

Article Information

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Blockchain Bites: National Blockchain Roadmap Working Groups, FATF reports on stablecoins, more SEC settlements, and Blockchain Australia appoints new CEO

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

Applications open for National Blockchain Roadmap Working Groups

The [National Blockchain Roadmap Steering Committee](#) has [invited](#) the Australian blockchain community to express interest in joining two working groups to tackle the issues around supply chains and credentialing as part of the [National Blockchain Roadmap](#).

The two working groups will focus initially on the following:

1. supply chain use cases in the agricultural section; and
2. credentialing use cases in education.

Speaking to the committee's commitment to consultation, Chloe White, the National Blockchain Roadmap Lead said that:

We are committed to engaging the community as much as possible to ensure that the Roadmap is implemented in a genuinely collaborative way. The Australian blockchain sector is highly energised to participate in policy processes... with around 50 applications submitted on the first day!

European Innovation Council awards €5 million prize on Blockchains for Social Good

The European Innovation Council (EIC) has [awarded](#) €5 million to six high-impact blockchain solutions designed with a social innovation focus. Maria Gabriel, Commissioner for Innovation Research, Culture, Education and Youth commended the projects, saying:

The proposed solutions show how blockchain can create positive social change by supporting fair trade, increasing transparency in production processes and e-commerce and contributing to financial inclusion by exploring decentralised economic structures. I hope that this award can help upscale these outstanding ideas and inspire many others innovators.

Centre blacklists a digital wallet at law enforcement request

In what appears to be the first of its kind, Centre, issuer of USDC, a stablecoin (or if you are [FATF](#) a "so-called [stablecoin](#)") with over US\$1BN in issued tokens, has blacklisted a digital wallet address.

The [Block Crypto reports that](#) Centre said:

Centre can confirm it blacklisted an address in response to a request from law enforcement.

While we cannot comment on the specifics of law enforcement requests, Centre complies with binding court orders that have appropriate jurisdiction over the organization.

FATF reports on ‘so called stablecoins’

The [Financial Action Task Force \(FATF\)](#), the global anti-money laundering (AML) and counter-terrorist financing (CTF) regulator, has [released a report on stablecoins](#). The report comes in response to the G20’s request in October 2019 that the FATF consider the AML and CTF issues concerning stablecoins.

The report (somewhat passively aggressively) refers to stablecoins as “so-called stablecoins” throughout, supposedly on the basis that:

FATF considers that the term “stablecoin” is not a clear legal or technical category, but is primarily a marketing term used by promoters of such coins. In order to avoid unintentionally endorsing their claims, this report therefore refers to them as “so-called stablecoins”

Sadly, the report fails to include even one reference to blockchain, or how an immutable and distributed ledger can have significant benefits for fraud prevention in a stablecoin system (or in a digital currency system).

SEC settlements amid token troubles - another USD\$29.3 million ordered to be paid

With all the excitement from the Telegram case, leading to their SEC [settlement](#) and agreement to pay a civil penalty of USD\$18,500,000 for its ICO plus disgorgement of USD\$1.22 billion, another ICO issuer [BitClave](#) had a settlement [announced in late May](#) for the sale of their Consumer Activity Token (CAT). BitClave agreed to disgorgement of USD\$25,500,000, prejudgment interest of USD\$3,444,197 and a penalty of USD\$400,000.

The SEC’s order found that by selling CAT, which the SEC says constituted securities, to approximately 9,500 investors and raising USD\$25 million in the process BitClave violated the registration provisions of US federal securities laws.

Blockchain Australia appoints Steve Vallas as new CEO

Steve Vallas has been [appointed](#) into the role of Chief Executive Officer of [Blockchain Australia](#), effective from 1 July 2020. Vallas replaces Nick Giurietto, who led Blockchain Australia and its predecessor the Australian Digital Currency Association (ADCA) since early 2016.

Vallas joins Blockchain Australia as CEO at a turning point in the Australian, and broader blockchain industry.

Vallas identifies developing confidence in the sector as a key priority for Blockchain Australia going forward, saying:

The promise of the Blockchain industry is extraordinarily expansive, but before we build out that capability we require renewed focus on establishing confidence. Confidence in our vision, confidence in the regulatory frameworks that underpin this emergent technology and confidence in the people and organisations that will drive the uptake in this space.