

EL Salvador passes Law on Cryptocurrency Transfers



El Salvador's legislative assembly on Wednesday approved a digital assets law aimed at legally protecting transfers or debt issues with cryptocurrencies. El Salvador was the first country to adopt bitcoin as a legal currency in September 2021, using it along with the US dollar, which it adopted as its currency in 2001.

The 47-article law received 62 votes in favor out of 84 seats in Congress. "El Salvador's Legislative Assembly has just approved, by an overwhelming majority, the new Digital Securities Law! Forward, always forward," wrote President Nayib Bukele on Twitter.

The new law paves the way for the acquisition of \$1 billion in "crypto bonds" or "volcano bonds." In November 2021, Bukele announced the construction of a "Bitcoin City" in the eastern department of La Unión, which would be powered by geothermal energy from a volcano in the region. Bukele's government has already purchased 2,381 bitcoins for \$107 million. On November 17, Bukele announced that his government would buy one bitcoin a day, without specifying for how long. Bitcoin is currently trading at below \$20,000, after hitting \$68,000 in November 2021.