

Milano, 8/12/2024

Welcome to the latest edition of the **Jean Monnet Chair FUTMOFIN Newsletter!**

In this issue, you'll find updates on the development of the project, along with insights into the ongoing transformation of money and finance driven by blockchain innovation and the climate and sustainability transition.

First, we'd like to remind you to explore our **Open Knowledge Platform**, which offers valuable information and perspectives on the debate on the Future of Money and Finance (<https://futmofin.unimi.it/openknowledgeplatform/>).

Part A, focused on sustainability and the climate transition, is now complete and consists of five chapters. **Part B**, which covers the blockchain transformation of money and finance, will be released progressively over the coming weeks.

If you would like to **contribute to the project**, please feel free to contact us at futmofin@unimi.it

Second, we invite you to join us on **December 9-10** for the **FUTMOFIN Workshop**, entitled "Future and challenges of the EMU", where we can discuss these topics and more on European Monetary and Economic Law. We look forward to seeing you there!

Lastly, here are some updates related to the topics explored by the Jean Monnet Chair FUTMOFIN:

1. Rising Interest in Cryptocurrencies

Global interest in cryptocurrencies continues to grow. As part of his campaign, newly elected US President Donald Trump promised to make the US the leader in the crypto industry, proposing a national Bitcoin stockpile should he win the election. This has contributed to a surge in interest, with **Bitcoin approaching the \$100,000 mark per unit**, driving the current crypto rally. In Chapter 1 of Part B of the Open Knowledge Platform, which will be published soon, you'll find an overview of blockchain technology's core features, including the Bitcoin protocol (you can read the Bitcoin Whitepaper here: <https://bitcoin.org/bitcoin.pdf>), and the most relevant applications such as smart contracts, fungible and non-fungible tokens (NFTs), decentralized finance (DeFi), and more.

2. The UN Climate Conference of Parties (COP29)

At the recent COP29 in Baku, Azerbaijan, nearly 200 countries gathered under the **framework of the UNFCCC and the Paris Agreement** (official website: <https://unfccc.int/cop29>). The conference concluded with the approval of the New Collective Quantified Goal on Climate Finance, which sets a new target for climate-related financial support. The agreement aims to increase climate finance for developing countries, with the goal of tripling the current annual target from \$100 billion to \$300 billion by 2035. By 2035, the aim is to scale up finance to developing countries to \$1.3 trillion per year, from both public and private sources, to help them protect their populations from climate risks and benefit from the clean energy transition.

3. Advancing the Digital Euro

The **European Central Bank (ECB)** has released its **second progress report on the digital euro** (you can read the full report here: https://www.ecb.europa.eu/euro/digital_euro/progress/html/ecb.deprp202412.en.html). Launched on November 1, 2023, this phase is laying the groundwork for the potential introduction of a digital euro. The project aims to make central bank money available to the public in digital form, potentially providing an official digital currency issued by the ECB and distributed directly to EU citizens as legal tender. The Digital Euro (a type of Central Bank Digital Currency, or CBDC) could serve as the state's response to the growing digital payments revolution and the rise of cryptocurrencies as alternatives to traditional currencies and payment

systems. The introduction of a CBDC like the Digital Euro offers benefits such as improved efficiency and security in digital payments, broader accessibility, and support for central banks in implementing monetary policies and ensuring financial stability. However, there are risks, particularly regarding privacy, as CBDCs could enable greater government surveillance of transactions. Additionally, the widespread adoption of CBDCs could disrupt the current banking system and alter the structure of private-sector financial services.