

where the foundations of asset management 3.0 are being built but still a little shaky, to the fully decentralised, democratised, and frankly more efficient world of on-chain asset management I describe above?

What I'm advocating is nothing short of system change - we need (good) projects to flourish and for this we need not only greater demand, but also the right enabling conditions, favourable legal and regulatory frameworks and new kinds of institutions and networks. Here are the key elements we need to start putting into place in 2020:

Driving demand

Increasing adoption levels will be essential, especially in 2020. This means raising awareness of the benefits of on-chain asset management, showcasing good use-cases and ensuring that the technology is as safe and easy to use as possible. Adoption can also be encouraged via the right incentives. To that end, we'll be making a very exciting announcement in 2020 - stay tuned!

Funding projects to scale

Increasingly, more and more projects from the 2017 ICO wave are delivering on their promise from a tech-perspective, hitting main-net as promised. However, it is now time for those same projects to focus on driving usage on the networks. By funding solid token projects to accelerate UX/UI improvements, educate users and spread usage through distribution channels, investors can really help bridge the funding gap and earn attractive investment upside, as token values increase in line with greater adoption (this will be the case with well thought out token models).

Data, Data, Data

The devil is in the data. One of the reasons why some projects are under/over valued is useless metrics being given too much weight - e.g. exchange listings, daily trading volume, venture funds invested etc. We also need a better way of assessing what projects have done versus what they have promised (signal vs noise), much better token modelling, comparison metrics and valuation frameworks. Most investors today invest after they've seen the traction and are too afraid to take a view on where the traction is coming from next.

This is why projects like Messari are so important to the ecosystem.

New regulatory frameworks

Regulations for the off-chain world are not fit for purpose for decentralised finance. Decentralised technologies make some risks negligible (e.g. custody, risk management, fraud, embezzlement, delivery vs payment etc.). However, traditional law was designed on the assumption that technology could not mitigate or eradicate these risks - this needs to change. In particular, regulators need to consider accepting smart contracts in place of financial intermediaries.

Safe spaces for experimentation and innovation

We need to be able to test things in practice but in a way which both protects investors, and engages regulators. The best way to do this is through regulatory sandboxes. We would urge regulators to provide more opportunities for such sandboxes and hope to test use cases in this way in 2020.

Networks and organisations to champion on-chain asset management.

It's essential in such a fast paced yet relatively new field, that we have champions to raise awareness about the benefits of blockchain technology, work with regulators and grow the DeFi community. That's why in 2017, we helped set up the Multichain Asset Managers Association (MAMA) to carry out projects, organise events and strengthen the community to help bring about a more appropriate regulatory regime for on-chain asset management. In 2020, MAMA, now at 60 members, will be bringing the first live use-case of Melon into a fully regulated environment, publishing a manifesto and leading initiatives at Oxford University, the University of Basel and the Frankfurt School Blockchain Center.

Culture

If we want the field to grow and mature, we will also need to work together. This requires openness, trans-