

Cryptocurrencies, Smart Contracts, and Alternative Payments: Regulating the “Wild West”

2021 was a busy year for cryptocurrency. China banned Bitcoin, whereas El Salvador declared Bitcoin to be legal tender. The UK started exploring the possibility of a Central Bank Digital Currency (CBDC), while Nigeria went a step further and introduced its own CBDC, the eNaira. Cryptocurrency was described as key to greater financial inclusion across Africa, though some Central Banks (eg Kenya) issued warnings about the dangers. 2022 promises to be a similarly important year in the crypto-sphere. In January, UK politicians established a cross-party ‘Crypto and Digital Assets Group’ with the aim of creating law and rules that will support innovation, while also ensuring that consumers are protected. The European Commission continues to develop its Regulation on Markets in Crypto-Assets (MiCA) as part of the Digital Assets Strategy; similarly the US is currently considering legislation that would regulate cryptocurrency. Regulation is also being explored by UK regulator, the Financial Conduct Authority (FCA).

2021 was also “the year of the NFT” – indeed NFT (or non-fungible token) was declared Collin’s Dictionary Word of the Year 2021. Christie’s Auction House sold a Beeple NFT for \$69m. Multinational companies (eg Sony, Ferrari, Marvel, Visa) issued their own NFTs. Miramax sued Quentin Tarantino over his “Pulp Fiction NFTs”. And there have been concerns that NFTs are used to launder criminal proceeds. Away from the media headlines though, NFTs are touted as a trusted digital asset, with checks, monitoring, smart contracts, and distributed blockchain ledgers. Thus, there is significant potential in the context of, for example, cross-border payments; international trade; healthcare records; and financial services.

While there are concerns relating to, amongst others, money laundering; criminal hacking and extortion; and environmental impacts, law enforcement, regulators, and policymakers are increasingly looking at the need for, and the form of, regulation in this sphere. The head of the US Securities and Exchange Commission has described the crypto sector as a “Wild West” and called for regulation. The chair of the UK Financial Conduct Authority has suggested that legislators need to consider 3 issues when considering the role of crypto-regulation: 1. How to make it harder for digital tokens to be used for financial crime, 2. How to support useful innovation, and 3. The extent to which consumers should be free to buy unregulated (speculative) tokens and to assume personal responsibility.

These issues, and more, will be explored at a conference to be held in London on October 13-14, 2022. This event will bring together experts from practice, policy and research backgrounds.

This conference is hosted by the Centre for Financial Law, Regulation and Compliance (FinReg) (IALS) and the Criminal Justice Centre (QMUL), with additional funding provided by the University of London Trust Fund and the Society of Legal Scholars (SLS).

Submission of Abstracts

If you are interested in presenting at this event, please submit an abstract (up to 500 words) to Eliza Boudier (eliza.boudier@sas.ac.uk) by May 27, 2022.

Date and Venue

The conference will be held in-person on **October 13-14 2022**, at the [Institute of Advanced Legal Studies \(IALS\)](#).