

Article Information

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Service: Blockchain, FinTech

Blockchain Bites: Free Webinar on Coronavirus, RBA cash survey, COVID-19 project delays, Digital Dollar & US stimulus bill...

Michael Bacina, Tom Skevington, Louisa Xu and Petros Xenos of the Piper Alderman Blockchain Group bring you the latest legal, regulatory and project updates in Blockchain and Digital Law.

Free Webinar - Coronavirus resilience and recovery

With the escalating COVID-19 (Coronavirus) crisis presenting the gravest challenge to the physical and economic well-being of Australians in decades, businesses are considering how to ensure they can survive.

To assist businesses in this difficult time, Piper Alderman is hosting a free virtual webinar on Thursday, 2 April, to provide practical insights and real world solutions in the areas of employment & workplace law, contract law, insolvency & director responsibilities among others. You can register for the [webinar here](#).

The webinar will start at 10:00am, and is expected to run for 90 minutes.

Piper Alderman publishes comprehensive 'Cryptoassets and Blockchain Australia 2020' guide

[Piper Alderman](#) has authored the Australian chapter of Getting the Deal Through - Cryptoassets and Blockchain 2020, published by [Lexology](#). The guide provides a timely and comprehensive snapshot of the current legislative and regulatory issues affecting the cryptoasset and blockchain ecosystem.

Written by [Michael Bacina](#) and [Tom Skevington](#), the Australian chapter of the 2020 guide covers a range of topics including cryptoasset regulation, central bank digital currencies, sales and marketing, ICOs, STOs, financial crime, mining, privacy, data protection and cybersecurity, intellectual property rights, tax and latest trends in the industry.

You can download the Australian chapter [on our website](#). The [2020 guide](#) also includes chapters for Austria, India, Japan, Singapore, Switzerland, Taiwan and Turkey.

RBA payment survey shows skyrocketing use of electronic payment methods

In late 2019, the Reserve Bank of Australia (RBA) undertook its fifth comprehensive Consumer Payments Survey (CPS). The CPS showed that Australians are continuing to switch to electronic payment methods in preference to cash, and in particular, debit cards overtook cash as the single most frequently used payment method.

This is before the spread of coronavirus, which is expected to further drive the move to electronic payments as part of social distancing.

The results show that in 2019, 27 per cent of all consumer payments were made with cash, compared with 37 per cent in 2016 and 69 per cent in 2007. These findings mirror the findings of the Bank for International Settlements, the Financial Conduct Authority (FCA) in the UK, and various other central banks who have noted the rapidly declining use of cash, and the corresponding increase in electronic payment methods.

The RBA also emphasised the number of alternative means of payment that have emerged or attracted greater attention, with particularly attention going towards, buy now, pay later services, digital currencies (including cryptocurrencies), and the ability for real-time account-to-account bank transfers using PayIDs via the New Payments Platform (the NPP).

Interestingly, the RBA specifically referred to Bitcoin, saying:

"Although many respondents had heard of 'cryptocurrencies', very few had used a cryptocurrency such as Bitcoin to actually make a consumer payment over the past year"

Opera Browser adds Apple Pay and delivery of debit card digital currency promise

The [Opera](#) browser app has [partnered](#) with e-payments startup [Wyre](#) to expand the capability of Opera's built-in wallet. This partnership is set to bring Apple Pay functionality to the iOS version of Opera, and debit card integration for the Android version.

Users are now able to purchase up to \$250 in Bitcoin or Ether directly through the browser daily. Each purchase will incur a 30 cent fee on top of a 2.9 percent transaction commission.

Opera's Head of Crypto Charles Hamel stated that this is not intended to appeal to investors and speculators, but to decentralised app (dApp) developers and day-to-day users, saying:

"As our browser-based wallet is focused around the usage of cryptocurrencies on the web and using dApps, we expect the vast majority of transactions will not hit that limit."

Russia reveals Bill regarding regulatory sandboxes

When it rains it pours, as the Russian government is set to join the [growing list of governments](#) establishing regulatory sandboxes to facilitate the development of cutting-edge technologies like artificial intelligence and blockchain.

While the [recently introduced](#) Bill by Prime Minister Mikhail Mishustin does not directly mention blockchain or cryptocurrencies, it contains an explanatory note which details distributed ledger as one of the technologies that could be explored in the new "experimental regulatory regimes."

The Bill proposes that live-tests of these technologies should be conducted within the industries of medicine, transportation, distant learning, financial markets, online commerce and other sectors.

Digital US Dollar Set-up then Sliced from Stimulus Bill

Sadly, after getting a lot of people excited, the latest version of the USA's stimulus bill, the [Take Responsibility for Workers & Families Act](#), has removed all mention of a digital US dollar or digital wallet framework.

Many had been very excited to see a proper framework in a bill, and had seen really interesting prospects for the use of a CBDC for the distribution of stimulus money and it is a real shame that what could have been a bold and innovative move by the US will now leave China to be the first to issue a CBDC.

The positive is that the [original bill](#) will remain a source of inspiration to the deployment of a digital dollar and how that might function to bring into alignment the creation of paper and digital money at the Reserve Bank level.

CBDC to the rescue? COVID-19 stimulus proposes digital wallets and digital currency

The world's governments have been rushing to implement gargantuan stimulus packages to stave off a recession (or depression) caused by the Western world going into lockdown to stop the march of the COVID-19/Corona Virus.

In [HR 6321](#), a bill "To provide financial protections and assistance for America's consumers, States, businesses, and vulnerable populations during the COVID-19 emergency and to recover from the emergency", introduced by Congresswoman Maxine Waters, is proposing, in order to get cash payments quickly to US consumers, that a "digital wallet" and "digital currency" be issued to facilitate the payments.

Also the "Take Responsibility for Workers & Families Act" (TRWF Act) proposed by Speaker Nancy Pelosi reportedly also contains references to digital currency (but this is not on the [Act one page summary](#) currently online).

Eth Miner CoreWeave contributes computers to COVID-19 calculation project

GPU computing provider [CoreWeave](#), which is the largest US-based miner on the Ethereum network, has directed 6,000 of its graphics processing units (GPUs) to the [Folding@home](#) COVID-19 research project.

The Folding@home project has been operating since October 2000, and operates by pooling idle processing resources of personal computers owned by volunteers who have installed the software on their systems to run statistical simulations

analysing complex proteins. On 2 March 2020, Folding@home [announced](#) that it had over 470 petaFLOPS of compute power, making it one of the most powerful super computing systems in the world.

CoreWeave has also agreed to donate 1 hour of GPU time to Folding@home for every \$1 spent on its CGI rendering website, [conciierge render](#).

ASIC takes 'no action' position on hybrid, virtual and deferred AGMs

Recent restrictions in response to the coronavirus in Australia presently prevent mass gatherings of over 100 people taking place. Publicly listed companies are required to hold an annual general meeting each year by law. However, to address the challenge of holding a meeting at which more than 100 people may gather, when that is not allowed, ASIC has issued a 'no action' letter for listed and unlisted public companies that would be required to hold an Annual General Meeting (AGM) by 31 May 2020.

ASIC will adopt a two-month 'no-action' position for entities with a financial year end of 31 December 2019 that do not hold their AGM by 31 May 2020.

This means that ASIC will not take action against an entity who fails to comply with section 250N(2) of the Corporations Act 2001 (Cth), provided that the entity holds the AGM by 31 July 2020 (or such later date to be advised by ASIC).

ASIC also intends to take a 'no action' position on "virtual AGMs" if those meetings would be non-compliant with the Corporations Act if held before 31 May 2020, so long as the technology used for the meeting provided the meeting complies with section 249S.