Conference on the Future of Europe[1].
Concern : **Participatory Democracy in the Digital Age.**

Proposal
The Conference on the Future of Europe, should have a section dealing with **Participatory Democracy in the Digital Age** and adopt a **Citizens- Centric Finance Scheme** as an extension of the Charter of Fundamental Rights and European Social Principles. Therefore:

Now is the time to take a major step towards a new development model: an inclusive and sustainable, citrizens-centric finance scheme that seeks out community participation *supported by an eco-system of blockchains* for a *winning organizing system in the digital age.*EU funded projects should be equipped with a blockchain infrastructure[2] : a platform for all stakeholders involved in a development project or programme (e.g. ministries, agencies, donors, auditors and all interested parties).

Rational.

With our proposal **Participatory Democracy in the Digital Age,** our ambition is to contribute to a "*geopolitical Europe*," leader of sustainable and just development and of a resilient and happier society because we could have advanced confidence: confidence in democracy, confidence in cooperation and solidarity, confidence in our values and our identity, confidence in the common project.

Inspired by the UN Secretary General vision of a "citizens-centric finance"[3] the report **"*Blockchain Eco-System, European Public Funds and Citizens-Centric Fina*nce"**[4] presented by a consortium of

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[1] The debates will be grouped into eight categories: climate change, health, jobs and economy, EU in the world, freedom and rights, digital, EU democracy and other ideas - to allow citizens to come up with further topics.
[2] Take inspiration from the Trusted Budget Expenditure software (TruBudget, https://trubudget.net) developed by KfW. It serves as a platform for all stakeholders involved in a development project or programme (e.g. ministries, agencies, donors, auditors). TruBudget is a modular open-source software with APIs that is available to anyone free of charge. We need a similar system for all EU funded projects inside Europe.
[3] The UN task force report '*People's Money: Harnessing Digitalization to Finance a Sustainable Future'* and its invitation *to harness digitalization to advance citizen-centric finance and accelerate financing for the SDGs*
[4] *Blockchain Eco-System, European Public Funds and Citizens-Centric Finance*" 22/2/21. EPE – RFI – GBBC etc.

organisations dealing with modern democracy, digital tools and the Sustainable Development Goals invites to create *a 'virtuous trust cycles'* in public financing and accountability.

The French Public Bank BpI ***'Blockchain, an opportunity for Europe'*** [5]report underlines that "the digital revolution promises, in the coming years, to fundamentally transform public services and the exercise of citizenship (...) Blockchain for better track public expenditure. It would allow optimized monitoring of allocated funds and greater transparency in the allocation of public expenditure ". This is what the "*Blockchain Eco-System, European Public Funds and Citizens-Centric Finance*" report proposes to implement for monitoring the use of public funds (recovery and resilience funds, MFF, PAC etc.) and linked private funds (blended capital). The white paper *'Blockchains and Sustainable Development'[6]*, published mid-2020 by the platform *Blockchain for Good* reveals the growing interest for benchmark and research in Europe, opening opportunities for EU members to move forward rapidly in identifying promising use cases while learning from worldwide experiments. The World Economic Forum's "*Building Block (chain) s for a Better Planet*" report presents blockchain as a game changer in 8 areas :

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

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, including blended capital, devoted to recovery, resilience and SDGs plans of action. However, the observation here is that in this regard, the work within the framework of the **European Blockchain Infrastructure** and the **European Blockchain Partnership** is neither commensurate with the challenges nor with the technological means available.

On the one hand, **the initiatives of the States and the Commission aimed at notarizing documents submitted for audit are very far from a participatory model such as TrustedBudget developed by KfW**. On the other hand, the Member State which opposes any initiative, even within the Commission, in this matter is Germany in the name of data protection. We urge to address urgently the latest work to be done to ensure compliance with GDPR regulations in order to make TruBudget a benchmark.

While the Commission, rightly, strengthens the provisions on **'non-financial reporting'** of companies and financial institutions and prepares to put in place a system of **'due diligence'** for companies and commerce and '**taxonomy**' for sustainable finance, **it is not not acceptable that the European Union itself does not move towards a system of 'participatory management of public funds allocated to projects'.** It is counterproductive from the point of view of the fight against corruption as from the point of view of systemic and integrated management towards a new development model taking the Green deal and EU taxonomy as starting elements.

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[5] *Blockchain : Une opportunité pour l'Europe*. Havas Blockchain – Fondation Concorde - BpIFrance
[6] *Blockchain et Développement Durable* – Coreum consulting – Blockchain X – Institut L. Bachelier