

ISO 24165

DIGITAL TOKEN IDENTIFIER

Product Advisory Committee

March 2023

Contents

1. Introduction and Agenda
2. Governance
3. Operational update
4. Regulatory update
5. AOB
6. APPENDIX: Data Quality Metrics

Governance

2.1 GOVERNANCE: Competition Law Reminder

The purpose of this protocol is to remind attendees of DTIF meetings, including the Board, that all discussions at such meetings are subject to the application of EU, UK and other applicable national competition law (“Competition Law”).

Individual attendees are responsible for observing the requirements of Competition Law and should make themselves familiar with their legal obligations and their own organization policies. DTIF is committed to compliance with Competition Law, so to ensure that all meetings remain in compliance with Competition Law, we advise that all attendees follow the guidance set out below.

- A meeting agenda will be circulated in advance of a meeting. Any objections to, or potential concerns about, the proposed agenda in relation to Competition Law compliance should be raised prior to the meeting if practicable
- Attendees must stick to the prepared agenda during the meeting and avoid discussion about other topics
- Attendees must not seek, discuss, communicate or exchange any commercially or other business sensitive information about their organization or relating to competitors (whether before, during or after meetings). This includes, for example, any non-public information relating to prices, costs, revenues, business plans/marketing activities, individual terms and conditions, risk appetite or any other information which is likely to reduce strategic uncertainty in the market (i.e. which might result in less intensive competition than would normally occur)
- Attendees must not reach any sort of agreement or understanding that is unlawful due to competition law (e.g. unlawful horizontal agreement, unlawful vertical agreement)
- The PAC Secretariat will take minutes of the meeting, and supply these to each attendee in due course.
- If the Chair considers that a discussion at the meeting may be inappropriate from a Competition Law perspective, he or she shall raise an objection and promptly bring that part of the discussion to an end. If another attendee is concerned about a discussion from a Competition Law perspective, he or she shall bring it to the attention of the Chair, who will promptly bring that part of the discussion to an end. If other attendees attempt to continue that discussion, the Chair shall bring the meeting to an end. Every attendee is allowed to immediately leave the meeting in such situations. All these situations must be properly recorded in the minutes
- The minutes of the meeting must subsequently be read and approved by the attendees. If any matter discussed is not recorded in the minutes, or is recorded incorrectly, any attendee may raise an objection in writing and request an amendment.
- Similar principles should be observed for any group email exchanges or other online group discussions operated by DTIF.

We remind attendees that breaching Competition Law has serious potential consequences for them as individuals and their organizations. Such consequences may include heavy fines, liability to pay compensation to affected individuals and businesses and, in certain cases, the imposition of criminal penalties, director disqualification orders and disciplinary action.

2.2 GOVERNANCE: Previous Minutes & Open Actions

Approve minutes from the previous meeting

Open Actions:

- **Action 101122-01:** DEO to provide validation and verification steps performed by DTIF when updating the information for Terra and Ethereum (Completed – proposed to close).
- **Action 101122-02:** Update operational guide with the clear procedure dealing with the market events and present in the next meeting (In progress – for next meeting).
- **Action 091221-04:** Present the operational guide to the PAC, outlining the token validation process (Completed – proposed to close).

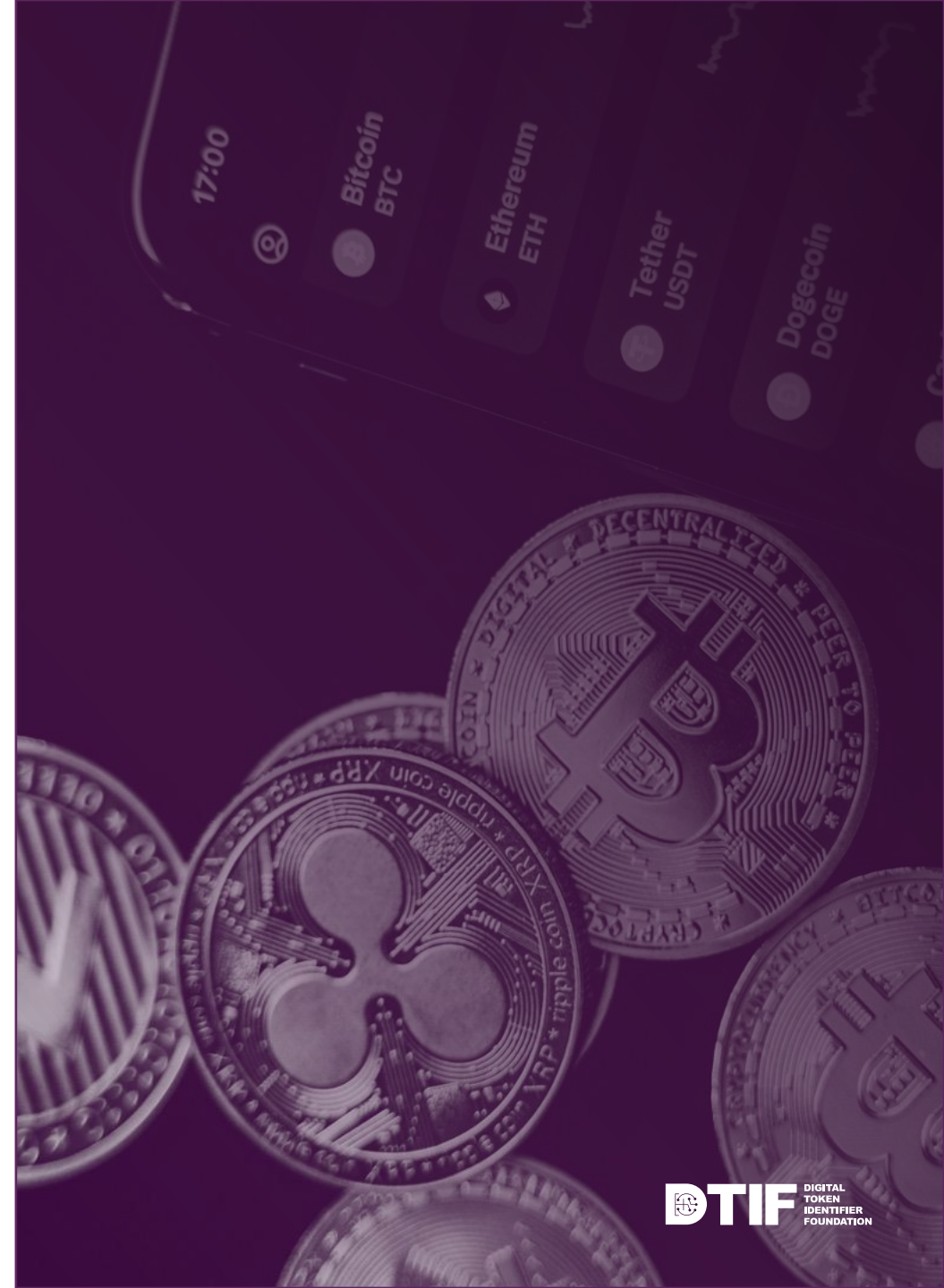
Operational Update

3.1 Data Quality Metrics Status Report

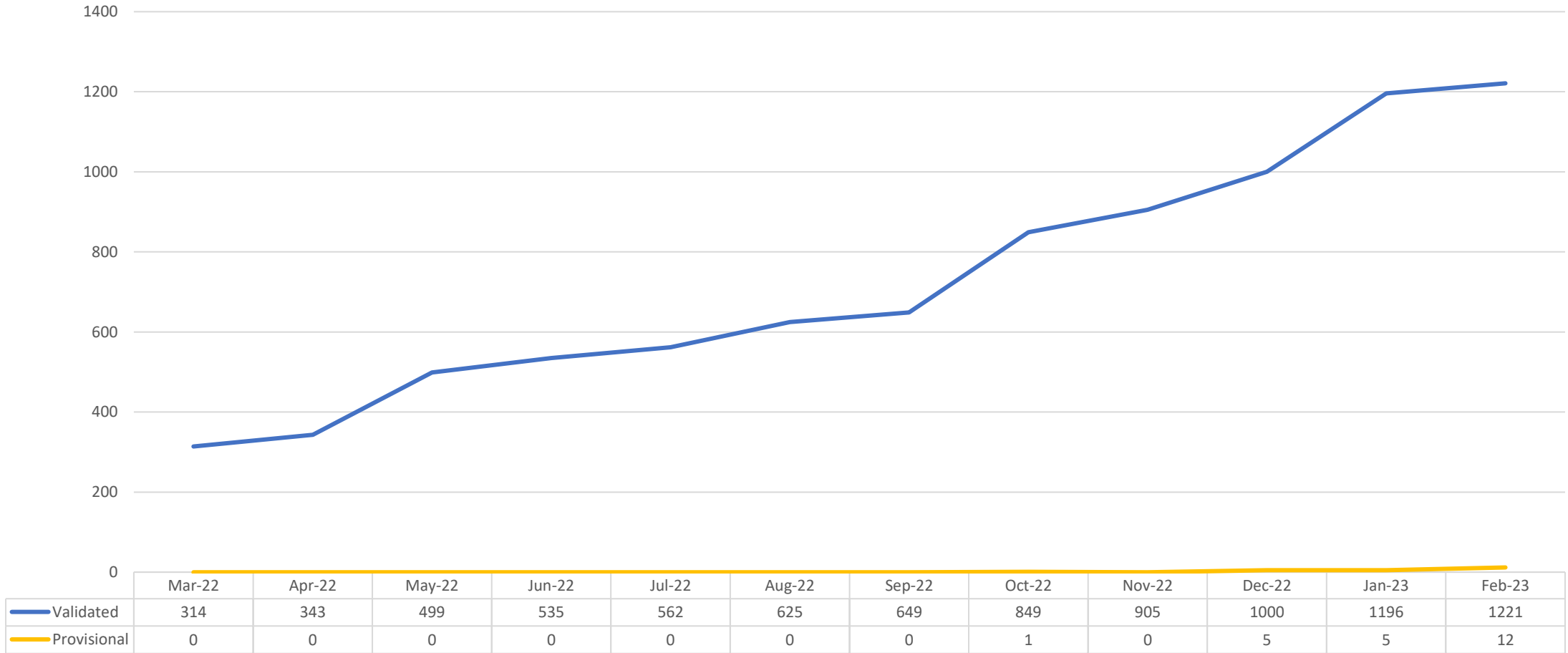
- As of February 2023, the DTI registry contains 1,221 unique tokens.
 - 1,115 Auxiliary token
 - 64 Blockchains with native token
 - 8 Functionally Fungible Group of Digital Tokens
 - 5 Other ledgers with native token
 - 6 Blockchains without native token
 - 0 Other ledgers without native token
- There have been 0 requests for amendments raised
- There have been 0 disputes
- All historically partially validated tokens have been fully validated in December.

3.2 Increasing number of tokenised assets being assigned a DTI

- 37 – Solana
- 7 – Ethereum
- 6 – Polygon
- 3 – SDX R3 Corda Ledger
- 1 – Hyperledger Besu
- 1 – GS DAP
- 1 – HSBC Orion



3.3 DATA REPORTS: Total Tokens (12 months rolling)



3.4 Development Milestones

- Q1
 - New streamlined token submission forms
 - New authentication mechanism
 - Required registration/login to search and download the registry
- Q2
 - Enhanced registry search functionality
- Q3
 - APIs

3.5 ISO TC 68 WG3 Update

- WG preliminary agreed to add issuer and maintainer to the standard as optional, informative fields. Precise definition to follow
- WG is currently considering proposals to update normative data elements:
 - Removal of Genesis block information
 - Addition of Anchor block information, including Anchor Block Height
 - Addition of Block Number Offset
 - Addition of “Validation Pending” class of information
- Discussion of normative data elements for “Other” DLTs, e.g. DAGs.
 - Call for participation to technical experts to advice WG3

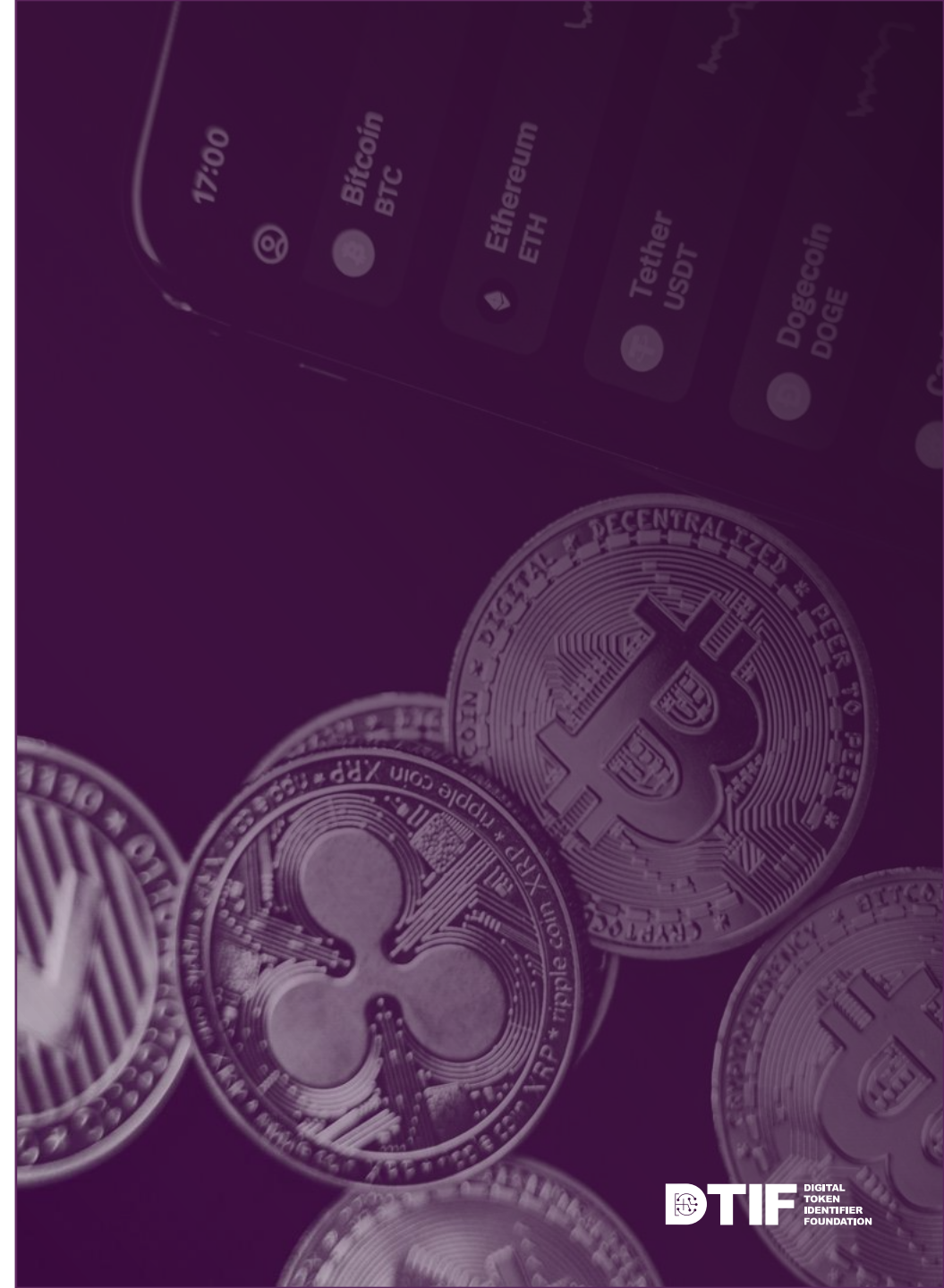


3.6 Implementation Guide and Market Events

- DTIF has published an Implementation Guide for assigning DTIs to tokens

<https://dtif.org/dti-implementation-guide/>

- At the next meeting, DTIF will present a workflow to handle market events such as DLT forks resulting in new tokens being created and significant changes to DLTs.
- Goal is to create a transparent process for DLT updates with full knowledge and participation of PAC





Regulatory Update

HMT: FUTURE FINANCIAL SERVICES REGIME FOR CRYPTOASSETS CONSULTATION

- 1 February 2023: HM Treasury (HMT) has published a paper consulting on its plans to regulate cryptoassets used within financial services, given that most cryptoasset activities are not currently subject to broader financial services regulation in the UK.
- Using the principle of “same risk, same regulatory outcome”, HMT intends to put in place commensurate safeguards where cryptoassets present similar risks to traditional financial instruments.
- The consultation closes on 30 April 2023.

Link:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1133404/TR_Privacy_edits_Future_financial_services_regulatory_regime_for_cryptoassets_vP.pdf

ESMA RECOMMENDS DTI FOR EU DISTRIBUTED LEDGER TECHNOLOGY (DLT) PILOT

- On 27 September 2022, ESMA published its report on the DLT Pilot which launches on 23 March 2023. In the report, ESMA recommends that EU regulators require the DLT market infrastructures to use the DTI (page 54).
- The DTI Foundation welcomes ESMA's recognition of the DTI and the important role it plays in bringing transparency and clarity to DLT and the wider digital asset markets.

Links:

<https://www.esma.europa.eu/press-news/esma-news/esma-publishes-report-dlt-pilot-regime>

https://www.esma.europa.eu/sites/default/files/library/esma70-460-189_gas_dlt_pilot_regulation.pdf

<https://etradingsoftware.com/esma-recommends-use-of-dti-codes-for-digital-asset-regulatory-reporting/>

EU MARKETS IN CRYPTO-ASSETS (MiCA) REGULATION

- The European Commission (EC) first issued a proposal for a new regulation which would set transparency and disclosure requirements for the issuance and admission to trading of crypto-assets in September 2020 under its Digital Finance Package.
- MiCA establishes harmonised rules for crypto-assets at EU level, providing legal certainty for crypto-assets not covered by existing EU legislation.
- EU policymakers are expected to finalise the MiCA Regulation (Level 1) by end of Q1 2023, with MiCA coming into force in Q3/Q4 2024.

Link: <https://data.consilium.europa.eu/doc/document/ST-13198-2022-INIT/en/pdf>

AUSTRALIAN GOVERNMENT: TOKEN MAPPING CONSULTATION PAPER

- 3 February 2023: The Australian Government has published a consultation paper seeking feedback on token mapping, described as “the process of identifying the key activities and functions of products in the crypto ecosystem and mapping them against existing regulatory frameworks.”
- This is the first step towards the Australian Government’s planned and future crypto ecosystem initiatives.
- The consultation closed on 3 March 2023, DTIF submitted a response advocating the use of DTIs.

Link: <https://treasury.gov.au/sites/default/files/2023-02/c2023-341659-cp.pdf>

FSB PROPOSED FRAMEWORK FOR INTERNATIONAL REGULATION OF CRYPTOASSET ACTIVITIES

- Jan 2023: The Financial Stability Board (FSB) has published public comments on its website, received in response to its consultation on its proposed framework for the international regulation of cryptoasset activities
- DTIF responded, noting that the Digital Token Identifier (DTI) can help with the following recommendations:
 - Recommendation 1: by providing a common international tool to uniquely identify digital assets;
 - Recommendation 3: by facilitating efficient and consistent information sharing between the authorities;
 - Recommendation 6: by providing authorities with access to quality reference data on crypto assets; and
 - Recommendation 8: by providing a link between crypto assets and traditional securities through a link to ISINs and Legal Entity Identifiers (LEIs) to simplify linkage of the different identifiers by market participants and public authorities.
- The FSB plans to publish the final report in July 2023.

Link:

<https://www.fsb.org/2023/01/public-responses-to-fsbs-proposed-framework-for-international-regulation-of-crypto-asset-activities/>

FCA/BANK OF ENGLAND JOINT DATA TRANSFORMATION PROGRAMME

- In 2021, the FCA and BoE started their multi-year Joint Data Transformation Programme with the vision to ...”get the data they need to fulfil their mission, at the lowest possible cost to industry” The BoE and FCA have set up a multi-year, multi-phased, transformation programme with 3 key reforms in mind:
- In November/December 2022, EY, commissioned to perform a data standards review on further development and adoption of standards under this programme, asked a series of questions to which the DTI Foundation responded, advocating the use of ISO as a universal template for international financial services standards. EY will share its report with industry following its review.

Link:

<https://www.bankofengland.co.uk/prudential-regulation/transforming-data-collection>

AOB



Thank You!

Kindly contact us if you have any questions.

Address:

Suite 21-23, 107 Cheapside, London, EC2V
6DN, United Kingdom

Email:

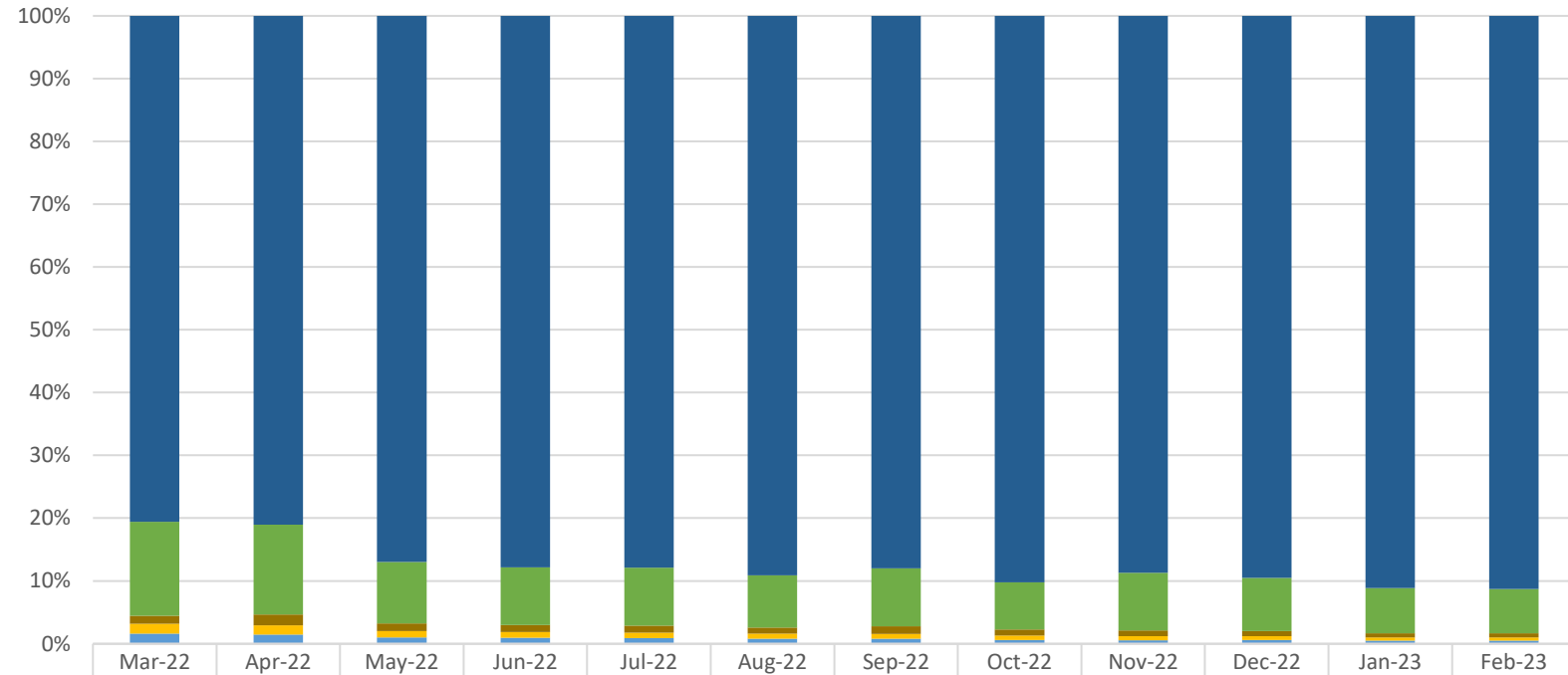
secretariat@dtif.org

Website:

www.dtif.org

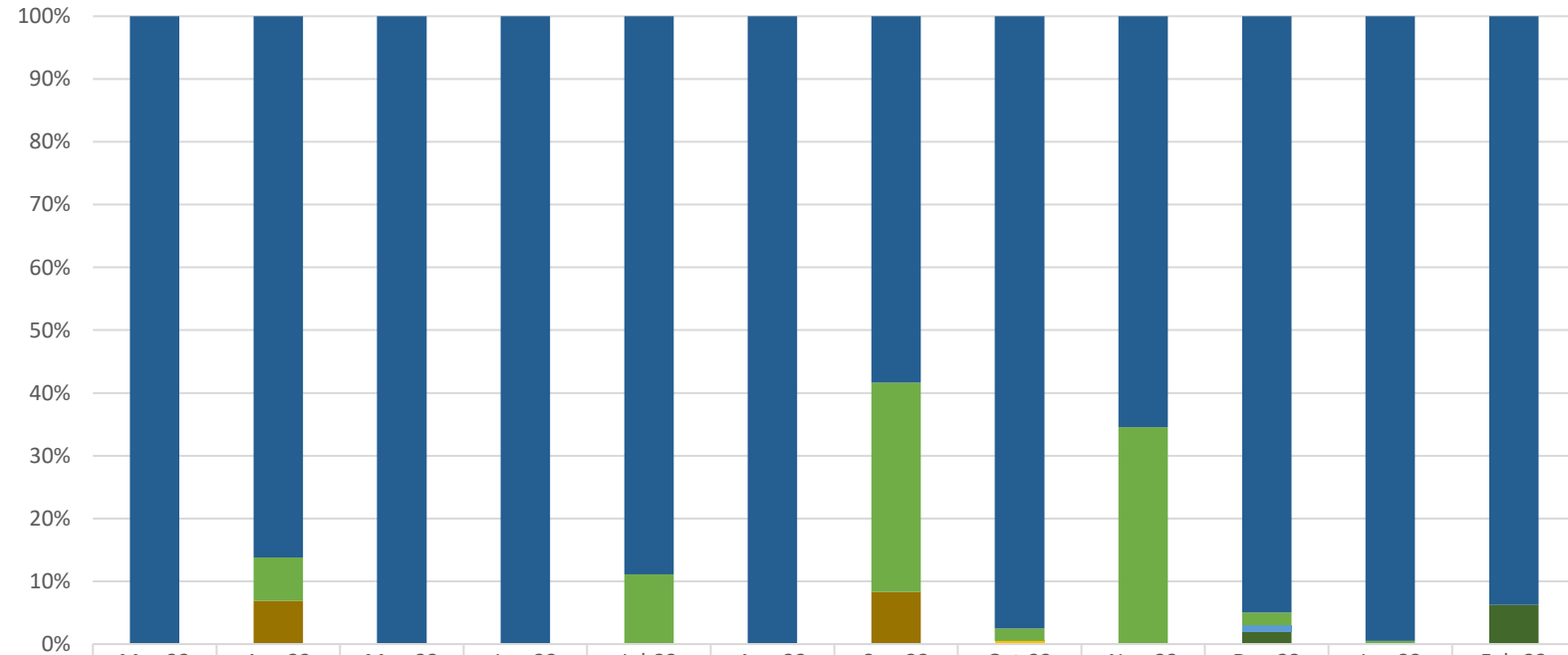
Appendix

DATA REPORTS: Registered Token Breakdown



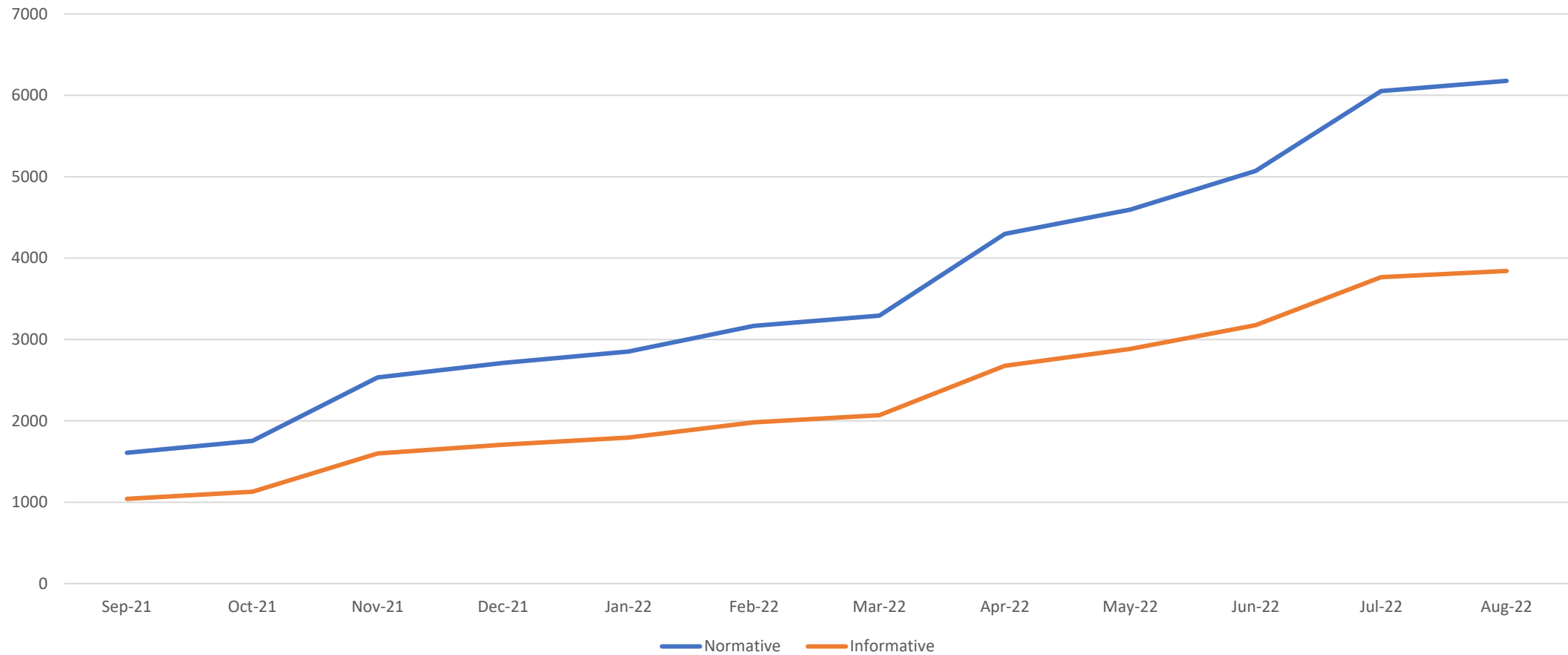
	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23
■ Auxiliary token	253	278	434	470	494	557	571	766	803	895	1090	1115
■ Blockchain: with native token	47	49	49	49	52	52	60	64	83	85	86	86
■ Functionally Fungible Group	4	6	6	6	6	6	8	8	8	8	8	8
■ Blockchain: without native token	5	5	5	5	5	5	5	6	6	6	6	6
■ Other: with native token	5	5	5	5	5	5	5	5	5	6	6	6
■ Other: without native token	0	0	0	0	0	0	0	0	0	0	0	0

DATA REPORTS: New Tokens Registered



	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23
■ Auxiliary token	26	25	156	36	24	63	14	196	36	95	195	30
■ Blockchain: with native token	0	2	0	0	3	0	8	4	19	2	1	0
■ Functionally Fungible Group	0	2	0	0	0	0	2	0	0	0	0	0
■ Blockchain: without native token	0	0	0	0	0	0	0	1	0	0	0	0
■ Other: with native token	0	0	0	0	0	0	0	0	0	1	0	0
■ Other: without native token	0	0	0	0	0	0	0	0	0	2	0	2

DATA REPORTS: Data Element Validation



DATA REPORTS: DTIF Website Statistics

