- Digital currency market in Poland
- Ministry for Digital Affairs and other institutions
- Polish Accelerator of Blockchain Technology
- Blockchain projects in Poland
prof. Krzysztof PIECH

Lazarski University
- Department of International Economic Relations
CEO of Blockchain Technologies sp. z o.o.
CEO of InvestOn Ltd (London)
CEO of Knowledge & Innovation Institute (Warsaw)
Further affiliations

Ministry of Digital Affairs

**Business Leader** of the expert group on „Blockchain / DLT and Digital Currencies” within the program „From paper to digital Poland”

The following two units operate under honorary auspices of the Ministry:

- **Director**
  Blockchain Technology Center at Lazarski Uni

- **Coordinator**
  Polish Accelerator of Blockchain Technology

**Krzysztof Piech**

- **Member** of the Board
  British Alumni Society

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  British Alumni Society
Cryptocurrency market in Poland

Position in the world
Bitcoin mining in Poland

- One of the largest single bitcoin mines in the world (20MW)
- One of the earliest producers of mining equipment (partnering BitFury in its early days)
- Polmine – 5th largest mining pool in the world in 2014
Cambridge University research

“Figure captures the origin of roughly half of the entire bitcoin hash rate.”

My research: Polish bitcoin mines:
• 20+ MW
• 4th position in the world
Early adopter

- 1st in the world auction of arts for bitcoins – Spring 2014, Sopocki Dom Aukcyjny
- 1st in the world certificate of ownership of arts written into (bitcoin) blockchain (see above)
- 1st in the world, fully legal sales of shares of a company for bitcoins (2014, InPay)
- 1st in the world platform for trading shares of companies (2012, PicoStocks)
Polish zloty – declining trends

- 3rd most frequently used currency in the world in 2013 (MtGox), followed by USD and JPY
- 5-7th position in 2015
- 7-8th position in 2017
Bitcoin exchanges

- Until summer 2017 – one of the best in Europe cooperation with banks
- Very good cooperation with police, prosecutors etc.
- Until 2017 – the largest in Europe variety of instruments (leverage, swaps, lending)
- First in Europe payment card attached to BTC account (MasterCard – Millenium Bank – BitBay exchange)
$20M

Daily volume of transactions at Polish cryptocurrency exchanges
Leader in other areas

- One of the first cryptocurrency investment companies, registered on 40+ exchanges (2015, InvestOn)
- One of the first in the world liquidity providers to cryptocurrency exchanges – market making services (2015, Turbine Analytics)
- The largest in Europe network of traditional ATMs accepting bitcoins
Leader in other areas

- One of a few services tracing bitcoins (2016, Coinfirm)
- The producer of cold wallets (Cryptosteel)
- Golem project – one of the first (Dec. 2016) that conducted successful ICO
- 2nd largest bitcoin lending P2P platforms (GetLine)
- 20k members of Facebook group (Bitcoin Polska)
- Almost 5k members of Stream’s FB group
Leader in institutional areas

- One of the first bitcoin NGOs (2014, Polish Bitcoin Association)
- 2nd in the world student organisation – Bitcoin Club SGH (2013, Warsaw School of Economics)
- 1st in Europe (3rd in the world) Bitcoin Embassy (2014, closed in 2015)
- 1st in the world initiative of self-regulation of cryptocurrency exchanges (Spring 2014)
Ministry of Digital Affairs

and blockchain technology
Minister of Digital Affairs Anna Strezynska – one of the first ministers of governments in the world who uses bitcoins

2nd in the world initiative of systematic cooperation of cryptocurrency business with the government – July 2017, Stream Blockchain and Cryptocurrencies

„Blockchain / DLT and Digital Currencies” expert group within the government program „From paper to digital Poland”
Initiatives of the Stream

- Review of Polish law
- Canon of best practices
- Ad-hoc consultations of new law proposals in the area of blockchain and digital currencies
- Dozens of meetings on various levels: from startupers to MPs and viceministers (incl. Minister Strezynska bi-monthly meetings)
- Research on the taxes collected so far
Activities of the Stream

- **October 2016**
  - Series of workshops on blockchain in administration

- **Q1-Q3 2016**

- **July 2016**
  - Start of operations; kick-off meeting with A.S.

- **October 2016**
  - Consultations in the parliament

- **Oct-Dec. 2016**

- **Q4 2016**

- **Q1 2017**

- **January 2017**
  - Review of law & Canon of best practices completed

- **Q2 2017**
  - First funds provided to the accelerator
  - 19 Jan. meeting with A.S.

- **Q3 2017**
  - Meetings with viceministers for finance and for science
  - 19 June meeting with A.S.

- **Q4 2017**
  - First recruitment to the accelerator

- **July 2017**
  - Joint announcement of central bank and financial regulator.
  - Cooperation between Accelerator and the Lazarski University

- **October 2017**
  - End of Lunch&Learn (IBM) series of workshops at the Ministry

- **2018**
  - …
Warning of regulators

- Warned of bitcoin, litecoin, ethereum and others
- But not of financial pyramids simulating to be cryptocurrencies – very active esp. in Poland
- Results: most of banks accounts of cryptocurrency exchanges have been closed
Canon of best practices

- Completed in January 2017
- Consulted with the public institutions
- Replaced the ‘Minimal security standards of cryptocurrency exchanges’ (of 2014)
- Self-regulation leading to exchange licencing
Certificates co-signed by the viceminister of Digital Affairs

Quasi-registry of cryptocurrency companies kept by the Ministry

Example of the last certificate issued (without signatures)
Polish Accelerator of Blockchain Technology

A few facts
Accelerator

- Established in November 2016
- Total budget 2.8M EUR (80% of the EU funds)
- Created to solve problems of public institutions
- Currently financed projects:
  1. Optimisation of time-schedules for hospitals (notified on blockchain)
  2. Notification of graduation diplomas on blockchain (a few solutions will be tested)
Blockchain projects in Poland
Prospects are not very favourable

- The pace of blockchain projects development in Poland slowed down – the fear of regulations, taxation, limited number of world-class success stories, lack of brave VCs
- Polish programmers are engaged in most of largest blockchain projects in the world…
- …however the number of Polish startups is minimal
- But there are still some positive signals
Recent blockchain initiatives

- The Union of Polish Banks called for the tender to solve the problem of ‘permanent medium’ with blockchain for all the Polish banks – 8 companies participated.

- National securities depository (KDPW) partnered with IMB to create eVoting platform for investors wanting to participate online in general meetings of shareholders - based on Hyperledger Fabric.
Recent blockchain initiatives

- ‘Digital bonds’ were issued (Oct. 2017) (www.divite.pl/cyfroobligacje)
- First blockchain bank (bBank.eu) is being prepared
- GetLine (bitcoin P2P lending platform) is preparing for an ICO
- Several other projects also are on the way
Thank you!

Follow me:

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