

## The Future of democracy and civic participation in the digital age

Horizon call : Reshaping Democracies.

Proposal related to “Monitory Democracy and Blockchain”

Production of empowerment tools for monitoring communities with a focus on a Game Changer :  
‘Blockchain to Regenerate the Planet, Regenerate Europe’

Working note. 22 March 2022.

Blockchain is recognized as a "*game changer*" by multiple reports in the fields of finance, international trade and contracts. China, the United States, the big international organizations like the United Nations, the WTO, the OECD are very active in the field of blockchain. Switzerland and the European Union have many initiatives in this area. GAFA, IBM and many multinationals, financial institutions and banks are developing blockchain strategies that are binding on economic and financial players.

In Europe, EU and non EU Member States have initiated the *European Blockchain Partnership*, the EU Commission is funding an international platform INATBA and an EU Blockchain Observatory and Forum. The Blockchain for Good and Positive Blockchain platforms have a remarkable survey

The risks to this planet are increasing and diversifying, but we have the means to regenerate the planet, hand in hand with a just transition and a transformation of our mode of development. Jointly we can build the “Economy of Tomorrow” using blockchain applications as one of the crucial components of a new digital economy. Countries, companies, and citizens need to be prepared for the transition if they do not wish to fall behind, economically, and socially.

While today Web.3, blockchains are starting to speak with each other and major new developments are taking place to secure value chains interested parties empowerment, the objective should be to have in place by 2026 an eco-system of blockchains able to :

- Respond to EU regulatory monitoring requirements, provide traceability, transparency and trust
- Trace the investments decisions, their relation with the EU taxonomy for sustainable activities regulation and their impact in relation with the six environmental objectives<sup>1</sup> and fiduciary duties while a new report from the [European Central Bank](#) states that 'most institutions still have a blind spot for other environmental risk drivers [beyond climate], such as [#biodiversity](#) loss and pollution.'
- Empower the ‘sleeping giant’ : citizens and procurement agencies.

**To meet the objectives fixed in agreements or commitments related to Climate, Environment, SDGs and Green Deal will require to change the game to be more efficient and accelerate. Blockchain can**

---

<sup>1</sup> Climate change mitigation, adaptation, water and marine resources, circular economy, pollution prevention and control, biodiversity and eco-systems

change the game. Indeed, the digital age brings about “disruptors” and “game changers” which themselves give rise to “innovations”. This is the case of the blockchain which, part of the 4th industrial revolution, transformed the notion of “commitment” and “contract” towards innovation, more transparency and trust. This is extremely relevant for a community-based monitory democracy

The proposal to join the consortium under the leadership of the University of Pisa comes from the European Movement Italy, Positive Blockchain. Blockchain for Good.

**European Movement Italy, Positive Blockchain. Blockchain for Good** have contributed jointly to the report “*Blockchain Eco-System, European Public Funds and Citizens-Centric Finance*”. They want to contribute to “change the game” very practically in areas where blockchain is considered i.a. by the WEF<sup>2</sup> as game changer and we do it towards “SDGs”, “European Participatory Democracy”, “Inclusive Capitalism”, “Empowerment” and EU digital partnership with the other regions of the world. It concerns

1. “See-through” supply chains:
2. Decentralized and sustainable resource management
3. Raising the trillions – new sources of sustainable finance
4. Incentivizing circular economies:
5. Transforming carbon (and other environmental) markets:
6. Next-gen sustainability monitoring, reporting and verification
7. Automatic disaster preparedness and humanitarian relief
8. Earth-management platforms (climate, biodiversity, oceans, waters, disasters)

European Movement Italy has contacts with local and national institutions to involve in possible piloting of participation initiatives during the project.

Positive Blockchain and Blockchain for Good (author of *Blockchain for the SDGs* report) are providers of major surveys and reports on the potential of blockchains to support the common good and the SDGs. They could provide a survey of blockchain applications and propose strategies for civic engagement and monitoring.

**The European Blockchain and Monitory Democracy should be in place to monitor democracy in relation with i.a. :**

- “*Blockchain Eco-System, European Public Funds and Citizens-Centric Finance*”.
- Trade 2026. The Commission has until 2026 to set up a digital network to monitor its commitments, particularly in strategic sectors such as batteries, agro-food systems and forests, sustainable international trade, the impact of funding on look at its taxonomy of sustainable investments.
- The European Commission proposal on requiring EU companies to conduct “due diligence” processes related to their human rights and environmental impacts. Some businesses would also be required to align their business strategies with limiting global warming to 1.5 degrees Celsius. The directive also extends to companies’ subsidiaries and value chains.
- Public Procurement
- Electoral Votes

---

<sup>2</sup> based on The World Economic Forum's "*Building Block (chain) s for a Better Planet*" report

**Blockchain Africa-Europe Situation Room**

An Africa-Europe Blockchain for SDGs Partnership will be presented on June 6 at an Africa-Europe Blockchain for SDGs Week. The partnership will cover ‘flagships’ related to EU Trade 2026 climate monitoring requirements and the green deal as Agri-Food Systems, Forestry and Biodiversity, Minerals, inclusive finance.

A ‘situation room’ to bring blockchain and SDGs experts is proposed to develop a monitory democracy, fight against corruption, planetary boundaries joint observatory..

**Blockchain EU Member States Situation Room : Strategic Watch, Business Intelligence and Game Changer**

It is as much the State, Regions, Cities, finance, the chain of suppliers, the citizens who are concerned. The " Situation Room" at two levels will be a place of dialogue between (i) financial communities, (ii) entrepreneurs, (iii) blockchain developers, accompanied (iv) by European Institutions, National and Regional Governments, SDG experts and civil society trust builders.

**BLOCKCHAIN, A GAME CHANGER**

The white paper "Blockchains and Sustainable Development " published in June 2020 by Blockchain For Good identifies **nine** key areas where blockchain technology, directly or indirectly, improves outcomes towards achieving the United Nations Sustainable Development Goals by 2030.

Digital Identity	Monetary Circulation	Securing Land
Sustainable Agriculture	Access to Health	Renewable Energy
Functioning of Public Administrations	Traceability of Raw Materials	Responsible Consumption

**A pilot case / Italy. Recovery Plan, Climate and Green Deal Commitments Efficiency**

In the framework of Europe geopolitical role and *the twin crises by design - inequality and the Planetary boundaries - bound together*, the report "Blockchain Eco-System, European Public Funds and Citizens-Centric Finance" is proposing to address transparency and trust related to the use of public and private funds in relation with the recovery plans and the MFF, including blended capital, devoted to recovery, resilience, climate, green deal and SDGs plans of action.

- **Italian public authorities** are expected to assure efficiency in the use of the Recovery Funds, promote "**participatory democracy in the digital age**" and make use of their **procurement** leverage to advance sustainability.

- **Italian Financial institutions** are faced with the need to find new levers and new modes of governance to effectively implement their commitments and their **climate / biodiversity / just transition plans** within the framework of European provisions on 'taxonomy' for facilitate sustainable investments.
- **Italian Companies** are faced with the need to find new levers and new modes of governance to effectively implement their commitments and their climate / biodiversity / just transition plan within the framework of European “**due diligence**” provisions.
- **Italian Banks, Insurance companies and large corporations** face **non-financial reporting** rules which are related to climate, biodiversity, circular economy, SDGs.

The situation room will provide regular reports on **blockchain , as a more efficiency game changer** for Italian and Regional Governments, Finance, Business and Civil Society at a time when the **risks** on this planet are increasing and diversifying and when we have the means to **regenerate the planet** which goes hand in hand with **just transition** and a transformation of our mode of development.