

SLOVENIA – THE FIRST BLOCKCHAIN START-UP COUNTRY

One of the leading countries with regard to blockchain companies

TADEJ SLAPNIK



Prime Minister Miro Cerar was speaking at the Digital Slovenia 2020 gathering in October when he gave a wide-ranging speech on blockchain technology, stating that the government "wants to position Slovenia as the most recognised blockchain destination in the European Union."
Photo: Nebojša Tejić/STA

By positioning its economy as "Green, Creative, Smart," the Republic of Slovenia is dedicated to becoming one of the leading countries with regard to the use of blockchain technology, which underlies innovations such as Bitcoin.

Several local blockchain companies have already achieved great success in the development of digital investment platforms, which gives Slovenia an advantage as it aims to become the world's leading start-up destination for such firms.

Blockchain technology can be applied in various contexts to provide secure communication and record-keeping.

It uses distributed ledgers to ensure that data is exchanged properly between different devices, guaranteeing that the value – in the case of so-called cryptocurrencies – will be transferred safely.

This is one of the key differences of this approach compared with the internet technologies currently used to transfer data. Since it is extremely efficient, the blockchain method can be used as the fundamental technology for business and governmental services, thus giving the economy a greater competitive edge, and so increasing the well-being of the entire society. However, while sitting at the core of various emerging distributed economies, blockchain itself presents many issues for regulators worldwide who are trying to find a legitimate legal context for this revolutionary technology.

MANY NEW OPPORTUNITIES

Despite some concerns, the distributed economy is also making possible many opportunities which have not yet been fully

explored. The emerging services go far beyond Bitcoin into the fields of banking, insurance, and new models of creating and sharing content, in addition to other activities, representing a globally-connected ecosystem of supercomputers and a market valuation already in excess of \$170 billion USD. Moreover, the number of services, users and companies grows bigger every day. Step by step, the distributed economy is becoming a true alternative to centralized systems. The first concrete moves in this direction can already be seen in banking and financial services (so-called fintech, short for "financial technology"), and soon blockchain technology will spread into all sectors of the economy.

EQUAL PARTICIPATION

All previous technology revolutions were led primarily by the United States, but this time will be different. For the first time, the rest of the world can participate equally. Every revolutionary technology has its own business development model—if the internet is based on start-ups, blockchain is based on ICOs. Blockchain enables a new, better world in which all people can equally participate, regardless of their sex, age, race or geographical background. The distributed economy provides a definitive answer to the problem of brain drain.

Slovenia is thus welcoming the new technology with open arms. Two already established brands, Bitstamp and ICONOMI, are paving the way to revolutionary standards for safe transactions and investments in digital services, while Cofound.it is building an alternative to the existing VC start-up ecosystem. All three companies, and others like them, have one thing in common: their

vision to target billion-dollar markets, become world leaders in their vertical fields and the next EU “unicorns.”

Dr. Miro Cerar, Prime Minister of the Republic of Slovenia: “Slovenia as a whole is, therefore, setting itself up as a blockchain-friendly destination, and to that end it is establishing the pillars of a nation-

al blockchain ecosystem in the area of the transfer and spread of information, the adoption of legal regulations and the promotion of a supportive environment for the development of companies working in the area of blockchain technology.”

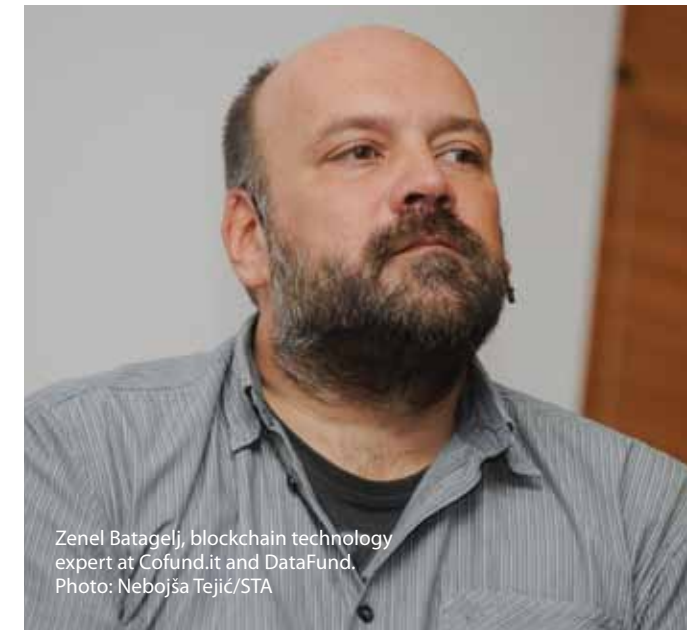
Due the potential of blockchain technology and Slovenia’s goal of being a pioneer in this field, the cooperation between the state and key representatives of the related companies is a logical step that will help our nation gain more prominence in the terms of technological development and innovations.

THE THREE PILLARS OF THE BLOCKCHAIN ENVIRONMENT

In the last few years Slovenia has taken several measures to create an ecosystem that will allow blockchain to thrive. Strong intergovernmental collaboration is furthered with Blockchain Think Tank Slovenia, established in 2017. This serves as an open space that enables individuals, organisations, commercial and state bodies to work together, share and exchange information. The think tank is one of the three pillars of the blockchain environment in Slovenia, responsible for the exchange and transfer of information among all the relevant stakeholders (from the government, research and innovation bodies, companies and non-governmental organisations), as coordinated by the Ministry of Public Administration.

The second pillar represents the activities of the Government of the Republic of Slovenia in the policy and legal area, as co-coordinated by the Ministry of Public Administration, with the Minister Boris Koprivnikar acting as Chief Digital Officer, and the Prime Minister’s Office, with State Secretary Tadej Slapnik working as coordinator for blockchain-related activities through the Slovenia Land of Start-ups initiative.

The third pillar is the Noordung Blockchain Hub, responsible for the business side of the blockchain environment in Slovenia, with a focus on networking and the development of business models and projects, as coordinated by the Herman Potočnik Noordung Space Centre, Nena Dokuzov. Those three pillars represent a framework for the blockchain ecosystem in Slovenia, with the aim of enabling existing and emerging companies based on blockchain technologies to explore their ideas, and through Initial Coin Offerings to raise capital for their further development in the very near future.



Zenel Batagelj, blockchain technology expert at Cofund.it and DataFund.
Photo: Nebojša Tejić/STA

SLOVENIA, THE BLOCKCHAIN HEAVEN

“By making some wise and future-driven strategic decisions, Slovenia can become one of the most desirable destinations for global blockchain start-up companies,” claims a convinced Zenel Batagelj,

representing biggest projects from slovenian blockchain community of the Cofound.it company.

The first clear signal the government was making some serious moves was July’s Blockchain Meetup Slovenia 2017, held at the Noordung Centre, with more than 300 blockchain enthusiasts in attendance.

Dr Miro Cerar, the Slovenian Prime Minister stated: “Successful Slovenian companies working with blockchain technology are already ranked among the world’s leading developers of digital investment platforms, and therefore we want to position Slovenia as the most recognised blockchain destination in the European Union.”

The start-up companies Cofound.it and DataFund together with NovakRutar law firm The start-up companies Cashila, Ionomi, Cofound.it, and Aragon spent the last few months intensively working with all the relevant stakeholders in Slovenia, such as the Securities Agency, the Financial Administration, Office for Money Laundering Prevention, the Central Bank, Ministry of Public Administration, Ministry of Finance, the Cabinet of the Prime Minister, and others.

EU Blockchain meetup as one of the most important steps towards Slovenia as Blockchain heaven took place at Celje Fair “Feel the Future” on 20th of October 2017 and motivated attention of more than 300 participants and speakers to attend and co-create the development of the Blockchain ecosystem in Slovenia and abroad.

The “Feel the Future Declaration: Initiative Blockchain Europe” adopted in the final part of the meetup means a strong commitment to support blockchain economy on the European level, positioning Slovenia as an important partner of European commission in co-creation the new blockchain economy era.



Tadej Slapnik, state Secretary in the Prime Minister’s Office, responsible for social and circular economy: “Here are two fields of cooperation we have to build, on one side transition to circular economy, and on the other the use of blockchain technology as a tool to realize the transition.”
Photo: Personal Archives