

Question for written answer E-000456/2018
to the Commission
Rule 130
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Subject: Virtual currencies and protection of financial markets and consumers

We are currently bearing witness to the extremely dynamic development of virtual currencies, which means that the prospect of creating a new model of money and payments – i. e. made anonymously and without the participation of intermediaries in the form of banks – is becoming a reality. It is estimated that there are currently more than 600 virtual currencies in use.

For every innovation, including in the area of financial technology, a cautious regulatory approach is needed that on the one hand does not stifle innovation or impose unnecessary costs at an early stage, and on the other hand takes into account potential risks.

In the case of virtual currencies, the risk of speculative bubbles that threaten the stability of the financial system, or the possibility of such currencies being used to finance criminal activities is often highlighted.

However, less attention is being paid to consumer interests and their protection in the event of a platform owning such a currency going bankrupt or ceasing to operate.

Holders of virtual currencies are also exposed to illegal activities, such as theft, hacking, counterfeiting and software malfunctions.

Therefore, could the Commission say what its position on the issue of virtual currencies is?

At the same time, what measures is the Commission taking to protect the financial markets, on the one hand, and consumers, on the other, in the face of a possible threat of destabilisation linked to virtual currencies?