

Q&A List Open Market Consultation European Blockchain PCP

Introduction

This document lists the questions that were asked by market parties during the open market consultation (OMC) of the European Blockchain PCP and the answers provided by the European Commission to these questions.

Nr	Question	Answer
1	Can my organisation participate in the EU Blockchain PCP?	All interested market parties are invited to take part in the open market consultation (regardless of their geographic location, the size or governance structure of their organisation). Based on the final scope of the PCP, that will be defined after the open market consultation, additional participation requirements may be defined later for participation in the PCP procurement. This may be based on specific requirements in EU legislation for specific areas, the European governance structure of the EBSI and the objective of PCP to help create new business opportunities and to establish new areas of leadership for European companies. This will be defined in the call for tender documents for the PCP.
2	How can I become a contributing party to the ongoing process of preparing the EU blockchain PCP?	The way to become a contributing party is to actively participate in the different steps of the open market consultation process that are described on the EU blockchain PCP website, starting by participating in the webinar on 14/01/2020, responding to the questionnaire that will be posted on 16/01/2020 and participating in the OMC event in the second week of March 2020. More info on how to register for the webinar at EU blockchain PCP website.
3	What are the possibilities and procedures to submit a proposal for the upcoming EU Blockchain PCP?	Market parties will have the possibility to submit offers for the EU Blockchain PCP procurement once the call for tender for this procurement will be launched. As explained in the PIN and the OMC document, the implementation timetable for the PCP tendering procedure has not yet been determined, however it is expected that it will start in the second quarter of 2020. At the moment we are not in the tendering phase yet, but in the phase of the open market consultation and no offers can be submitted yet.
		However, if you are aware of possible ideas or solutions (existing or under development) that could help address the challenge of the PCP, you are invited to submit this information in the online questionnaire for the EU blockchain PCP that will be open between 16/01/2020 and 02/03/2020. For information about accessing the questionnaire, check the EU blockchain PCP website.
4	Is there an opportunity to pitch my proposal for the PCP at the webinar of 14 January 2020?	At the webinar, the EC have explained the context and scope of the PCP, the EC will also provide background information about the launch of the questionnaire and time have been given also for Q&A from webinar participants. There is no possibility for market parties to pitch solution at the webinar. As explained on the EU blockchain PCP website, the planning for the OMC includes the possibility for bileraterals between market parties and the EC. More details on this will follow later.

5	Our solution is not part of the EBSI v1. Will that limit our ability to participate in the PCP process? Do we need to engage on that level first?	Participation in the first version(s) of EBSI is not a requirement, preselection or prequalification for participating in the PCP process. There is no requirement that the solutions for the PCP need to be based on the solutions used in EBSI v1. As explained in the OMC document, there are shortcomings in existing blockchain solutions (e.g. regarding interoperability, sustainability / green aspects, security, robustness, full compliance with the EU legal framework etc.). The PCP focuses on building the future European blockchain architecture that is based on novel solutions that go significantly further than what existing solutions can offer. Market parties whose solution is not part of EBSI v1 and can deliver breakthrough innovative solutions to build the future European blockchain infrastructure are thus equally welcome to participate in the PCP process.
6	Without a development presence in the EU, will our ability to participate beyond an information and advisory role be limited?	As explained in the PIN, all interested market parties are invited to take part in the open market consultation (regardless of their geographic location, the size or governance structure of their organisation). As explained in the OMC document, PCP procurements can include place of performance conditions that require selected R&D suppliers to locate the 'majority' of the R&D activities 'for the PCP contract', including in particular the principal researcher(s) working for the PCP contract, in the EU Member States or countries associated to the EU's research and innovation programme Horizon 2020.
		As explained in the PIN, based on the final scope of the PCP that will be defined after the open market consultation, additional participation requirements may be defined later for participation in the PCP procurement. This may be based on specific legal or other requirements for specific areas (e.g. security), the European governance structure of the EBSI and the objective of PCP to help create new business opportunities and to establish new areas of leadership for European companies. The exact form of the participation requirements for the European
7	Do you know if UK participation will continue after 31 December 2020? Can UK companies participate to the PCP under the rules for third counties?	Blockchain PCP will be defined after the open market consultation in the PCP call for tender documents. After the UK's withdrawal from the EU, the rules of access to EU procurement procedures of economic operators established in third countries will apply to candidates or tenderers from the UK depending on the outcome of the negotiations. In case such access is not provided by legal provisions in force, candidates or tenderers from the UK could be rejected from the procurement procedure.
8	Are the slides and the video used at the webinar published?	The slides are published on the <u>EU blockchain PCP website</u> . The video about the diploma use case shown at the webinar is on youtube (you find the link to the video on slide 18).
9	Can only individual suppliers or also consortia apply for the PCP? Do consortia have a higher chance of acceptance?	It is envisaged that both individual tenders and joint tenders (submitted by a group of tenderers) will be able to apply for the PCP. The exact conditions for evaluation of tenders will be defined in the PCP call for tender documents. All offers (both those from individual tenders and from joint tenders) will be evaluated on equal basis.

10	How many contractors typically participate in PCPs, and how many will there be for this PCP? Does the EC intend to apply	The practical setup of the PCP shown on slide 12 of the webinar slide set (with respectively 4, 3 and then 2 contractors in phases 1, 2 and 3 of the PCP) is only shown as an example. The EU blockchain PCP may decide to work with different numbers of contractors per phase. The expected number of contractors for this particular EU blockchain PCP will be announced in the call for tender documents for the PCP. The EC has no innovation partnerships on blockchain. This OMC is about a
	blockchain also through Innovation Partnerships?	pre-commercial procurement. For more info on what is a pre-commercial procurement, see the OMC document and the EC <u>PCP website</u> .
12	Who will be the buyer(s) of the PCP?	The European Commission will be the buyer of the EU blockchain PCP.
13	The webinar clarified that PCP is not a grant /call for proposal but it is a procurement / call for tender. Does it mean that no co-financing is needed?	As explained on slide 13 of the webinar presentation, PCP is not an R&D grant. So PCP does not work with funding rates that reimburse a pre-set percentage of eligible R&D costs. PCP is a public procurement of R&D services, which means that it purchases R&D services at market price. Tenderers make offers to the PCP call for tender in which they include the price at which they offer to implement the contract. The procurer selects the best value for money offers and the price is then fixed in the contract with each contractor. The selected contractors (assuming that the contract is performed completely in line with all contract conditions) will finally be paid the full price in the contract. So, there is indeed no funding rate being applied. However, please note also that in case the contractor underestimated the work needed to perform the tasks for the contract when it made its offer, it will be up to the contractor to cover this extra work needed to complete the tasks for the contract.
14	Are the stages before the actual call for tenders somehow remunerated?	As explained in the OMC document, the EC does not offer any payment for market parties to participate in the OMC. The EC also does not intend to offer any payment to prepare tender documents for the PCP call for tender.
15	Is there a separate procurement for each of the PCP phases (design, prototyping, development/testing) or will it be 1 tender for the PCP with "minicompetitions per phase"?	The whole PCP is only one public procurement. So, there will be only 1 open call for tender for the entire PCP. Once the PCP has started, the competition to go a next phase is only open to contractors that successfully completed the previous phase. So, in the transition from phase 1 to phase 2 there are no new market parties from outside the PCP entering the PCP and competing to get a phase 2 contract.
16	Do all suppliers make it to the last phase of PCP? I ask because phase 4 of slide 12 of the webinar slides shows all suppliers in phase 4.	At the end of each phase of the PCP, the PCP progressively selects the best competing solutions to go to the next phase. So, no, typically not all contractors that start in phase 1 make it to the last phase of the PCP. However, when the PCP is finished, typically all suppliers on the market (not only all contractors that participated in the PCP but also others that did not participated in the PCP) can apply for new public procurement(s) of innovative solutions that may follow after the PCP to deploy commercial volumes of solutions (this is shown as phase 4 in on the slide). As shown by the blue arrow on the slide, phase 4 is not part of the PCP (yellow arrow on the slide) but is a new public procurement of innovative solutions that is launched after the PCP. The vertical dotted lines on the

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	slide represent call for tenders that are launched for the PCP, respectively for follow- up public procurement(s) of innovative solutions.
How to get access to the questionnaire?	The link to the questionnaire is published on the <u>EU blockchain PCP</u> website.
Where is the Q&A of the webinar posted?	All the questions that are posed during the entire open market consultation (including the questions asked during the webinar) are answered in this Q&A document that is published on the EU blockchain PCP website .
Any indication on the available budget for the PCP?	The budget for the total PCP (covering the contracts for all contractors and all R&D phases covered by the PCP procurement) is expected to be around 7 Million EURO.
Are nodes of the EBSI infrastructure only run by EU institutions?	No, each Member State is responsible for setting up their own node, in liaison with EBP governance and technical support provided at EC level at this stage.
How do you define a node?	Nodes will be able to create and broadcast transactions that will update the ledger, as well as offer additional services (e.g. different options of off-chain storage). The architecture of each node will be composed of two main layers: Use case-specific APIs layer developed to enable business applications to interface with the node. An infrastructure layer with capabilities common to all use cases. A visual is available in the webinar presentation, but the general idea is that an EBSI node delivers more services than just the one offered by the protocol layer.
The webinar clarified that the EBSI is a public permissioned blockchain. What do you mean by public? Can everyone have access but only Member States control/validates it?	In this context, public means indeed that the access to use EBSI can be given to potentially anyone but this is done in a controlled way (permissioned). This control is done by the governance structure of EBSI (which indeed regroup today experts from EBP member countries and the EC).
I don't understand what kind of infrastructure you are looking for. Blockchain is distributed on end user devices. Please be more specific.	Please see slide 18 of the webinar presentation.
Will the PCP apply to all the layers of the EBSI infrastructure shown on slide 20 of the webinar slides?	The exact scope of the PCP is still to be defined, we're using the open market consultation to help us do that. Please free to provide your perspective on your question, through the open market consultation questionnaire.
On which Blockchain Protocol is EBSI v 1.0 based?	The first version of EBSI (EBSI v1.0) is using Ethereum Besu and Hyperledger Fabric.
How is the current version of EBSI using Besu and Hyperledger Fabric?	We chose 2 well-known protocols to start building EBSI for 2 main reasons. First to have access to a big enough market of experts and developers, and
	questionnaire? Where is the Q&A of the webinar posted? Any indication on the available budget for the PCP? Are nodes of the EBSI infrastructure only run by EU institutions? How do you define a node? The webinar clarified that the EBSI is a public permissioned blockchain. What do you mean by public? Can everyone have access but only Member States control/validates it? I don't understand what kind of infrastructure you are looking for. Blockchain is distributed on end user devices. Please be more specific. Will the PCP apply to all the layers of the EBSI infrastructure shown on slide 20 of the webinar slides? On which Blockchain Protocol is EBSI v 1.0 based? How is the current version of EBSI using Besu and

		second, to stay neutral towards the different blockchain technologies proposed by the EBP members, which requires further evaluation.
27	The webinar clarified that the current version of EBSI is using Ethereum and some version of Hyperledger. So, is the PCP looking for people who build APPLICATIONS on top of these technologies? Or do you want people who will launch blockchains?	At this stage, the Commission is open to both. The exact scope of the PCP is still to be defined, we're using the open market consultation to help us do that. In this context, the future of EBSI concerns both the infrastructure components, including protocols, as well as possible applications. Please free to provide your perspective on your question, through the open market consultation questionnaire.
28	Will the PCP define detailed technical information on the protocols to respect? The technologies for the EU blockchain PCP have already been selected then (Ethereum and Hyperledger)? Or it possible to suggest/propose solutions based on other technologies?	At this stage, the Commission is open to suggestions. The exact scope of the PCP is still to be defined, we're using the open market consultation to help us do that. Please free to provide your perspective on your question, through the open market consultation questionnaire.
29	Who decides which open source protocol will be used for EBSI? Is there any chance to nominate a new open source protocol by an EBP member country?	Such decisions are to be taken by the EBSI governance body notably through its EBP technical group regrouping different experts from EBP countries and EC. New open source protocols can be envisaged in the context of the PCP.
30	Where to find technical documentation about already implemented use cases (EBSI v1)?	Technical documentation will be available by the end of March on the CEF Digital website .
31	Are the R&D services that will be procured / paid through the PCP related only to use cases v2.0?	No, as you will see in the open market consultation questionnaire we are exploring a number of themes outside of specific use cases. The objective and the challenge is to develop an infrastructure (as future of EBSI beyond EBSIv2.0) that will be able to potentially adapt and support a high number of use cases, not defined yet. Those use cases will leverage on a set of functionalities provided by the future EBSI with the objective to lead to the deployment of the solutions with a timeframe starting 2 to 3 years from now.
32	Who are in the EU Blockchain Partnership Policy group that will	More information on the European Blockchain Partnership is <u>available on our website.</u>

	select the next set of use cases?	
33	How many Use Cases will be selected (in general for EBSI and for the PCP)?	EBSI has begun to work on four use cases, which are described on the EBSI website. Additional use cases will be considered every year, with possible different timeframes. The EBP has not decided how many new use cases with be added to EBSI yet. More information will be available on our website at the end of Q1 2020.
34	Who are the leading Member State for each use case selected by the EBP? Who are leading the 4 use cases from the Member States? Could you provide the working group address or the contact person?	Member States are working in collaboration across the four use cases. You can find all the latest information about the EBP and EBSI on the two websites.
35	How can we join the working groups?	Participation in the working groups is based on nominations from EBP members.
36	Can we suggest other use cases for the PCP (besides the ones chosen by the EBP)? Can we suggest other areas of research for the PCP?	Yes, please use the open market consultation questionnaire to do so.
37	Do you envision different use cases for the public vs. private blockchain?	The future EBSI will concern different use cases and can possibly rely on different protocols. The current approach is to have clear established governance for EBSI. However future use of public and/or private blockchain could be envisaged if justified.
38	Will it be possible to apply to PCP with SSI (self-sovereign identity)?	If the question refers to using SSI to make an application to the PCP, It won't be the case. The PCP will still use the traditional Commission procurement process.
		If the question refers to focussing the scope of the PCP on SSI only, we expect the PCP to have a broader scope however this is not decided at this stage.
39	Any financial use-cases expected to appear on the EBSI's roadmap?	This is not excluded at later stage. More information on the next set of use cases will be available on the EBSI website.
40	Will the future EBSI infrastructure host use cases such as the European stablecoin?	Having a European stablecoin is subject to further investigation and it is not announced at this stage. The PCP will not concern the creation of any European stablecoin, per se. However technical capacities concerning tokenisation could be envisaged.
41	Will the PCP be aimed to define future (de-facto) EU standard? or will the PCP development be based on existing standard(s), as one of the requirement?	At this stage, the Commission is open to suggestions. The exact scope of the PCP is still to be defined, we're using the open market consultation to help us do that. Please free to provide your perspective on your question, through the open market consultation questionnaire.

42	Did you investigate Bitcoin SV as a platform for EBSI?	Blockchain solutions based on Proof of work are excluded for EBSI.
43	How does the EBSI relate to other EBP blockchain initiatives such as Alastria (in Spain)?	The objective is to make EBSI interoperable with other blockchains, in particular those developed by EBP countries, or to make it possible to integrate solutions that have been already developed by other blockchains. It is also possible that other blockchains will integrate EBSI components or that EBP will eventually be adopted as such in many EBP countries.
44	At what technical level do you want replies to the questionnaire? We can provide high-level answers, but we can also share indepth technical knowledge. Our answers will depend on the overall goal of your questionnaire. Please clarify?	In order for the questionnaire to be as open as possible for anyone with interesting ideas or solutions to reply, there is no minimum requirement for the technical level of detail that respondents are requested to provide. If you have a bright idea that has not been worked out in technical detail yet, you are most welcome to respond to the questionnaire. If you are already able to provide in-depth technical knowledge about your solution ideas, we are also very keen to learn about that. Don't let the standard text format of the reply boxes in the questionnaire tool limit your replies to high-level bullet point type replies. Please note that the questionnaire offers the possibility to upload additional documents, exactly to give you the opportunity to upload more detailed information - such as product / technology roadmaps, vision papers, technical papers, etc - in the format and with the level of detail that you find most suitable.
45	Can the same organization apply for the PCP procurement with two separate offers? For example: one offer with my organization as sole applicant and another offer with my organization as part of a consortium.	The exact conditions for the PCP procurement have not been defined yet. They will be decided after the open market consultation and will be published in the PCP call for tender documents.
46	I missed the opportunity to attend the webinar on the 14th of January. Is it possible to access the recording of the webinar session?	The recording of the webinar is available at: https://youtu.be/71A0fzFUR34
47	Is there a possibility of partnering with other companies / consultancies to implement the project? Are there any specific requirements or common practises?	The background section in the <u>agenda</u> for the open market consultation event explains how you can use the messaging functionality in the online registration system to contact other stakeholders that are looking for partners for the PCP. Check out Question 9 about the possibility to apply to the PCP as a consortium.
48	How many participants would be selected to compete in the PCP?	The exact conditions for the PCP procurement have not been defined yet. They will be decided after the open market consultation and will be published in the PCP call for tender documents.
49	What would be the timeline considering the	The webinar presentation has given a preliminary timeline for the PCP. The exact conditions for the PCP procurement have not been defined yet.

	different phases of the implementation process? Would it come with a 3 years commitment as addressed in one of the guidance documents?	They will be decided after the open market consultation and will be published in the PCP call for tender documents.
50	How does the selection process of competing companies would work in each phase? Do you already have any established processes for that?	The exact conditions for the PCP procurement have not been defined yet. They will be decided after the open market consultation and will be published in the PCP call for tender documents.
51	How will IPR rights be assigned in the PCP?	The webinar presentation has touched upon the point of IPR rights. More detailed formulation of all the details concerning the IPR clauses for the PCP procurement will be published in the PCP call for tender documents.
52	What type of profile of people should attend the open market consultation event? Should it be people with a technical profile or not?	The open market consultation event is targeted at potential bidders who can help us design and build the next generation European Blockchain Service Infrastructure. The target participant profile is CTO, solution architect, product management, technical pre-sales or any other profile in your organisation that can help assess the technical feasibility of developing new solutions to meet the future EBSI requirements.