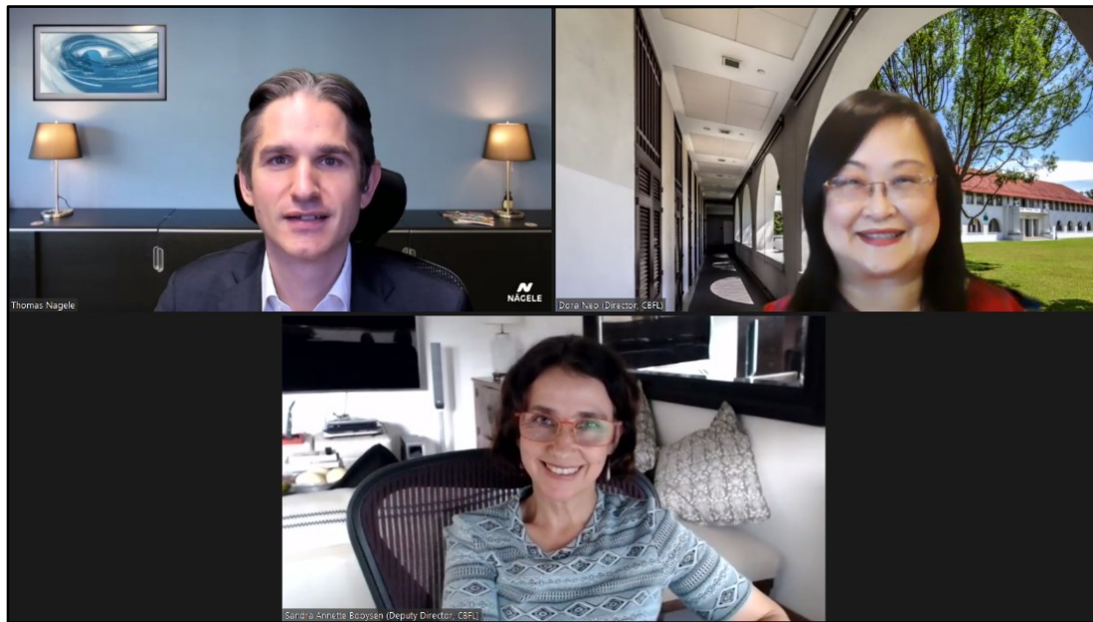


CBFL FUTURE OF BANKING & FINANCE SERIES

Liechtenstein's Blockchain Act

19 November 2020, 4.30pm – 5.45pm

Webinar



*Clockwise from top left: Mr Thomas Nägele (NÄGELE Attorneys at Law LLC),
Assoc Prof Dora Neo (Director, CBFL) & Assoc Prof Sandra Booyesen (Deputy Director, CBFL)*

Thomas Nägele, the Founder and Managing Partner of NÄGELE Attorneys at Law LLC, delivered a webinar on 'Liechtenstein's Blockchain Act,' hosted by NUS Law's Centre for Banking & Finance Law (CBFL) on 19 November 2020.

Mr Nägele led an interactive session, beginning with an overview of the Principality of Liechtenstein itself before discussing blockchain technologies, virtual assets, and the rapid development of this industry over the past decade. He also explained the process by which Liechtenstein first began exploring regulatory models in 2016, through to the entry into force of the *Token- und VT-Dienstleistungsgesetz* – commonly known as the Liechtenstein Blockchain Act – in 2020. Throughout, he drew on his first-hand experience as a member of the Liechtenstein government workgroup on virtual asset regulation.

He noted that digitalisation can increase disintermediation. However, he explained that many people still prefer dealing with intermediaries and professional service providers rather than directly holding their assets. This is true, regardless of whether those assets are physical or virtual. In addition, bridging the digital-physical divide and ensuring compliance typically requires intermediaries. These findings led the government workgroup to suggest a regulatory model that retained key roles for trusted service providers. The final act incorporates this suggestion.

Mr Nägele then took the audience through specific parts of the Liechtenstein Blockchain Act. In particular, he reviewed the legislation's definition of "token." He surmised that the definition is inherently flexible. It allows for the "containerisation" of rights and claims within a digital record. But it also provides legal certainty concerning the ownership and disposal of tokens.

However, he noted recent legislative developments elsewhere in Europe regarding virtual assets. These developments mean that the Liechtenstein Blockchain Act may require updating to remain compatible with European law.

The audience then posed several questions which Mr Nägele addressed, leading to a broader discussion of the real-world impact of blockchain regulatory regimes and how decentralised virtual assets (such as Bitcoin) fit within the Liechtenstein framework.

Over 48 academics and practitioners attended this webinar which was moderated by Dora Neo, Associate Professor and Director of CBFL.

This webinar is part of the CBFL Seminar Series on the Future of Banking & Finance. Do sign up to our [mailing list](#) to be kept informed of our events.