Question for written answer E-003495/2019 to the Commission
Rule 138

Christophe Grudler (Renew), Pascal Durand (Renew), Sylvie Brunet (Renew), Laurence Farreng (Renew), Martin Horwood (Renew), Sirpa Pietikäinen (PPE), Theodoros Zagorakis (PPE), José Gusmão (GUE/NGL), Olivier Chastel (Renew), Marie-Pierre Vedrenne (Renew), Klemen Grošelj (Renew), Frédérique Ries (Renew), Emil Radev (PPE), Romana Tomc (PPE), Susana Solís Pérez (Renew), Valérie Hayer (Renew), Alexandra Geese (Verts/ALE), Rasmus Andresen (Verts/ALE), Martina Dlabajová (Renew), Andrus Ansip (Renew), Stefan Berger (PPE), Petras Aušrevičius (Renew), Dominique Riquet (Renew)

Subject: The potential risks of the Libra project

Libra, a cryptocurrency project initiated by Facebook, is expected to provide a new payment method outside traditional banking channels as of 2020, which will make the purchase of goods or sending of money as easy as sending an instant message. Unlike other cryptocurrencies, Libra also intends to build a currency reserve to ensure its stability.

This new currency is a worrying development as it could disrupt the global financial system, and make it more difficult for central banks to perform their duties. There is also concern because of Facebook’s poor reputation on the protection of personal data, and because of its huge number of users: nearly 2.7 billion individuals.

The Commission has initiated an investigation into potentially anti-competitive practices, and sent a letter to Facebook and the Libra association to determine potential risks.

1. What is the Commission’s opinion on the development of Libra at this stage? Does it represent a real threat to the currencies issued by central banks and the financial system, and will there be sufficient guarantees with regard to European legislation against money laundering?

2. Does the Commission intend to propose legislation to regulate this cryptocurrency, or will it simply ban Libra outright in the EU?