



cy.ebsi


NEWSLETTER #3 April 2023

## EU blockchain regulatory sandbox

The European Blockchain Regulatory Sandbox is an initiative of the European Commission for innovative use cases involving Distributed Ledger Technologies (DLT). The sandbox establishes a pan-European regulatory dialogue framework to enhance legal certainty for innovative blockchain technology solutions.

Blockchain and other Distributed Ledger Technologies are innovative advancements that are deployed across industries including energy & utilities, education, healthcare, mobility, finance & insurance, logistics & supply chains.

The European Blockchain Sandbox has been established and is currently being administered to facilitate the dialogue between regulators and innovators for use cases in the private and public sectors. Legal advice and regulatory guidance will be provided in a secure and private setting. The dialogues will be conducted across industry sectors and geographic regions, which will aid in identifying and disseminating best practices for the EU/EEA blockchain community as a whole. The prototype is available for use cases utilizing any blockchain infrastructure.



Beginning in 2023, the sandbox will annually accept 20 blockchain use cases per cohort. They will be matched with relevant national and EU regulators to engage in a secure and constructive dialogue about the most important regulatory issues. The selection of use cases will be based on the maturity of the business case, their legal/regulatory relevance, and their contribution to the EU's broader policy priorities. The most innovative regulator participating in the sandbox will receive a prize each year. A consortium led by Bird & Bird with its consulting subsidiary OXYGY and blockchain experts from WBNoDE facilitates the sandbox. A panel of independent academic experts from European institutions will supervise the selection and awarding procedure.



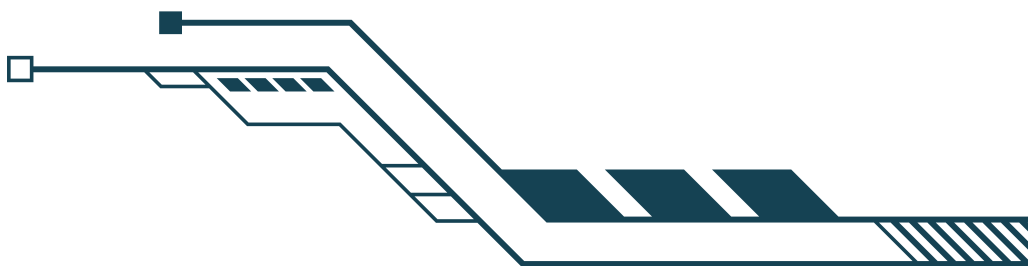
# EBSI and the social security domain

On 1 March, the European Commission (Direction General for Employment, Social Affairs, and Inclusion) hosted a high-level policy conference to showcase its digitalization in social security coordination actions. This occasion highlighted the European Social Security Pass (ESSPASS) implementation of EBSI's Verifiable Credentials framework within the social security domain. ESSPASS demonstrated that the exchange of social security entitlements essential to all posted employees, such as the Portable-Document A1, can be conducted securely using EBSI-compliant digital wallets that are easily verifiable by authorities throughout Europe.

Visitors who attended the conference had the opportunity to experience this for themselves. At the ESSPASS & EBSI kiosk, participants acted as someone who were being inspected abroad. Using a tablet, participants were able to digitally request their PD-A1 document, store it in an EBSI-compliant wallet, and present it to a verifier in a production-grade demonstration.

The benefits of transforming these documents into Verifiable Credentials became clear when the verification page of the verifier app presented instantly whether the worker was in possession of a valid and authentic document.

At a dedicated location in Brussels, anyone will soon be able to experiment with Verifiable Credentials and digital purses supported by EBSI's blockchain. In March, the EBSI Experience Centre opened its doors.



# EBSI as a new paradigm for Web3



Globally, the decentralized digital economy has gained traction. This new version of the World Wide Web, known as Web 3.0 (Web3), combines innovative technologies such as:

- distributed ledgers/blockchains to achieve decentralization,
- cryptography to achieve self-sovereignty,
- smart contracts to achieve transparency rules, and
- common APIs associated with business-driven policies to achieve

Web3 is developing as an alternative paradigm to the Web 2.0 model founded on platforms. If anyone is interested to learn more about the new Web paradigm and its models, the centralization of trust and the new verification paradigm in detail,

 [click here.](#)

# Dissemination and prospects

We are pleased to announce that the three asynchronous webinars we had planned as part of our communication plan have been successfully completed. In our first webinar, we had the honor of hearing an introduction and kind greeting from the Deputy Minister of Research, Innovation, and Digital Policy, Mr. Filippos Chatzizacharias, as well as a project overview from the Director of RTD TALOS LTD, Dr. Alexandros Michaelidis. [\( Watch the webinars here\)](#)

Through AC GOLDMAN SOLUTIONS AND SERVICES LTD, Mr. George Antoniou demonstrated what EBSI is, how and where it can be applied, how it operates, and what its applications are. We also discussed the project's three pillars: the technology, the business, and the infrastructure (link). [\( Watch the webinar here\)](#)

Finally, on behalf of the University of Nicosia, the Assistant Professor of the Department of Digital Innovation, Dr. Klitos Christodoulou, presented the objectives of EBSI, its potential usage with the large-scale pilots, the EBSI technology, and the infrastructure that characterizes EBSI (link). [\( Watch the webinar here\)](#)

As Blockchain technology relies on cryptographic algorithms to secure transactions and data, its potential can assist in eliminating cyber-attacks confronted by a variety of government and private organizations. The use of cryptographic algorithms and digital signatures prevents data tampering and guarantees the integrity of data stored on the Blockchain.

The security properties of blockchain data structures are essential because they are founded on consensus, cryptography, and decentralization principles. Each new block of information is linked to all previous blocks in a manner that makes it nearly impossible to breach, thus safeguarding future public services and organizations from malicious actions.



DEPUTY MINISTRY OF  
RESEARCH, INNOVATION  
AND DIGITAL POLICY  
REPUBLIC OF CYPRUS

## Find out more at :

 [www.ec.europa.eu/digital-building-blocks/wikis/display/EBSI/Home](http://www.ec.europa.eu/digital-building-blocks/wikis/display/EBSI/Home)



**Co-financed by the European Union**  
Connecting Europe Facility