



## **Guide: *Digital Token Generations in the Canton of Geneva***

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# 1 Introduction

The Directorate General for Economic Development, Research, and Innovation (DG DERI) of the State of Geneva contributes to the development of the local economic fabric in all its diversity. It promotes entrepreneurship, digital and sustainable transformation, the emergence of talent, as well as innovation and scientific research.

In light of the rapid evolution of the distributed ledger technology (DLT) making it possible to generate digital tokens, DG DERI presents this guide about the local regulatory and tax situation. The objective is to promote the important expertise available and to accompany projects seeking to establish in Geneva.

With its profoundly international nature and its multicultural tradition, Geneva provides the dynamic and innovative setting for token generation projects. The canton offers state-of-the-art technology infrastructures, a favorable tax system, and a broad skill ecosystem composed of entrepreneurs, academics, and a public administration that includes several projects using blockchain technology.

Geneva positions itself as a global hub for cybersecurity and digital ethics and is host to leading players in the field. The canton supports the idea of international regulation of cybersecurity and welcomes the "[Tech Accord](#)" signed in mid-April 2018 by more than 30 major companies in the technology sector. It also supports the [Swiss Digital initiative](#) initiated by DigitalSwitzerland to promote ethical standards in the digital sphere. In September 2019, the [CyberPeace Institute](#) was created in Geneva to provide support for victims of cyberattacks, to facilitate investigations and research in cyberattacks and to promote responsible behavior in the cyberspace.

The Swiss legislative and regulatory context is particularly welcoming for token generation projects and companies active in the blockchain sector. This is due in particular to the classification of the various kinds of tokens in a practical guide published in the first quarter of 2018 by the Swiss Financial Market Supervisory Authority (FINMA).

DG DERI offers entrepreneurs the possibility of obtaining an evaluation of their token generation project, regardless of its category or any other blockchain-based project, as well as of being put into contact – according to their needs – with actors in the Geneva ecosystem. A map of that Geneva ecosystem is available on the [DG DERI website](#).

The information in this guide is updated by an open specialist group composed mainly of Geneva experts from the public and private sectors specializing in legal, banking, academic, and technical aspects, as well as regulatory compliance. This holistic approach makes it possible to consider every facet of a token generation project.

For purposes of readability, we choose in this guide to employ the terms "*digital token generation*" to refer to all types of digital token generation projects, as well as "*the blockchain*" to include all available blockchains or applications of distributed ledger technology, open or closed.

## 2 Practical Information: regulatory and tax aspects

### 2.1 Legal framework in Switzerland for distributed ledgers and blockchains, by the Federal Council

Distributed ledger technologies (DLT) are among the notable and potentially promising developments of the digital universe. These evolutions reveal considerable potential for innovation and increased efficiency – though they are still not fully understood in their entirety – in the financial sector as well as other economic sectors. Switzerland is one of the most advanced countries in the blockchain field. The fintech and blockchain ecosystem has developed strongly in recent years, and the Federal Council intends to continue improving the conditions for Switzerland to take advantage of the opportunities associated with digitization. It aims to create optimal framework conditions for Switzerland to establish itself and develop as a leading innovative and sustainable economy for companies active in the fintech and blockchain sectors, and for innovative businesses in general. In addition, the Federal Council seeks to continue preserving the integrity and reputation of the Swiss economic and financial markets, including in this area.

To that end, the Federal Council published a report on the "[legal framework for DLT and blockchain in Switzerland](#)" on December 14, 2018. That report aims to demonstrate that Switzerland is open to technological innovations such as blockchain, that the Swiss legal framework is already adapted to blockchain-based business models, that Switzerland intends to make its framework conditions even more conducive to innovation, and that the Swiss authorities are committed to systematically fighting abuse.

#### 2.1.1 Civil Law and Insolvency Law

From the point of view of the civil code, we can distinguish two types of digital tokens:

- **First of all, there are digital tokens that represent above all a value in the blockchain context, such as tokens like bitcoin. According to the majority opinion, these tokens de facto represent a purely intangible means of payment.** In particular, to the extent that this type of token does not involve any claim against a generator, civil law imposes no requirement on (and therefore no obstacle to) their transfer.
- **The second category concerns digital tokens that represent various types of rights (receivables, use, property and/or social rights, for example). These tokens must sometimes, according to the will of the users, fulfill a function comparable to currently performed by securities.** Because inscription in a decentralized ledger accessible to interested parties is, like for paper securities, likely to ensure some publicity, it seems justified to apply comparable legal effects to this inscription. The Federal Council is proposing to adapt securities law to strengthen legal certainty. If that comes to pass, care should be taken to preserve the principles of securities law to the extent possible, which have proved their worth. Digital representation and transfer can therefore only be considered for rights likely to be securitized and that can be freely transferred.

The Federal Council also recognizes the need to act in the field of insolvency law.

### **2.1.2 Report of the Federal Department of Finance on adapting federal law to DLT developments**

Following its December 2018 report on the legal framework governing distributed ledger technology (including blockchain) in the financial sector, the Federal Council instructed the Federal Department of Finance (FDF) to develop, in collaboration with the Federal Department of Justice and Police (FDJP), a draft amendment of civil law, submitted to public consultation. A bill and its explanatory report were thus made public on March 22, 2019. Public consultation on that bill ended on June 28. The bill proposes targeted adaptations of certain areas of law to enhance legal certainty, to remove barriers to blockchain-based applications, and to limit new risks.

DG DERI will closely follow the changes that will eventually be adopted and, if necessary, update this guide.

### **2.1.3 Financial market law**

Blockchain-based applications may have many links with the law regulating financial markets, and more specifically with banking law, financial market infrastructure law, and law specific to financial instruments (shares, bonds, collective investments, etc.), insurance law, as well as future laws on financial services and financial institutions. The objectives of financial market law, such as ensuring the smooth functioning of financial markets and protecting investors, apply to companies active in the financial sector via blockchain as well as to all other financial actors. The Federal Council currently sees no fundamental problems in the financial market law regarding applications specifically based on the blockchain that would require in-depth changes. Swiss financial market law is technologically neutral and should therefore be able to adapt to new technologies.

### **2.1.4 Capital Markets and Technology Association (CMTA) anti-money laundering standards for digital assets using DLT**

The Geneva-based Capital Markets and Technology Association (CMTA) was created with the idea that DLT is likely to simplify the financing of companies and democratize access to financial markets that are currently reserved for large companies.

It [published standards](#) for generators of digital assets and financial intermediaries offering services to customers in relations to digital assets in order to facilitate both compliance with anti-money laundering principles and the opening of bank accounts for and providing services to companies in the field of digital assets. The standards aim to gather good practices and recommendations to enable stakeholders to implement internal compliance protocols.

Digital asset generators are encouraged to implement a system for identifying subscribers/acquirers of digital assets even if they are not financial intermediaries, and therefore not subject to the AMLA, by basing themselves on a risk-based approach. Such a procedure should facilitate the adoption of blockchain as well as access for digital asset generators to the intermediated financial system.

## 2.1.5 Combatting money laundering and the financing of terrorism

The risk analysis conducted in 2018 by the interdepartmental coordinating group on combatting money laundering and the financing of terrorism (CGMT) shows that, due to the threats and vulnerabilities identified, there is a risk in Switzerland of fraudulent use of digital tokens for purposes of money laundering or terrorist financing. The threats and vulnerabilities concern every country in the world. However, the risk analysis reveals that the precise risk in Switzerland cannot be accurately assessed due to the small number of cases.

Currently, the anti-money laundering law (AMLA) is sufficiently technologically neutral to encompass a large part of the activities related to digital token generation. The general principles of the AMLA also apply to digital tokens. The activities of most actors in the cryptographic field already fall within the scope of financial intermediation and as such are subject to the AMLA. As a result, the scope of the AMLA is already quite competent by international comparison. The Federal Council therefore considers that significant revision of the AMLA is not necessary to take digital tokens specifically into account.

## 2.2 FINMA Regulatory categories for digital tokens

In accordance with the [Guidelines for enquiries regarding the regulatory framework for ICOs](#) published by the Swiss Financial Market Supervisory Authority FINMA on February 16, 2018, and its [complement](#) from September 11, 2019, the first step is to identify the category of digital tokens created or to be created by the token generation project initiator. FINMA notes that there is currently no universally recognized classification of digital tokens, neither in Switzerland nor elsewhere in the world.

FINMA has based its approach on the economic function of the digital tokens generated. On the basis of criteria of functionality and transferability, FINMA has established a first outline of future regulations of digital token generation, retaining the following categories:

- **Payment tokens** are comparable to "*cryptocurrencies*", with no connection to other functionalities or projects. In some cases, the tokens only develop the necessary functionality and acceptance as payment over time.
- **Utility tokens** are tokens that provide access to a digital application or service.
- **Asset Tokens** represent assets such as shares in real values, companies, income, or a right to dividends or interest. In terms of economic function, the token must be considered as a share, a bond, or a derivative financial instrument.

These token categories are not necessarily mutually exclusive. Asset and utility tokens can also fall into the category of payment tokens (referred to as **hybrid tokens**). In such cases, the token may be cumulatively considered as a security and as a means of payment. Digital token generations may also constitute mixed forms of these categories. A utility token can, for example, be subject to the AMLA when it is usable as a generalized means of payment, or should be able to be used as such.

The supplement to the Practical Guide of September 11, 2019, is devoted to the treatment of "*stable coins*", the objective of which is to stabilize the value of tokens by linking them to an asset. The supplement mentions four types of cases: tokens linked to currencies, to

commodities, to real estate, and to securities. Geneva has proven expertise in these types of cases. Cases of "*stable coin*" issues generally require a ruling from FINMA that they are not subject to financial market laws.

## 2.3 Value added tax (VAT) liability

On August 27, 2019, the Federal Tax Administration (FTA) published a working paper entitled: "[Cryptocurrencies and initial coin/token offerings \(ICO/ITO\) as the subject of wealth, income, and profit tax, withholding tax, and stamp duties](#)", the consultation of which is highly recommended.

Following an analysis of that publication, PwC (PricewaterhouseCoopers) Switzerland provided a summary of the FTA's approach to the VAT implications of digital token generation. Nevertheless, and despite those publications, requests for rulings on VAT treatment may be, in many cases, the only way to ensure adequate treatment of a digital token generation.

As a preliminary, it is important to note that even if the following classification uses the same terminology as the FINMA publication, the FTA has clearly demonstrated in its practice that it does not consider itself bound, in its VAT analysis, by the qualification that might be adopted by FINMA.

- **Payment tokens:** these tokens may be recognized as a means of payment even though they would not be legal tender under Swiss law and based on the evolution of the legislation.
  - As such, income from the generation of means of payment would not be considered as revenue in determining VAT (out of scope). The right, or lack of right, to claim input tax (upstream VAT) on costs incurred exclusively for the purpose of generating payment tokens is not dealt with in administrative practice and must be confirmed by the FTA through a ruling request. It should be noted, however, that insofar as these tokens are considered out of scope, VAT on expenses directly and exclusively related to the generation of these tokens should not be deductible.
  - For overhead costs that are not exclusively attributable to those revenues (so-called "*mixed*" expenses), the related input tax can be recovered according to an allocation key based on all the activities undertaken. Similarly, in its Hedqvist decision (Case C- 264/14) on 22 October 2015, the European Court of Justice ruled that the Bitcoin virtual currency is a contractual means of payment and therefore benefits from an exemption provided for in article 135(1)(e) of Council Directive 2006/112/CE on the value added tax. Ultimately, it could be argued that transactions, including trading, involving payment tokens benefit from this exemption. As a result, token subscribers based in the European Union should also be exempt from VAT in their country.
- **Utility tokens:** these tokens could be considered as pre-payment of services under common law (e.g. right of access, right to a service).

- As such, if the prepaid services are clearly identifiable and known at the time the tokens are generated, that generation would be treated as a taxable service in the place of business of the recipient of said service (to the extent that the service is not excluded from scope of the tax). Consequently, it would be taxed at the applicable rate if the recipient is in Switzerland (7.7%), or exonerated from VAT (0%) if the recipient is abroad. The input tax incurred for the acquisition of income resulting from the generation of those tokens would be recoverable. It should be noted that this requires a precise identification of the beneficiary and the implementation of appropriate KYC procedures.
- On the other hand, if the services are not clearly identifiable and known, the generation of the tokens could constitute a means of payment. Consequently, the previously developed considerations would be applicable.
- In the European Union, these tokens - usually used for the purposes of raising funds needed for the development of future products and/or services by the issuing company - are considered as a prepayment of future goods or services from said company. However, under Article 2 of the aforementioned VAT Directive, delivery of goods and provision of services for consideration by a taxable person acting as such are subject to VAT, which presupposes the existence of a direct link between the provision of services or the delivery of goods and the payment received. However, on the date of generation of the token, no services or delivery of products can generally be clearly identified.
- In addition, the FTA specifies that VAT is due at the time remuneration is received. This point seems to be debatable, particularly if the project does not succeed and the service is never provided, or the service initially planned changes. A ruling request could provide more certainty in specific cases.
- Special attention should then be paid to applicable rules of territoriality and the resulting reporting obligations. In this respect, the FTA does not, at this stage, issue guidelines on the admissible ways of proving the place of establishment/headquarters of the recipient.
- **Asset tokens:** these tokens will be treated as contractual relationships (similar to financial instruments) and not as shares/participations under company law. Even if the FTA does not express an opinion on this subject and seems to consider the generation of such tokens as excluded from the scope of the tax, the underlying asset as well as the rights attached to the tokens could be decisive in determining VAT treatment (notably if the underlying is a tangible good or intangible asset).
  - For this type of token, the FTA tends to consider their generation as excluded from the scope of the tax without any right to recover the input tax insofar as the tokens are equivalent to a paper security
  - Given the nature of these tokens, they could certainly benefit in Europe from the exemption provided for in Article 135(1)(b) or (f) of the VAT Directive 2006/112/CE or be considered out of scope if assimilated to dividends. Similarly to Switzerland, the system applicable to tokens representing assets will depend on the underlying asset.

- **Hybrid tokens:** in the event that a token has several of the above qualities, VAT treatment should be determined on a case-by-case basis.

## 2.4 General tax treatment of digital tokens by the Cantonal Tax Administration of Geneva (AFCGE)

In principle, the AFCGE subscribes to the solutions proposed by the FTA for handling the taxes and cases under its jurisdiction. However, given the multitude of special cases that might arise and the rapid technological evolution of the digital token sector, various solutions may be considered, as needed, when analyzing projects presenting particular characteristics.

Under those circumstances, it is advisable for parties concerned – in particular companies initiating a digital token generation – to file a request for a tax ruling with the AFCGE before implementing the operation. The request should respect the structure and contain the information specified on [the website of the State of Geneva](#).

Before submitting the request, it is advisable to contact the AFCGE in order to determine the specific nature of the information and documents to be provided.

That said, we will outline below the essential elements concerning the tax treatment of digital token generations from the point of view of issuing companies.

With regard to corporate taxation (profit tax), the principle that the treatment for book purposes must also be adopted for determining taxable profit (principe de détermination/Massgeblichkeitsprinzip) applies with regard to Swiss tax law. Accounting treatment, as long as it complies with commercial law and no corrective tax rule exists, is thus decisive from a tax point of view. Examples of possible entries are available in the above-mentioned FTA working document of August 27, 2019, and in the position paper published online on May 13, 2019 by "[EXPERT suisse](#)", the Swiss organization of audit, tax, and fiduciary experts.

- **Payment tokens (synonymous with pure "cryptocurrencies")**

The tax treatment of the generation of payment tokens from the perspective of the generating company will be analyzed on a case-by-case basis, in particular according to the purpose of the generating company.

- **Utility tokens**

Generally speaking, in the case of the legal entity initiating the generation of digital tokens (company generating the tokens), this operation does not result in the realization of a taxable profit during the fiscal years in which the tokens in question are generated and the project financed by the funds raised is developed.<sup>1</sup> In principle, only funds raised that were not used for the development of the project and will not be returned to investors constitute a taxable profit. The taxation of said profit occurs during the fiscal period during which the project as described in the white paper is

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<sup>1</sup> It is accepted that the publication of the white paper constitutes a provision obligation (contrat de mandat) with the consequence that the funds raised constitute either advance payments (transitory liability) or, if they constitute taxable income, justify the posting of a provision with effect on expenses.

completed or abandoned. It goes without saying that if, in addition, the company generates other types of income during the periods in question, those remain fully taxable in accordance with the legal provisions in effect.

- **Investment tokens**

According to the classification adopted by the FTA in its above-mentioned document, there are three categories of investment tokens that can however be divided into two groups based on the tax consequences for the issuing company:

- Foreign capital tokens that include a formal or de facto obligation for the generator to repay all or a substantial part of the investment and possibly to pay interest;  
Funds raised via this intermediary are not considered taxable profits for the issuing company. Any interest payments to investors are considered as expenses justified by commercial use and are tax deductible.
- Equity and participation tokens that do not provide for a right to repayment of all or a substantial part of the investment but entitle investors to a financial benefit based on a certain proportional share of the issuing company's annual profit and/or the proceeds of the liquidation of the issuing company or calculated on the basis of another reference value (e.g. EBIT, license fees, turnover), and this regardless of the fact that the company pays or does not pay dividends to its shareholders;  
Generally speaking, the generation of this type of token does not in principle result in the realization of a taxable profit during the fiscal years in which the tokens in question are generated and the project financed by the funds raised is developed. Only funds raised that are not ultimately used for the development of the project and are not returned to investors will constitute a taxable profit. The taxation of said profit will take place during the fiscal period during which the project as described in the white paper is completed or abandoned. It goes without saying that if, in addition, the company generates other types of income during the periods in question, those remain fully taxable in accordance with the legal provisions in effect.

From an accounting point of view, the entries to be recorded will depend on the conditions specific to the operation in question and on the exact nature of the project and may differ from one case to another without calling into question the principle set out above. Payments based on investors' right to receive a financial benefit calculated on the basis of a certain proportion of the issuing company's annual profit or a certain reference value (e.g. EBIT, license fees, or turnover) are in principle considered as expenses justified by commercial use that are tax deductible, provided that it can be proven who the beneficiaries of the benefits are at the time the income is due.

If the shareholders of the generating company were to hold more than 50% of the tokens generated or if the payments made to token holders were to exceed 50% of the generating company's EBIT, the deductibility of payments made to token holders could be called into question.

- **Hybrid tokens**

Since the different categories of tokens are not necessarily mutually exclusive, some tokens may have characteristics of several of the above categories. In this case, a specific analysis will have to be carried out in collaboration with the AFCGE in order to determine the most appropriate tax treatment for the specific characteristics of the tokens concerned.

Switzerland will soon be abolishing special tax statuses, in particular for management companies (sociétés auxiliaires). The new system that will be put in place on January 1<sup>st</sup>, 2020, will be compatible with internationally recognized tax standards.

In the context of [that corporate tax reform](#), the State of Geneva will apply to all commercial companies subject to profit tax a single rate of 13.99% (effective rate) starting on January 1, 2020.

## 3 Evaluation of projects

### 3.1 Evaluation criteria

The specialist group that prepared this guide identified the following 5 areas of evaluation for a token generation project in terms of legal compliance - including standards against money laundering and financing terrorism – and the economic model allowing for these innovative projects to have a durable impact.

#### I. Concept and statutes

DG DERI also carefully analyzes the innovation potential of the project.

If the entity presenting the project is already established, DG DERI analyzes it from the point of view of its structure, products, and income.

A first guarantee of transparency – as well as a good indicator of the seriousness of the project – is the funds allocation structure, especially the share of funds allotted to the team in comparison with that allotted to the project. The same is true for the structure of the distribution of the tokens, particularly the share of tokens generated that is distributed to the public, as well as their functionalities.

DG DERI also analyzes the financial resources allocated for future needs, taking specifically into account the budget projections and the [business plan](#). The business plan should reflect the economic reality of the entity.

#### Important documents:

- White paper;
- Statutes of the issuing entity, and, if applicable, its unique enterprise identification (UID) number;
- List of service providers and authorities that might rule on the token generation project;
- Presentation of the relationships among the members of the ecosystem;
- Structure of the legal entity;
- CVs and references for all members of the team and the ecosystem;
- Diagram summarizing the interactions among the various members.

## II. Technological aspects

DG DERI evaluates each project submitted to it according to its stage of development and the relevance of using blockchain technology.

A second technological aspect concerns the development stage of the protocol and/or smart contract(s), following the usual typology: concept - coding - test - audit.

### Required Documents:

- Yellow paper (i.e. a document focused on the technical aspects);
- Technical audit report.

## III. Legal aspects

It must be clearly stated that legal questions must be resolved as a priority by project promoters (in particular the creation, deployment, and trading of tokens), not only because the various steps to be taken require time, but also due to the preeminent influence the legal system can have on the business model.

The main legal aspects to be taken into consideration can be identified as follows:

- Regulatory aspects: assessment of the planned activities from the viewpoint of Swiss financial markets, in particular the need or not for a FINMA authorization, a confirmation of subjection or non-subjection to financial market laws (FINMA ruling), as for example with regard to the possible application of the anti-money laundering and terrorist financing act (AMLA) to the planned activities, and, if applicable, to the affiliation with a self-regulatory organization (SRO).
- Contractual aspects: depending on the phases of the token generation project and the type of tokens created, documentation covering the sales contract of tokens for private sale; the general conditions of sale for the digital token generation; disclaimers; and the general conditions of use of the website. In the event of the sale of securities such as shares, bonds, or certificates of participation, the generator must prepare a prospectus in accordance with the content requirements under the Swiss Code of Obligations (articles 652a and 1156). The white paper must also be reviewed and supplemented from a legal perspective. Depending on the project, other contractual documents may be considered.
- Aspects relative to company law: analysis, constitution, and governance of the legal entity structuring the digital token generation, and in particular in the case of multiple signatures on private keys to access tokens (multi-sig wallets).

Other legal questions may arise depending on the specificities of the project. We encourage candidates to seek appropriate legal advice.

Important documents: available legal documents (legal opinion; FINMA ruling, or, if absent, exchanges with FINMA; contracts; tax ruling; documents relative to the legal entity, etc.).

## IV. The investor registration process

DG DERI evaluates token generation projects submitted to it according to standards established in the [Federal Act on Combatting Money Laundering and Terrorist Financing](#) (AMLA) at the time of investor registration, as well as based on the methodology employed to

identify those investors and verify the origin of funds invested.

That analysis, commonly called "*Know Your Customer*" (KYC), can be delegated to a specialized financial intermediary.

[The Swiss Bankers Association has published a guide for opening company accounts for "blockchain" companies.](#) These are recommendations. The guide distinguishes two categories of companies: (i) blockchain companies without digital token generations, and (ii) blockchain companies with digital token generations. For the former, the connection to blockchain technology has no impact on the company's financing. They must therefore be treated by the bank like any company wishing to open an account. For the latter, the SBA distinguishes between raising funds through the issuing of digital tokens in the form of fiduciary currencies or cryptocurrencies (partially or totally). It should be noted that the guide only concerns digital token generations for which the generator is an operating company domiciled in Switzerland

Important documents:

- Information about the investor registration process;
- Material elements indicating the type of investor and eligible countries;
- Any external service providers and their status vis-à-vis FINMA.

## V. Calendar

DG DERI analyzes each project submitted according to its state of advancement.

That being so, four "*typical*" stages of digital token generation can be identified:

1. Concept phase: writing of a document presenting the concept, the proposed innovation(s), the team in charge of implementing the project, the calendar, the *tokenomics* (algorithmic and financial mechanisms of the tokens to be created), along with the preparation of other key elements of the project, including a business plan.
2. Implementation phase: setting up the team and the concept. The documentation available in addition to the white paper and business plan will depend on the progress of the project. The bank account must be opened, taking into consideration the time that can take and the complexity associated with establishing a banking relationship.
3. Digital token generation phases
  - a. Creation of digital tokens: coding of tokens through smart contracts and stress-testing to ensure that all algorithms that will subsequently be deployed will function correctly in all situations. If necessary, this phase also makes it possible to delete, modify, or add functions to the smart contract(s) compared to those initially planned and that have not been correctly or sufficiently anticipated, in particular during phase 1.
  - b. Deployment of tokens on a blockchain: this phase consists of informing the market that smart contracts are now visible on the blockchain in question, if it is a public blockchain, or of launching the project to a determined – or determinable – number of people (private blockchain).
  - c. Distribution of tokens (raising funds): this can be organized in initial phases and then a public phase. Most of the above aspects and documents are finalized and available. The marketing campaign is about to be launched or is being rolled out. At this stage, it is a question of verifying that an investor registration process in conformity with

Swiss law has been implemented and, therefore, that the digital token generation can in fact be launched from Geneva.

4. Post-token generation phase: the raising of funds is complete and the token generator is seeking to develop and provide its services/create its products to concretize its project. It will then be necessary to review all of the above-mentioned aspects and documents, and, if necessary, modify them. If it has not already been examined beforehand, particular care should be given to the protection of investors and the circulation of tokens.

## 3.2 Evaluation process

Experts with DG DERI are available to study token generation dossiers in relation to the aforementioned qualification grid. Depending on the files, DG DERI can recommend to token generation project promoters to submit their plans to an expanded Experts Committee with members from the public and private sectors, to allow for analysis by specialists.

**The assessment provided should be considered as an evaluation of the degree of advancement of the project provided by DG DERI and/or the Experts Committee to digital token generation project promoters and may not under any circumstances be used as a certificate of quality to promote to various project stakeholders, such as potential investors.**

### How to submit your file?

To take advantage of an evaluation of your file, please fill out the evaluation request form available at the following link: <https://app2.ge.ch/sondage/921276?lang=en>

For any questions, you can also contact us by phone: +41 22 388 34 34 or by email at: [dgderi@etat.ge.ch](mailto:dgderi@etat.ge.ch)

### Evaluation procedure

1. Submission of a complete file through the evaluation request form.
2. Evaluation by DG DERI experts within one to four weeks.
3. Response via email within one to four weeks with the results of the evaluation, and, if necessary, organization of a complementary interview (in person or by video conference), and/or organization of an expanded Experts Committee within 4 weeks.
4. Possible contacts established with ecosystem actors, according to identified needs.

## 4 Map of the Geneva ecosystem

DG DERI maintains an up-to-date list of Geneva actors presented via a specially designed map based on the following 7 categories:

- Public administration
- Education and academic research
- Events
- Consulting, legal and tax
- Associations

- Investment and asset management
- Commodity trading and financing solutions
- IT providers
- Accelerators and incubators
- Token issuers

This is an open directory. To be included, please fill out the form at the following address: <https://arcg.is/1WvWag>. For the question "*theme*", please select the category most appropriate to your sector.

The current map of these actors can be viewed at this address: <https://arcg.is/19LvC5>

DG DERI Maps

## Digital Token Generations in the Canton of Geneva / DLT

[French](#)

A state-of-the-art ecosystem

Token generation projects are of growing interest. Switzerland, due to its legislative, regulatory and fiscal context, is particularly encouraging for these projects. The map opposite complements the [Guide: Digital Token Generations in the Canton of Geneva / DLT](#) published by DG DERI.

### Comments

This interactive map provides a non-exhaustive overview of the relevant actors for digital token generations in the Canton of Geneva and identifies their modes of action.

In this section, you can search the database with any keyword.

The legend details the type of actor.

Click on a point for more details and feel free to press the arrows at the top of the pop-up.

Find an actor

**Disclaimer:**

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Members of the open specialist group participated in a personal capacity. The opinions expressed in this document do not necessarily represent the views of each member of the group or the official views of their organizations.

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## 6 Annexes

### 6.1 Check-list of important documents

#### CONCEPT AND STATUTES:

- White paper
- Statutes and by-laws of the issuing entity, and, if applicable, UID number
- List of service providers and authorities involved in ruling on the issuing of digital tokens
- Presentation of relationships among members of the ecosystem
- Structure of the legal entity
- CVs and references for all members of the team and the ecosystem
- Diagram summarizing the interactions among the various members

#### TECHNICAL:

- Yellow paper (i.e. a document focusing on the technical aspects)
- Technical audit report

#### LEGAL:

- Legal notice
- FINMA ruling, or failing that, exchanges with FINMA
- Contracts
- Tax ruling
- Documents relative to the legal entity
- Information about the investor registration process
- Material elements indicating the type of investor and the eligible countries
- Possible external providers with their FINMA status

#### INVESTOR REGISTRATION:

- Information regarding the investor registration process
- Material elements indicating the type of investor and the eligible countries
- Possible external providers with their FINMA status

## 6.2 Table of abbreviations

<b>AFCGE</b>	Cantonal Tax Administration of Geneva
<b>AMLA</b>	Anti-Money Laundering Act
<b>CMTA</b>	Capital Markets Technology Association
<b>DG DERI</b>	Directorate General for Economic Development, Research and Innovation
<b>DLT</b>	Distributed Ledger Technology
<b>FINMA</b>	Swiss Financial Market Supervisory Authority
<b>FTA</b>	Federal Tax Administration
<b>ICO</b>	Initial Coin Offering
<b>KYC</b>	Know Your Customer
<b>SBA</b>	Swiss Bankers Association
<b>SRO</b>	Self-Regulatory Organization
<b>UID</b>	Unique Enterprise Identification Number
<b>VAT</b>	Value Added Tax