

**Question for written answer E-003205/2022
to the Commission**
Rule 138
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Subject: Impact of the Ethereum Merge

The energy crisis is affecting millions of families and businesses in the EU, so an effective policy response needs to be formulated. Concrete proposals for the energy crisis are therefore urgently needed.

The Ethereum Merge took place on 15 September 2022. Ethereum shifted to a proof of stake protocol, with energy savings of 99 %, as revealed in the latest report by the Crypto Carbon Ratings Institute. This step demonstrates that a shift towards proof of stake is technically possible, safe, and does not threaten innovation. Despite this, the most widely used cryptocurrency, Bitcoin, is still generated by means of a proof of work protocol.

In view of this:

1. The future markets in crypto assets rules will impose certain disclosure requirements. Given these times of energy scarcity, related tough measures and the latest revelations about the Merge, does the Commission intend to propose a legal obligation to shift from proof of work to proof of stake to ensure all crypto are generated in the most sustainable way? If so, by when?
2. If the Commission has no intention of intervening through legislation, can it justify why, and explain how the Commission intends to ensure the crypto sector will become sustainable, in particular against the backdrop of current energy scarcity and the Green Deal objectives?