicle-to-vehicle communication system between unmanned drones with a mesh communications networks, relay messages, and allow machines to be aware of each other's bearing and location.

FinCEN Head heeds warning that AML crypto rules will be strictly enforced

Kenneth A. Blanco, Director of the Financial Crimes Enforcement Network (FinCEN) Director [has recently stated that](#) anti-money laundering (AML) laws will be strictly enforced when it comes to cryptocurrencies. Speaking at the [Chainalysis Blockchain Symposium](#), Blanco said that an increased number of cryptocurrency businesses are reporting suspicious transactions to the government, with FinCEN having received more than 10,000 suspicious activity reports related to virtual currencies since its [advisory went live](#) in May.

The US are not alone in this pursuit, as in June of this year, the Financial Action Task Force, a Paris-based task force operating as a global regulatory firm, [released guidelines](#) requiring regulators and virtual asset service providers to collect and share personal data of transactions. The recommendation imposed the same standards on the cryptocurrency sector as those that are normally shouldered by the banking industry.

Stablecoins soar in on-chain volume and transactions

Despite regular criticism of stablecoins by government and regulatory officials due to their perceived risk to the existing financial landscape, a recent [TradeBlock](#) report has found that the aggregate total on-chain transfer volume across the five largest stablecoins is now greater than Venmo's (a mobile payment service owned by PayPal) total payment volume.

Stablecoins address the volatility concerns which have plagued most decentralised cryptocurrencies, but carry their own risks, particularly in the case of the [much maligned](#) Tether. Rafael Cosman, Co-Founder, and Head of Engineering of TrustToken, stated that Facebook's Libra project, despite facing strong regulatory headwinds, has opened "all kinds of doors" for the use of stablecoins, and will not only find more and more use cases within the crypto markets, but within the conventional market as well.

As central banks around the world continue to take note of international stablecoin proposals, it appears that it is only a matter of time until a developed economy decides to issue a central bank digital currency, almost certainly in the form of a cryptographic stablecoin.

Ben & Jerry's serves a scoop of blockchain for its birthday

World-wide famous ice-cream company Ben & Jerry's have partnered with [Vatom-powered development platform BLOCKv](#) to celebrate the company's 10th birthday in Australia and host a virtual ice cream hunt powered by non-fungible tokens (**NFTs**)

[BLOCKv's Blockchain enabled digital objects technology](#) is running an [Augmented Reality ice cream hunt experience](#). Until 22 December, redeemable treats will be dropped around Ben & Jerry's stores in cities across Australia and New Zealand. Each lunchtime, the treats will be dropped near Ben & Jerry's shops and Hoyts cinemas. After redemption, participants will go into a draw for the chance to win a year's supply of Ben & Jerry's ice cream.

Bacina at West Tech Fest

Thanks to [Blockchain Australia](#) for having Michael Bacina on panel in Perth for the Australian Blockchain Roadshow with [Dr Jemma Green](#), [Leigh Travers](#), [Lasanka Perera](#) moderated by [Sheree Ip](#). Also thanks to [Power Ledger](#) for hosting. [Anya Nova](#) you and [David Jackson](#) were missed! Great to see and catch up with [Michael Casey](#), and [Ben Ritchie](#).

Blockchain to save food industry \$31 billion by 2024

Studies conducted by [Juniper Research](#) have found that blockchain's ability to trace food across the supply chain, will enable food fraud savings amounting to USD\$31 billion (AUD\$49) by 2024. Food fraud savings will begin to be unlocked in 2021, and by 2024, the use of blockchain and Internet of Things (IoT) technology (a system of interrelated computing devices which transfer data over a network) could reduce food compliance costs for businesses by up to 30 per cent.

From our experience, the greatest resistance to adoption blockchain in supply chain has been from the end participants, who may be reluctant to give up more data to their customers for fear of it being used against them. Supply chain systems which properly consult and create buy-in, showing the value which can come back to participants, are likely to dominate the market. Those which amount to a centralised party requiring more data and compliance from suppliers are more likely to be treated like current supply chain systems, a necessary evil.