

EFRAG CALLS FOR CONSULTANT SUPPORT IN REVIEW OF MARKET DEVELOPMENTS RELEVANT TO THE ACCOUNTING FOR CRYPTO-ASSETS

12 September 2019

Background

- 1 Crypto-assets continue to grow in prominence due to ongoing innovation. At the same time, they have attracted the attention of regulators and accounting standard setters reflecting the need for enhanced surveillance of associated risks and transparency by entities holding crypto-assets.
- 2 Following the results of an agenda consultation in 2018, EFRAG is conducting a research project on crypto-assets with the objective of understanding the accounting areas that may need clarification or may not be addressed within existing International Financial Reporting Standards (IFRS) Standards and other national accounting standard setter guidance. The scope of the project includes an assessment of accounting issues related to the major categories of crypto-assets (i.e. crypto-currencies including coins and payment tokens, security tokens and utility tokens). It also entails an assessment of possible accounting issues arising from the following crypto-asset related activities:
 - (a) *Issuance of crypto-assets*: Initial Coin Offerings (ICOs) (and similar offerings);
 - (b) *Holding of crypto-assets*: Payment services, investment and other holding objectives (e.g. access to distributed network goods and services)
 - (c) *Crypto-assets related services*: Storage, custodial services and mining services.
- 3 More details on the EFRAG research on crypto-assets can be found at the [project page](#).

Outreach to elicit project-relevant insights from experts

- 4 As part of the EFRAG research project, and to fully identify the trends in innovation and accounting issues, EFRAG intends to [reach out to experts](#)¹ from a range of relevant functional backgrounds including those within entities undertaking crypto-assets activities as part of their business model, those that have oversight and standard setting responsibilities and those that provide related research and advisory services. The potential participants to the planned outreach are hereafter referred to as “*crypto-asset experts*”. The following are the objectives of the outreach to crypto-asset experts:
 - (a) define practices and use cases within different EU jurisdictions (and globally) that can help to fully identify the associated rights and obligations from a customer/holder perspective as well as a seller/issuer/custodial service provider perspective.

¹ These includes but is not restricted to experts within either the following functional roles or organisation types:

accounting standard-setters; auditors; regulators; crypto-asset developers; ICO issuing firms; Institutional investors; researchers including academics; blockchain token economy experts; ICO and other crypto-asset rating agencies; brokers; advisers (e.g. lawyers, consultants); exchange/dealer platforms, custodian and wallet providers; credit institutions, electronic money institutions with crypto-asset holdings

- (b) obtain an understanding of current and potential market development, distributed ledger technology (DLT) platform innovation across different jurisdictions and any other observations related to crypto-asset activities that would help inform the EFRAG research project.
- (c) understand the level of current or emerging regulation (including self-regulation) applicable within jurisdictions (EU and beyond).

Consultancy support sought for outreach activities

- 5 EFRAG is seeking consultancy support to help with the above stated objective of conducting outreach to crypto-assets experts.
- 6 The consultancy support is sought from professionals with
 - (a) Both a broad and deep understanding of crypto-asset activities and market participants.
 - (b) An ability to effectively communicate to and obtain insights relevant for the EFRAG research project from different crypto-asset experts.
- 7 The consultant will be expected to undertake the following:
 - (a) Collaborate with the EFRAG Secretariat in assessing the progress made so far by the EFRAG Secretariat, act as a sounding board for the EFRAG Secretariat and identify the specific additional information required to fulfil the outreach objectives of the research.
 - (b) Assist in developing approaches to effectively gather the required information from the outreach to crypto-asset experts. This will include assisting in refining an interview questionnaire that has been developed by the EFRAG Secretariat.
 - (c) Conduct interviews with contacts responding to the [public call](#) and other experts proposed by the consultant to ensure that broad spectrum of expert practitioners is involved. After co-ordinating and agreeing with EFRAG Secretariat, there may be a need for the consultant to either solely conduct interviews with some of the crypto-asset experts participating in the research or jointly (with EFRAG Secretariat) conduct interviews with others.
 - (d) Report back to EFRAG Secretariat on a weekly basis on the key conclusions from the outreach interviews with crypto-asset experts.
- 8 The consultancy support is expected to take the equivalent of 20 full days of work during October and November 2019.

How to apply

- 9 Applications are welcome from individuals affiliated with an internationally recognised university or from advisory firms that have subject matter expertise and can nominate a specific individual to conduct the research.
- 10 The proposal should include:
 - (a) Consultant's CV;
 - (b) Institutional affiliation, key areas of expertise;
 - (c) A summary of competencies that qualify the applicant for the consultancy engagement;
 - (d) A summary of the key issues that may arise from the consultancy
 - (e) The anticipated consultancy fee per day with a breakdown of estimated costs.

- 11 Applications should be received on or before 27 September 2019 by email through call.for.tender@efrag.org. Applicants will be advised of the decision by 4 October 2019

Terms of agreement

- 12 Giving feedback and collaborate with the EFRAG Secretariat on a weekly basis during the months of October and November 2019.
- 13 EFRAG will have ownership and retain copyright of the data gathered and any related working papers including written feedback developed during the consultancy assignment.
- 14 The Information Form and Draft Contract form part of the call for tenders.