

2 July 2019

Freeport Parliament  
Private Bag 18 888  
Parliament Buildings  
Wellington 6160

**Via email**

Dear Prime Minister,

**Government leadership needed to address Facebook Libra**

We are the Blockchain Association of New Zealand - [BlockchainNZ](#) (part of the [NZ Tech Alliance](#)). We represent a diverse group of New Zealand technology businesses and professionals, dedicated to continuing New Zealand's innovation and growing jobs and skills to further enhance New Zealand's competitive position internationally.

BlockchainNZ [recently presented](#) to the Economic Development, Science and Innovation Select Committee on ways blockchain technology can accelerate New Zealand's economic development. We advanced the idea that for blockchain technology to serve the public good, governments need to co-create policy frameworks with the private sector and focus on shaping the market outcome. Given its likely impact on the global economy, we believe the New Zealand Government's (in our view) passive attitude to date may prove costly. We encourage Government to take a holistic approach to this opportunity and risk - potentially with a ministerial responsibility and/or cross agency working group or taskforce.

Until last week, the New Zealand narrative on blockchain technology was lukewarm, assuming it could disrupt our financial systems and government at some point in the future. However, since Facebook announced that it plans to roll out a digital currency called Libra (for a good overview of this announcement, see Kathryn Ryan's [interview on Radio NZ](#)) the narrative on its impact has grown louder, and the expected timeframe has been expedited. The disruptive effects of Libra could arrive in New Zealand as early as next year, with potentially tremendous economic and regulatory implications across our society. We believe the opportunities arising from Libra for New Zealand are exciting and, if supported by Government and industry, could have a significant positive economic impact.

Internationally, governments have been reacting urgently to the significance of the Libra announcement. The systemic impact on domestic (and global) monetary policies, tax systems and economic governance should not be underestimated. France's immediate response was to create a G7 taskforce to consider a co-ordinated response by regulators. The US Congress wants to hold hearings to understand "the potential unprecedented impact on the global financial system."

Whilst we agree that there are safeguards to consider, we also strongly support and encourage your robust leadership to identify and support growth opportunities in this space. The Facebook announcement has confirmed that blockchain and related decentralisation technologies are here to stay. We want to continue to build the ecosystem in order to make New Zealand a place to attract talent and capital, and play a key part in the blockchain industry globally; however, we need to act boldly and quickly. We are committed to providing you with independent support and advice to enable you to do so.

**BLOCKCHAIN NEW ZEALAND**

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Yours sincerely,



**Mark Pascall**  
Executive Director  
Blockchain New Zealand

For your information, the members of BlockchainNZ are:

- Air New Zealand
- ANZ
- Auckland Transport
- AUT
- Augen Software
- Axia Labs
- BNZ
- Blockchain Labs
- Callaghan Innovation
- Causality
- Cawthron Institute
- Centrality
- Centrapay
- Chain Financial
- Clearpoint
- Coingrid
- Crossgate Capita
- Crytosaver
- Dasset
- Deloitte
- Easy Crypto
- Fronde
- Hudson Gavin Martin
- Horizon State
- IBM
- IndusHaze
- Inland Revenue
- Lowdnes Jordan
- Matrex
- Media Design School
- Meterme
- Microsoft New Zealand
- MiMaii NZ
- Ministry of Education
- MinterEllisonRuddWatts
- Neighborhood.AI
- NZTE
- Opoly
- Oracle New Zealand
- Paymark
- SingleSource
- Spark New Zealand
- Sylo
- University of Auckland
- Verify Union
- Westpac New Zealand

We note the views in this letter are a reflection of the views of BlockchainNZ and do not necessarily reflect the views of individual members.

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