Q5) Are there requirements on how the aid can be spent?

Yes! The merchants and individuals with which the HM can be spent are registered with the governments. In our system, this business logic is flexible so that it can be defined by each member state who will coded the business logic into the smart contracts.

Q6) Does everyo country have an eID?

eID definition - a a digital means ot identify yourself using one’s unique identifying number

Greece does not! Every other country does.

|  |  |
| --- | --- |
| European Country Name | eID (yes or no) |
| Belgium | Yes |
| Bulgaria | Yes |
| Croatia | Yes |
| Cyprus | Yes |
| Czech republic | Yes |
| Denmark | Yes |
| Estonia | Yes |
| Finland | Yes |
| France | Yes |
| Germany | Yes |
| Greece | No |
| Hungary | Yes |
| Ireland | Yes |
| Italy | Yes |
| Latvia | Yes |
| Lithuania | Yes |
| Luxemvbourg | Yes |
| Malta | Yes |
| Netherlands | Yes |

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| --- | --- |
| Poalnd | Yes |
| Portugal | Yes |
| Romania | Yes |
| Slovenia | Yes |
| Slovakia | Yes |
| Spain | Yes |
| Sweden | Yes (issued by private sector - mainly banks) |
| Austria | Yes |

Source: <https://en.wikipedia.org/wiki/Electronic_identification>

Source Greece: <https://www.ekathimerini.com/245334/article/ekathimerini/news/digital-governance-minister-elaborates-on-new-id-cards>

<https://www.ekathimerini.com/247739/article/ekathimerini/news/new-identity-cards-available-at-the-end-of-2021>

Q21) How can consumers pay their bills, such as rent, damages, with the aid?

Germany has frozen the obligation to pay B2B rent payments for companies. Have other countries done the same?

Source: <https://www.straitstimes.com/business/companies-markets/outrage-in-germany-as-adidas-hm-stop-rent-payments-over-coronavirus>

The HM tokens will be spendable to landlords as they need to register their status of being landlords” and the income they receive from this activity, to the government.

Q30) What are the necessities and additional features that are required in order to finish this project?Future Future

|  |  |
| --- | --- |
| Future Feature to Include | Description |
| Absolute control about with which merchants the helicopter money can be spent | It is possible to create different types of helicopter money that can only be spent at a specific set of merchants. |
| The peer to peer transfer of the helicopter money | The ability to transfer the helicopter money |
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Future Features to Include (high to low priority):

**Highest Priority - Implementation TimeLine with App Launch**

* Control, with which merchants, the helicopter money can be spent by creating different versions of the helicopter money that can only be spent at a specific set of merchants.
* Capabilities for user support that are built into the user facing application
* Adjustable rate of deflation if money is not being spent
* The ability to transfer one’s helicopter money to another person who can then spend the money, either on behalf of, or for, the original owner.
* The capability for a recipient to donate the helicopter money by transferring it to a charity pool that then redistributes the money to various charities
* Incorporation of private transaction capabilities
* Make app UI available in all European languages

**High Priority - Implementation TimeLine < 2 weeks after launch**

* UI dashboards to enable Business intelligence insight capabilities
  + what percentage of funds are spent
  + how long after receipt is the aid spent
  + what percentage of the aid is spent at which types of stores
  + what percentage of the aid is sent back to the issuer
  + how is the aid allocated by each member state within its borders.
* Incorporation of Verifiable Credentials and Distributed Identifiers to add security to eGovernment identification processes
* Include human readable transaction details when viewing transaction history in app

**Long Term Priority - Implementation TimeLine < 4 weeks after launch**

* Burn private and public key feature in event of death. Return funds to sender.
* A personalized welcome screen to welcome new users to the app and their wallets as they do not have the choice to create their own wallets
* Notification functionality (Ex new helicopter money policies and conditions that impact all europeans)
* API integration into e-commerce websites

Q37) How to onboard new users?

**New users are on boarded into our web app based using their national ID cand and unique ID number as well as a service like ItsMe that handles the identity verification process.**

A high level overview of the new user onboarding steps is described below:

Step 1 - User logs into web app and identifies himself (using a service like ItsMe) with eID.

Step 2 - user is granted access to the web app

Step 3 - the user receives his wallet information (either access to the wallet that is already created by the govt or the wallet is immediately created for the user which can be accessed immediately)

Step 4 - smart contract immediately allocated funds from the national central bank to the user

**The cost to the ECB to issue helicopter money?**

**Cost of SEPA transaction:**

Monetary cost: Free

Time cost: 1 - 2 business days

Cost of getting data about the recipients: ?

**Low cost**

**Cost of sending vouchers by mail:**

* Average postage stamp cost per letter: €1.00
  + Source: <https://www.statista.com/chart/18283/postage-cost-of-a-standard-letter-in-european-countries/>
* Number of people in need of aid: +/- 350 million
  + Source:
* Average letter cost: €0.80
* Average cost for wages, fuel and admin costs to send letter = €1.20 per letter
* Cost of transmitting disease: virus can be transmitted on paper

Calculation

€350 million per postage stamp + €280 per letter + €420 million labor, fuel admin costs **€1,050,000,000 to send vouchers by mail for HK**

**Estimated cost of keeping people in jobs - €100 billion**

[**https://www.europarl.europa.eu/news/en/headlines/society/20200416STO77205/covid-19-s-economic-impact-EU100-billion-to-keep-people-in-jobs**](https://www.europarl.europa.eu/news/en/headlines/society/20200416STO77205/covid-19-s-economic-impact-EU100-billion-to-keep-people-in-jobs)

[**https://voxeu.org/article/true-costs-helicopter-money**](https://voxeu.org/article/true-costs-helicopter-money)

**European impact of covid-19 pandemic**

[**https://www.consilium.europa.eu/en/press/press-releases/2020/04/09/report-on-the-comprehensive-economic-policy-response-to-the-covid-19-pandemic/**](https://www.consilium.europa.eu/en/press/press-releases/2020/04/09/report-on-the-comprehensive-economic-policy-response-to-the-covid-19-pandemic/)

**Costs of a Sepa Transfer**

**Generally free**

|  |  |  |
| --- | --- | --- |
| **Type of Action** | **Cost in Current System** | **Reasoning (source)** |
| **If HM issued by a central bank costs interest, its issuance and dispersal would not create much lift because debt financed money is a costly liability** | **Slightly positive** | [**https://voxeu.org/article/true-costs-helicopter-money**](https://voxeu.org/article/true-costs-helicopter-money) |
| **Interest free injection of money** | **Loss of monetary policy control by central bank (hard code deflationaery rules into tokens can be a solution)** | [**https://voxeu.org/article/true-costs-helicopter-mone**](https://voxeu.org/article/true-costs-helicopter-money) |
| **Printing of bank notes is a minimal cost** | **Real cost of printing notes** |  |
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