

Electronic Euro (e-EUR)

The modern digital cash for DAO driven exchanges



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Preface

Although trusted and stable, fiat currencies are centralized in nature. This means their value is determined and controlled centrally by a few people, and organizations. These people can control, impact, exploit, and moderate the associated markets at their ease.

Cryptocurrencies could have made a better alternative to paper money, but for now, they are just considered a means of *getting rich quickly with other people's money*. Although cryptographically secure, digital, decentralized, and global, crypto coins are still not reliable when it comes to exchanging them for real-world purchases due to their super-high volatility.

Keeping the above in mind, we propose a self-balancing progressive stablecoin ecosystem called the **Electronic Euro** with **e-EUR** as its token and **e-EURG** as its governance token.

e-EUR utilizes:

- The Tangle technology by IOTA for zero-fee transactions
- The Assembly protocol for DeFi solutions, dApps, and guaranteed value NFTs
- Our proprietary *Weighted Seigniorage Paradigm* that mathematically helps fend-off pump & dump schemes and progressively increases purchasing power, in order to build a truly auditable, accountable, stable, secure, and decentralized economy.

e-EUR is a Euro-pegged stablecoin that combines the benefits of fiat currency and blockchain technology, with the aim of serving as a real-world, digital-world, as well as Web 3.0 trusted currency for individuals and organizations. It will be able to act as a token of exchange and a store of value with progressively increasing purchasing power in all digital and real-world scenarios, which is paramount for a sustainable, yet ever-progressing world.

Fiat Money: Quick Analysis

In the past, fiat money was backed by precious metals, such as Gold and Silver. With time, by the 16th or 18th century for most countries, this definition changed. Today, paper currency and coins being used as fiat money are mostly backed by national governments through taxes. That means their word, their goodwill, their standing on the international markets, and their political acts decide whether or not the fiat currency of a country is worthy or worthless.

Be it the physical or digital world, traditional money markets have a centralized control mechanism and are interdependent beyond a normal person's imagination.

Used as a means of exchange for goods and services, investment, or store-of-value, fiat currencies have numerous shortcomings, such as:

- [Hyperinflation](#) in Zimbabwe, Austria, China, the Soviet Union, and dozens of other countries is proof that fiat money has a flaw.
- Their valuation is highly dependent upon the involvement of regulatory bodies.
- Paper currency is susceptible to theft, loss, wearing, tearing, and [demonetization](#).
- High exchange and remittance fees internationally.
- Limited privacy for the actual holders.
- Multiple limits (daily/monthly) and rules for their usage and spending.
- Single point of failure (i.e., Central Bank)

Digital Money: Quick Analysis

Fiat money managed to overcome the problems of the medieval barter system. Digital money, digital currency, or cryptocurrency have been walking the same path since 2009. They're trying to resolve the issues with fiat currency. So, theoretically, it should be better than physical money.

By March 2022, there were 1800 cryptocurrencies in existence. As per [the experts](#), it is expected that digital money will overtake at least 25% of fiat money by 2030. It's because of the benefits that come with digital money.

Cryptocurrencies are:

- Digital, decentralized, and based on community consensus
- Anonymous and privacy-preserving
- Encrypted using highly secure cryptographic protocols

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- With no single point of failure
 - Irreversible and Immutable
 - Not restricted by transaction limits
 - Extremely cheap to remit internationally

Even so, there still are a few major issues with cryptocurrencies:

- **High Volatility:** Wild price fluctuations for most cryptocurrencies make them unfit for real-world commercial exchange. That's the reason why people, eCommerce stores, and service providers are still unwilling to accept cryptocurrencies as a standard means of payment.
- **The Limits:** When a fiat currency is in circulation and has many old/non-circulable notes, the government can print new ones. However, just like Gold, major digital currencies (such as Bitcoin) are limited in supply. After 21 Million Bitcoins, even if there might be any lost/non-circulable coins on the blockchain, new ones cannot be mined.

Existing Stablecoins

Stablecoins were designed as the less fluctuating variants of cryptocurrencies, or the cryptographical variants of fiat money. Decentralized and less volatile, these digital coins are meant to curb the downsides of both, i.e. digital and paper currencies. The first stablecoin came into existence in 2014 and is still doing okay. In 2021 alone, the overall stablecoin market recorded a [growth of 493%](#).

Stablecoins inherit all the features from cryptocurrencies while having a few unique traits of their own. For example:

- Their fiat-like stability makes them less volatile and more suitable for real-world purchases, store-of-value, and remittances.
- Stablecoins can operate within dApps and can be tailored to provide ease of use to digital businesses.
- Stablecoins, in comparison to other crypto coins, are more likely to be accepted as the unit of account in modern projects, specifically Web 3.0.

Currently, we have these types of stablecoins:

- **Pegged:**
 - Backed by fiat currencies

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- Backed by other cryptocurrencies
 - Backed by physical commodities
 - **Algorithmic:** Instead of collateral, these are backed by an algorithm. They are thought to have independent stability and are often considered 'purely stable', although that is yet to be proven in a real-world scenario with market downturns.

Shortcomings of existing stablecoins are:

- **Pegged Stablecoins** grow (and fall) slowly in comparison to cryptocurrencies - making them less 'attractive' to investors in the current speculative crypto market.
- **Algorithmic Stablecoins** are prone to unforeseen human design errors or tampering by malicious digital attackers, which can lead to the loss of digital funds

Blockchain Technology: Quick Analysis

Bitcoin and other altcoins, including existing [stablecoins](#), all use Blockchain (or other modified mathematical concepts) as their core ledger technology.

In simple terms, a Blockchain is a distributed database that keeps track of proof-based transactions or communication in digital format. It is the underlying technology for major cryptocurrency systems. It is known for its security mechanism, transparency, immutability, no-middlemen process, and data fidelity.

Blockchain technology allows a cryptocurrency ecosystem to add one block (containing transactions) as per the automated set of rules decided through voting by the members of the ecosystem. That's what makes it decentralized. Every transaction is recorded safely and cannot be undone.

From its conception in 1991 to its first implementation in 2004 in the form of the Reusable Proof of Work (RPoW), Blockchain technology has come a long way - especially after its use as Bitcoin's seminal foundation in 2009.

Common Downsides of Blockchains

Though faster than traditional money, transactions on the Blockchain are not very fast due to the internal record-keeping process. Additionally, Blockchains are affected by their traffic/volume. As the speed of transactions affects the speed of decentralized applications (dApps) built on a Blockchain, as well as cryptocurrency exchange swap rates, this fact cannot be neglected.

Smart Contract high fees and the single-ledger asset ecosystem are a few other negative points to note about blockchains.

Most of the shortcomings of Blockchains are subdued by the [IOTA Tangle](#) - An innovative distributed ledger architecture that uses a slightly-different mathematical approach than the original Blockchain, for better and faster resolution with zero fees.

The e-EUR Ecosystem and Stablecoin

This ecosystem combines the benefits of blockchains, cryptocurrencies, and stablecoins while overcoming the downsides of each of them. To compose the progressive self-balancing distributed network, e-EUR uses the following:

- The Tangle Technology by IOTA
- The Assembly protocol
- Our proprietary Weighted Seigniorage Paradigm
- Stablecoin Governance token e-EURG
- Multiple currency bank accounts with regulated banks, globally

e-EURG (the governance token), as well as e-EUR (the stablecoin), are meant to work indefinitely, just like a normal and healthy economy would work, in perpetuity for the community.



About the e-EURG Token

e-EURG is the governance token of the e-EUR ecosystem, which is Euro-pegged. Every e-EURG represents a vote in the decision tree of e-EUR's distributed governance model. And that's the reason why we are announcing and rolling out e-EURG tokens from the very beginning, since we want distributed governance and consensus to be at the heart of the e-EUR ecosystem.

As the project begins, the first step is to constitute the e-EUR DAO which is based on e-EURG voting rights. Users will be able to mint e-EURG as IOTA custom tokens that make use of the Weighted Seigniorage Paradigm, just as the e-EUR progressive stablecoins.

Conversely, e-EURG Weighted Seigniorage tokenomics follow stricter, more competitive parameters, making e-EURG value grow faster when the ecosystem has more actors willing to transact the e-EUR progressive stablecoin.

Together, promoting self-balancing elasticity dynamics, this double impact system will be better balanced, provide longer-term stability and increasingly-high purchasing power, and it automatically disables the effects of pump-and-dump schemes, effectively preventing bank runs while maintaining price stability during market downturns.

The main properties of the e-EUR progressive ecosystem are:

- No maximum cap on governance tokens or the main stablecoin amount
- Zero transfer fees
- Ever-increasing purchasing power
- Extremely low volatility
- Real-world utility

Tech Stack and Governance

Blockchain of Choice - IOTA

After multiple phases of research and consideration, we set to opt for the IOTA distributed ledger that makes use of the Tangle technology to eliminate transfer fees.

Tangle by the IOTA Foundation team is crafted to overcome the basic flaws of traditional blockchains. It promises high scalability and super-fast transfers. The Tangle is basically developed for interconnected devices such as home security systems, IoT devices, wearables, etc. The

ecosystem utilizes its innovative distributed ledger technology (DLT) to support the development of superfast-operating dApps.

The Zero-fee transactions on smart contracts, unique verification method, multi-asset ledger, and programmable nature of IOTA's tangle gives it an upper hand over traditional blockchains. Due to its reliable characteristics, the European Union has also included the IOTA ledger among the 7 decentralized technologies to research and develop the official EU blockchain project.

Weighted Seigniorage Paradigm

Our aim is to build a self-balancing yet progressive ecosystem, in which a proprietary algorithm called the *Weighted Seigniorage Paradigm* plays a crucial role. All network participants will have a say in this DAO governed ecosystem, but no one will be able to turn the power balance in their favor (be it whale investors or devious factions).

The Weighted Seigniorage Paradigm mechanism, processing the demand and supply elasticity on every transaction, can automatically disincentivize outsized transactions both in voting-based governance as well as in monetary economics, regardless of transaction volume or amount. Thus, full prevention of pumping and dumping can be considered the highlight of our approach. Also, it contributes to the design of highly balanced ecosystem tokenomics that ensures:

- A progressive increase in the purchasing power of the stablecoin
- Long-term stability and no wild fluctuations

Assembly

For smart contract execution, our ecosystem makes use of [Assembly](#). It is an L2 decentralized solution built on IOTA. Having small or zero fees, scalability, security, multi-chain network, being well-documented, interoperable, and customizable, Assembly is the best choice for our project.

With this protocol in use, the e-EUR ecosystem will:

- Let developers create DeFi dApps and guaranteed value NFTs in the most inexpensive and convenient way.
- Allow chain creation and scaling in a stable and secure way for innovators in the Web 3.0 world.
- Provide tools and packages for speeding up the development process.

Web Properties and Strong Brands

The main digital entities that represent the e-EUR ecosystem are:

- **e-EUR.eu**

This web property is being used to build a powerful, memorable, and trusted brand for the community. It will help community members understand, vote and interact with their digital money, alongside providing timeline-based updates as we make progress. With e-EUR.eu, our aim is to have a strong, established and memorable brand voice and maintain transparency about our policies and actions.

- **Remit.Fi**

This web property is dedicated to the e-EUR community's international remittance, exchange, and DeFi needs. It will provide minimum or zero-fee services related to all these operations.

Using the Remit.Fi interface, e-EUR users will be able to:

- Add and exchange any fiat currency from their bank accounts to the decentralized ledger-based e-EUR digital economy and DeFi services;
- Send, receive and spend both e-EUR and fiat currencies;
- Send or withdraw e-EUR to and from any preferred fiat bank account in their preferred currency.

Benefits

e-EUR (Electronic Euro) is designed to be stable and have progressive purchasing power. The ecosystem based upon it is crafted to help developers build innovative solutions that integrate with the real world economy faster, and at a low cost.

Not only does this ecosystem encourage decentralization of power, transparency, financial independence, and swift entry and exit, but e-EUR also supports its users by continually increasing their purchasing power and serving as an ideal means of real-world exchange.

For businesses, e-EUR will serve as a way to receive commission-free transactions for their services and products, minimizing marginal costs, while maximizing revenue simply by doing business and holding.

For developers, it will serve as the foundation of NFT, dApp, DeFi, and other Web 3.0 projects at real world scale without interruptions and minimal friction points.

For stablecoin holders, e-EUR will be a beneficial store of value for seamless international transactions. Used for savings or investment purposes, this progressive stablecoin will be a reliable financial possession to both incur stability and increase the purchasing power of the holder, akin to cryptocurrencies.

Overall, e-EUR and e-EURG will represent a powerful benefit for all parties using them for one reason or another. Common benefits include:

- Pseudo-anonymous transactions
- No intermediaries
- Zero transaction fees
- Ease of use
- High stability and availability
- Self-balancing safety mechanism
- Progressive purchasing power
- Low-cost, secure, fast development
- Suitability for both Web 3.0 and real world applications

Use Cases

1. Private Investments

Token holders can hold or cold-store e-EUR as either savings or for private investment. Encrypted and anonymous, this digital money will be secured through your private key and will already be at your disposal when you want to use or exchange it. Alongside providing these benefits, e-EUR ecosystem stablecoins will also give more stability than cryptocurrencies and a much better return rate than your forex investments.

2. Low-cost Application Development

Developers looking for a reliable, secure, scalable, and fast multi-chain network, can bank upon e-EUR and design their dApp or NFT projects inexpensively and hassle-free. Be it an Industry 4.0

project or a Web 3.0 digital creation, our ecosystem is capable of providing you with all the required resources to create amazing new-era applications and solutions.

3. Lending and Remittances

The zero-fee transaction capability makes our ecosystem lucrative for DeFi marketplaces, exchanges, e-commerce businesses, service providers, and remittance platforms. With e-EUR, such businesses can provide low-cost high-quality services to their customers.

4. Freeing Service & Product Costs from Surcharges

For individuals and businesses dealing with a wide range of clientele from different geographies, potential gains go into exchange commissions and payment processing. Using the e-EUR ecosystem for taking payments related to products and services, the exchange fees can be minimized and transaction fees can be saved entirely.

The received amount can further be used within the ecosystem to increase e-EUR circulation, making the token stronger, while increasing the purchasing power of token holders as time progresses.

5. Hosting Time and Resource Critical Solutions

Gaming, transport, and streaming applications require a superfast host to prevent congestion and improve performance. A small lag in the operations will degrade service quality and user experience. On the other hand, applications related to real estate, pharmaceuticals, etc. require keeping and accessing a large amount of data to serve end-users better.

For both types of applications, it is essential to operate in real-time and securely. Unlike conventional blockchains which are slow due to excessively-heavy record-keeping operations, the Tangle ledger that e-EUR makes use of is a much better choice.

Roadmap



- **Phase 1**
 - Finalize applied tokenomics research
 - IOTA Stack development
- **Phase 2:** Public Release of the first beta batch of e-EURG governance tokens
- **Phase 3:** Opening of the e-EUR governance DAO to e-EURG token owners
- **Phase 4:** Launch of the beta pilot for the e-EUR network protocol
- **Phase 5:** Launch of the beta pilot for the Remit.Fi DeFi network protocol
- **Phase 6:** Launch of the fully-open e-EUR network protocol for public use
- **Phase 7:** Launch of the fully-open Remit.Fi website and network protocol for public use

