

Digital Token Identifier Foundation

Industry Views Sought on the Principles Underlying the Cost Recovery Model for the Digital Token Identifier Service

Final Report

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Contents

Introduction.....	3
Objective of Consultation.....	4
Consultation Responses	5
Question 1: Cost recovery fees	5
Question 2: Other fee models	6
Question 3: User base	6
Question 4: Request volume estimates	7
Question 5: Do you have any further comments which the DTI Foundation should consider as part of this consultation on the cost recovery model?	7

Introduction

The [Digital Token Identifier Foundation](#), a non-profit division of Etrading Software Limited, is the Registration Authority (RA) for the International Organization for Standardization (ISO) 24165 Digital Token Identifier (DTI) standard¹. The ISO DTI standard enables the unique identification of all fungible digital assets which use distributed ledger technology (DLT) for token issuance, storage, exchange, a record of ownership, or transaction validation.

The DTI comprises a code - a random, unique combination of nine alphanumeric characters allocated to a digital token - and a record of data relevant to that token (the reference data), which is held by the DTI Foundation. The reference data provides information about the DLT on which the token is deployed, as well as token technical attributes (such as address, name(s) and any external identifiers).

The DTI Foundation's mission is to provide the golden source reference data for the unique identification of digital tokens. The ISO DTI standard was established to enhance efficiencies within crypto and digital asset markets, assisting regulators and market participants in managing risks through greater transparency. The DTI Foundation issues and maintains DTIs on a cost recovery basis, to increase transparency in the digital asset space by creating a core reference data set based on open data principles and made available as a public good.

Economic sustainability is a critical criterion for the DTI Foundation as an industry utility operating under a cost recovery principle. The DTI Foundation requires a funding model that ensures financial viability over time, which includes efficiency and reliability of delivering core services as mandated by ISO. Therefore, the cost recovery model should ensure that the DTI Foundation can meet its responsibility for prudent financial management.

The consultation paper provided an overview of key facts about the DTI including purpose and governance. The paper set out the cost recovery model, followed by key assumptions including the expected DTI user base and request volume estimates in addition to key cost components.

The consultation considerations section of the paper outlined the cost recovery model, supported by assumptions and projections for industry participants to evaluate the proposals and provide feedback. Respondents were encouraged to offer alternative, evidence-based considerations to complement or replace the proposals in the paper.

The DTI Foundation works to ensure the broad views and needs of the stakeholders lead the direction of the development of the service. By working collaboratively, the DTI Foundation aims to ensure all views are considered, and it is hoped that a representative set of firms will continue sharing responses in future consultations. All response forms received are available on the DTI Foundation's website.

¹ [ISO 24165-1:2021](#) and [ISO 24165-2:2021](#), Digital token identifier (DTI)

Objective of Consultation

The DTI Foundation acknowledged the upcoming implementation of MiCA in the EU and decided that the model, already committed to ISO and approved by the DTI Product Advisory Committee (PAC), should be launched as soon as possible to provide a framework and process for market stakeholders to follow. The consultation was initiated to (i) ensure transparency and (ii) to gather feedback on its suitability for industry stakeholders to determine whether any changes should be adopted. In developing the fee model, we adhered to best practice governance principles.

The purpose of the consultation was to solicit industry feedback on the proposed principles underlying the cost recovery model for the DTI service from as broad a spectrum of participants as possible – both in terms of geographic diversity and from a range of market participants. With respect to the fee model related considerations set out in the paper, the DTI Foundation recognises the need for revaluation following initial adoption of the DTI cost recovery service to ensure that that the model remains fit for purpose. As such, the DTI Foundation intends to consult yearly on the key aspects underlying the fee model after launch of the cost recovery service.

Consultation Responses

Question 1: Cost recovery fees

Question 1a: Do you concur with the DTI fee model, based on DTI Allocation and real-time access to reference data with API Registry Access?

Question 1b: If not, what specific alternate approach do you recommend? Please provide a clear rationale and cite publicly available sources for any additional data points you believe should be incorporated into the DTI Foundation's model.

Summary

DTI services under the cost-recovery model include (i) DTI Allocation and (ii) API Registry Access. The current fees are based on the DTI Foundation's commitment to ISO, adjusted for inflation. The fee model, predominantly based on cost per DTI Allocation and access to reference data, follows a similar approach to other fee models for financial instrument identifiers. Any alternative model, such as the breakdown between user type and fees, will be considered once DTI user base and request volumes are known following MiCA implementation.

Industry Response and Analysis

All responses were supportive of the proposed fee model, however, one respondent indicated that the API fee might hinder innovation and proposed a more reduced fee model for start-ups that wish to engage in software testing and proof-of-concept MVPs, etc.

Based on this and other feedback, the DTI Foundation has continued to provide a free downloadable registry with four key fields (DTI, Type, Long Name, Short Name(s)). The DTI Foundation will continue to monitor the usage and feedback to ensure the appropriate balance is struck between making sure that the service has long-term feasibility and promoting innovation. DTI Foundation has also launched a free UAT API which can be used by start-ups for testing and MVPs.

One respondent also suggested that the relationship between DTI Foundation and its parent company Etrading Software is explicitly spelled out and that the term DTI Allocation might have other connotations, proposed to use the term DTI Assignment. DTI Foundation will provide this additional information as part of the cost recovery report in 2025.

One respondent highlighted a potential confusion about the cost of DTI allocation being a one-time or an annual fee. DTI Foundation has updated its fee model page to clarify that the charge is €180 one-off payment.

Question 2: Other fee models

Question 2a: Do you concur with the current simplified cost-recovery fee model?

Question 2b: If not, what specific alternate approach do you recommend? Please provide a clear rationale and cite publicly available sources for any additional data points you believe should be incorporated into the DTI Foundation's model.

Summary

Due to the unknown user base and relatively low volume of requests (compared with traditional financial instrument identifiers), the DTI Foundation and its Product Advisory Committee considered it pragmatic to introduce the current simplified cost-recovery fee model. It is expected that once user base and volume of requests are better understood, alternative fee models raised by the PAC and wider industry stakeholders will be considered.

Industry Response and Analysis

All responses were supportive of the proposed fee model, however, one respondent proposed that the fees could be volume based. DTI Foundation has considered this approach but decided to proceed with a simplified model while volumes are unknown. The approach will be reviewed once volumes in terms of new issuances and data consumers are better understood. The DTI Foundation invites any potential users to reach out if they have a specific use case.

Question 3: User base

Question 3a: Do you concur with the DTI assumptions for user base estimates set out above?

Question 3b: If not, what specific alternate approach do you recommend? Please provide a clear rationale and cite publicly available sources for any additional data points you believe should be incorporated into the DTI Foundation's assumptions.

Summary

The DTI Foundation estimates approximately 10-15 ART issuers, less than 10 EMT issuers, and approximately 1,000 CASPs registered under MiCA and required to obtain DTIs. This estimate was predicated on a steady state expectation based on the information set out in the supporting information.

Industry Response and Analysis

The respondents agreed with the user base estimates set out in the consultation.

Question 4: Request volume estimates

Question 4a: Do you concur with the DTI assumptions for volume estimates of DTI allocation requests and API Registry Access, set out above?

Question 4b: If not, what specific alternate approach do you recommend? Please provide a clear rationale and cite publicly available sources for any additional data points you believe should be incorporated into the DTI Foundation's assumptions.

Summary

The DTI Foundation expects DTI allocation requests to be low from ART/EMT issuers and CASPs. We estimated that approximately 50 DTIs will be issued in 2024, increasing by 100% in subsequent years, and 100 organisations are likely to connect to the API Registry access, increasing by 10% in each subsequent year. These estimates are predicated on a steady state expectation based on the information set out above.

Industry Response and Analysis

The respondents agreed with the user base estimates set out in the consultation.

Question 5: Do you have any further comments which the DTI Foundation should consider as part of this consultation on the cost recovery model?

Industry Response and Analysis

One respondent suggested that the DTI Foundation would provide more details on the fields available for download and incremental pricing. Since then, DTI Foundation has published a list of fields in the free download and perpetual open license on its website. The incremental pricing model will be considered as part of the 2025 consultation.

One respondent suggested a closer integration with ANNA for the issuance of ISIN codes as part of the DTI application. The DTI Foundation and ANNA agree with the suggestion and are working closely to simplify the assignment process for users for traditional tokenised financial instruments and crypto assets. Further updates on this will follow early in 2025.