

Ethereum 'merge' clears path for ESG-minded corporate investors

Crypto investors across the world breathed a sigh of relief this morning as one of the biggest digital currencies, [Ethereum](#), completed its transition to a proof-of-stake coin, clearing a path towards greater investment from [ESG](#)-conscious corporate investors.

The transformation of the \$200 billion-market-cap [cryptocurrency](#) promises to deliver huge energy efficiencies, making Ethereum much more cost-effective to use compared to the market's most popular coin, [Bitcoin](#).

That's likely to make Ethereum a more attractive proposition to investors who have expressed concern about Bitcoin mining, which has consumed over 380 terawatt-hours of electricity over the past year according to estimates from Cambridge University. Last year, Tesla boss [Elon Musk](#) said the carmaker would stop accepting Bitcoin as a means of payment for its vehicles, citing concerns over the amount of fossil-fuel generated electricity used to mine the coin.

Conor Svensson, CEO and Founder of Web3 Labs, said: "I do believe that Ethereum will long-term overtake Bitcoin.

"If you're a corporate looking to invest in cryptocurrencies, given the ESG narrative I imagine a lot of them will be slightly hesitant about getting exposure to Bitcoin when there's this other asset which doesn't use huge amounts of power."

Read More

- [Plunging pound could be lifting UK crypto growth](#)
- [Crypto investors hold their breath as \\$200 billion at risk in Ethereum 'merge'](#)
- [Ethereum's price drops 6.83% overnight](#)
- SPONSORED

[The out-of-this world event Marvel fans need to know about](#)

Market reaction to the 'merge' has been muted so far. The Ethereum price grew 2.5% around the time of the merge to £1,423, before paring back gains in the following hour.

While the merge is formally complete, it may be some time before the full effects of the transition are felt.

Sean Dickens, Cryptocurrency specialist at fintech firm Kinesis money, said: "On the surface things could be going well but behind the scenes you never really know. [But] a lot of people will become aware if things start to go wrong."