

ISO 24165

# DIGITAL TOKEN IDENTIFIER

Product Advisory Committee

10 September 2024

# Agenda

1. Introduction
2. Operational update (10 minutes)
  - Status reports
3. For discussion (30 minutes)
  - FFG DTI grouping criteria
  - Handling obsolete tokens
  - DTI cost-recovery consultation: next steps
4. Regulatory and industry engagement update (10 minutes)
5. AOB
6. APPENDIX:
  - Data Quality Metrics

# 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.

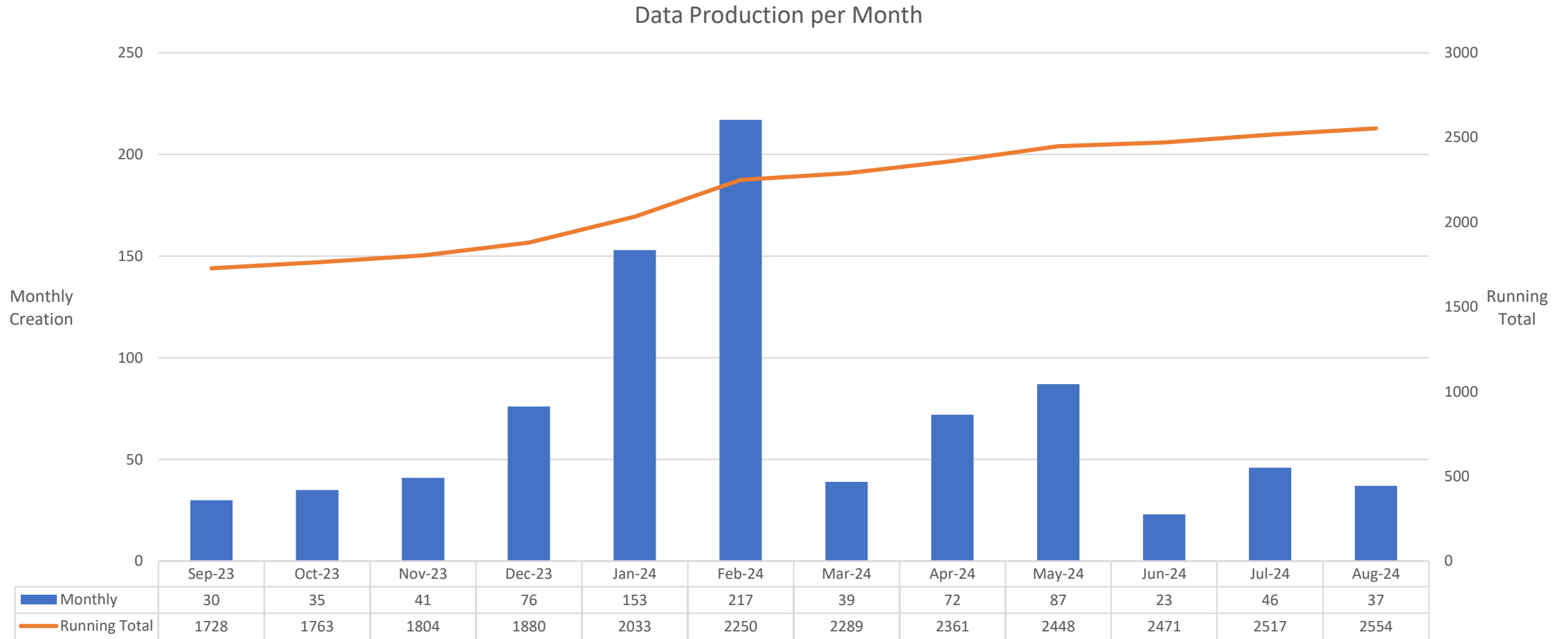
We remind attendees that breaching Competition Law has serious potential consequences for them as individuals and their organizations. Such consequences may include heavy fines, liability to pay compensation to affected individuals and businesses and, in certain cases, the imposition of criminal penalties,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

# Operational Update

# Data Quality Metrics Status Report

- As of September 2024, the DTI registry contains 2,554 unique tokens.
  - 2,178 Auxiliary token
  - 171 Blockchains with native token
  - 166 Functionally Fungible Group of Digital Tokens
  - 9 Other ledgers with native token
  - 21 Blockchains without native token
  - 9 Other ledgers without native token
- There have been 0 requests for amendments or disputes raised since the last update

# DATA REPORTS: Total Tokens (12 months rolling)





**For discussion**

# ANNA-DTIF Task Force FFG DTI grouping criteria

## Progress

ANNA/DTIF TF finalised the criteria for FFG assignment and XT ISIN allocation

## Functionally Fungible Group

A Functionally Fungible Group (FFG) DTI is assigned to a group of tokens that represent the same asset. In order to minimize confusion in the market and create consistency between ISIN and DTI allocation, the task force has agreed that ISIN fungibility and FFG DTI inclusion rules shall follow the same criteria. This will ensure that:

1. Any individual DTI is linked to a single ISIN; and
2. ISIN is linked to a single FFG DTI (and DTIs within that group).

## Criteria

Digital tokens in scope for XT ISINs may be grouped into FFG DTI and allocated a single XT ISIN if they meet two or more criteria:

- **Architectural:** Are the tokens implemented with consistent design principles and architectural specifications?
  - Consideration: Are they backed by the same asset and pegged to the same value?
- **Organisational:** Are the tokens created and maintained by the same organisation?
- **Technical:** Do the tokens share technical implementation?
  - Considerations: Are the DLTs on which tokens are implemented linked without a third party? / Can transactions in one token be settled by another token?

# Handling obsolete tokens

## Problem Statement

- The standard doesn't track the lifecycle of the token. Once the token is added to the registry, there is no process to remove it, unless the DTI has been allocated in error.
- This might create a confusion to investors and regulators when a smart contract is replaced with a new one and the old token is de-activated.

## Example

- April 2023: Société Générale CIB created a token EURCV on Ethereum (DTI D1FSLC60F)
- October 2023: New token is launched, all balances moved to the new token (DTI HF8RCHVWW)

## Short term work-around

- “Migrated to HF8RCHVWW” has been added to the Long Name of the original token

## Long Term Proposal

1. Introduce another status to the registry of “Inactive”.
  2. Add a field to the registry “Old DTI” to track previous versions.
- Note: Only tokens confirmed by the maintainer to be Inactive, will be classified as such.

# DTI cost-recovery consultation: next steps

## Reason for consultation

- To solicit industry feedback on principles underlying the cost-recovery model for the DTI service
- To determine whether any changes should be adopted to ensure the model effectively meets industry needs

## Feedback points

- No disagreement with cost-recovery model or underlying principles
- Other points raised: “Allocation” vs other terms (such as registration), further context on cost-offsetting and passthrough on lowering fees, start-up friendly options

## Next steps

- Final report not expected due to minimal feedback.
- Ongoing yearly consultation on cost-recovery model with any changes to underlying principles and/or assumptions



# Update: Regulatory & Industry engagement

# Regulatory backing

## Requirements

- EU Stablecoin issuers and CASPs under MiCA
- Canadian crypto trading platforms for trade reporting to authorities

## Wider regulatory adoption use cases

- G20 derivatives reporting: DTI as underlier ID for crypto-derivatives for UPI (& ISIN)
- BIS and Bank of England Project Pyxtrial leveraged DTIs to assess stablecoin risks

## Bilateral engagement and consultations with other regulatory authorities

- OECD, World Bank, ESMA, FCA, Bank of England, HMT, SNB, HKMA, SFC, MAS, OSC, Australian Treasury...

## Further focus

- Wider DTI jurisdictional requirements for crypto-assets
- Wider DTI recommendation and requirement for DLT securities

# Consultations

## Response submissions since July 2024 meeting

- US IRS comment on form 1099-DA for crypto-asset tax reporting.

## Upcoming submissions

- 20 August 2024: Abu Dhabi Global Market FSRA [Proposed Regulatory Framework for the Issuance of Fiat-Referenced Tokens](#). Due 3 October 2024
- 22 August 2024: Proposed [US rule Financial Data Transparency Act Joint Data Standards](#). Due 21 October 2024.
- 30 July 2024: Bank of England [consultation](#) on innovation in money and payments. Due 31 October 2024

**DTIF welcomes comments for upcoming submissions. Drafts to be circulated for final comments prior to submission.**

# Industry engagement updates

## Involvement in industry projects

- Project Guardian: MAS and ICMA collaboration on drafting risk factors and disclosure considerations for digital bonds
- FIX FinP2P Protocol Interoperability Alliance: FIX & GDF led testing integration of trading systems

## ANNA-DTIF joint event opportunities

- Continued joint ANNA-DTIF speaking and sponsorship opportunities (see Table 1).

Date	Event	Location
13-Aug	<a href="#">Tokenization UK - BlockFinance Summit: Shaping the Future with Tokenization</a>	London
18-Sep	<a href="#">ICMA FinTech Forum</a>	London
20-Sep	<a href="#">Labchain from Groupe Caisse des Dépôts</a>	Paris
25-26 Sep	<a href="#">European Blockchain Convention</a>	Barcelona
1-2 Oct	<a href="#">Digital Assets Week London</a>	London
21-24 Oct	<a href="#">Sibos</a>	China
4-5 Nov	<a href="#">Digital Assets Week: Singapore</a>	Singapore
6-9 Nov	<a href="#">Singapore FinTech Festival</a>	Singapore
21-Nov	<a href="#">The Tokenisation Summit 2024</a>	London

Table 1: Upcoming speaking/sponsorship events

# AOB



# Contacts and Resources

Denis Dounaev, Product Owner

[denis.dounaev@dtif.org](mailto:denis.dounaev@dtif.org)

+44 20 3934 3209

Rowan Varrall, Associate Director

[rowan.varrall@dtif.org](mailto:rowan.varrall@dtif.org)

+44 20 3934 8460

General Administration

[secretariat@dtif.org](mailto:secretariat@dtif.org)

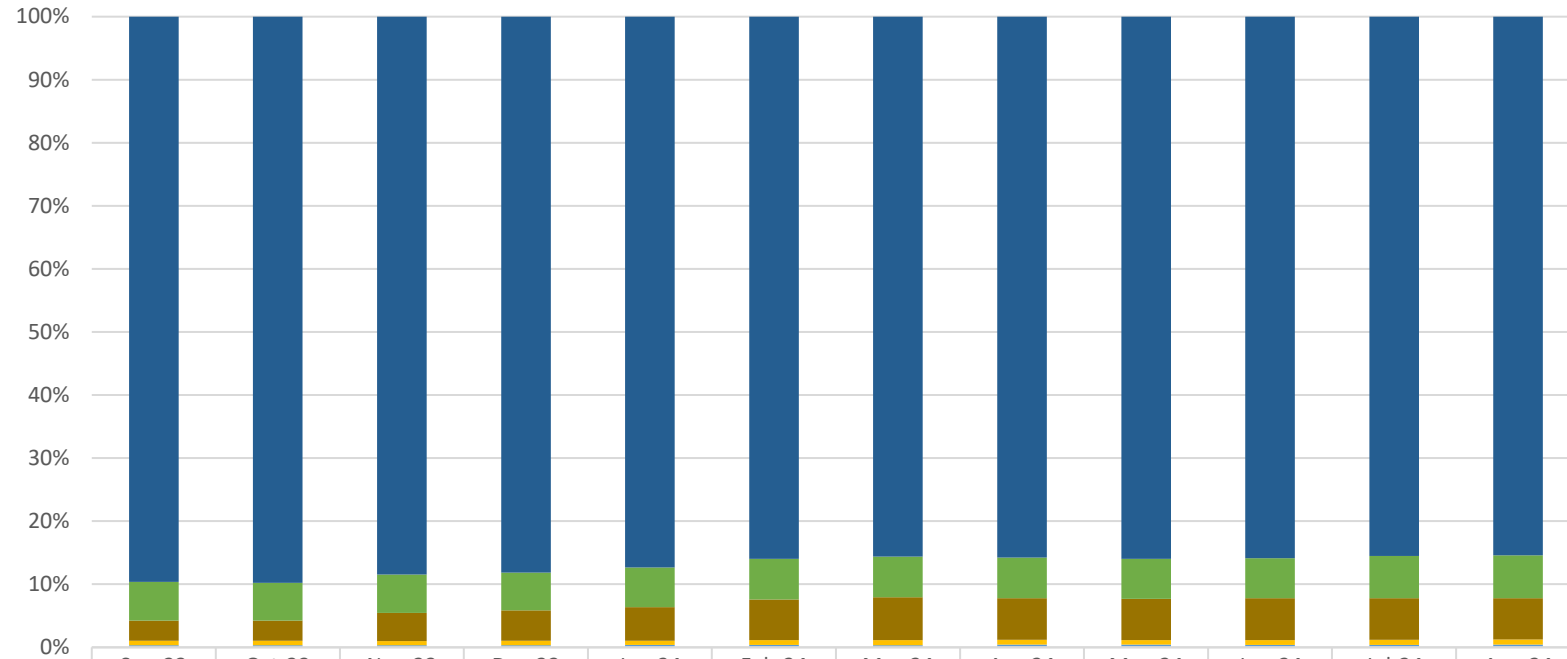
- [DTIF webpage](#)
- [DTI Factsheet](#) , [FAQs](#) and [Animation](#)
- [DTIF news and subscription](#)
- [DTI Registry](#) and [ANNA Digital Assets](#)
- [Implementation Guide](#)
- [Submit token registration request](#)

For bulk creation, contact [support@dtif.org](mailto:support@dtif.org)

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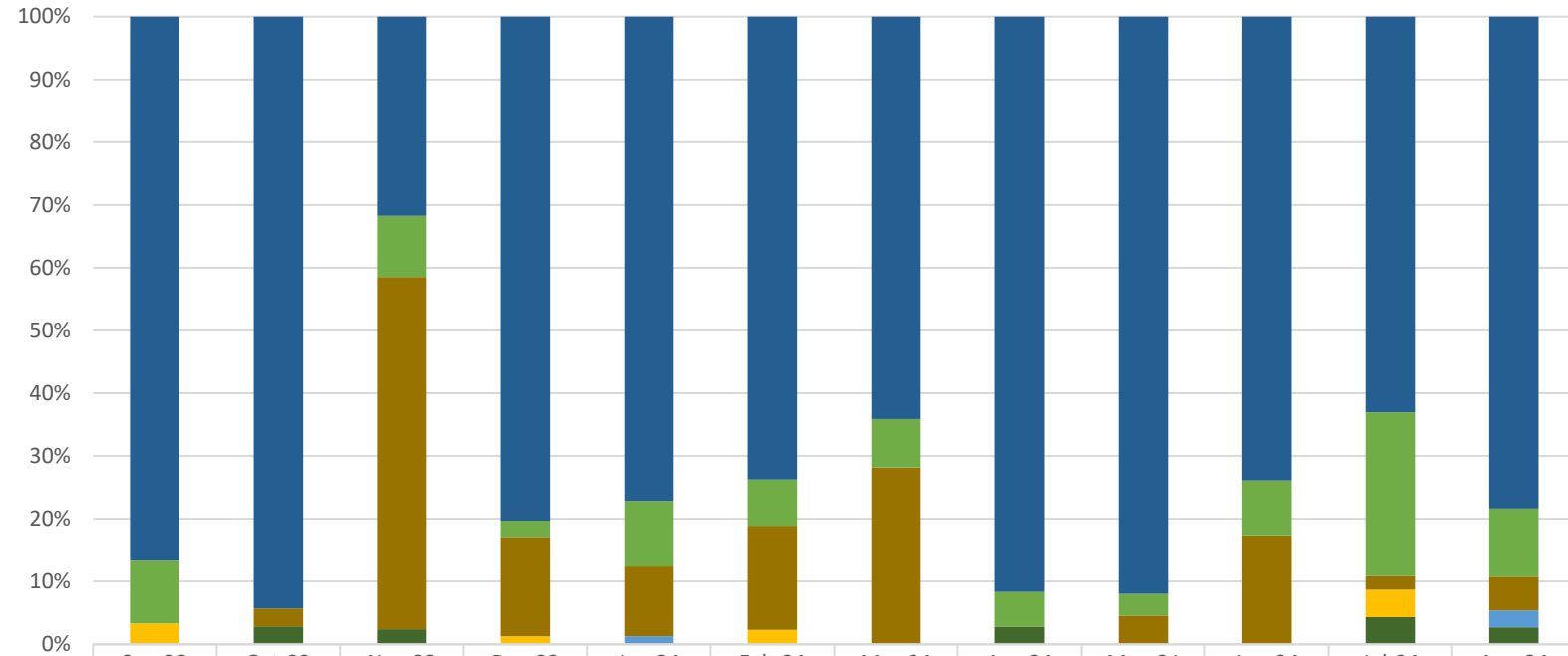
# Appendix

# DATA REPORTS: Registered Token Breakdown



	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24
■ Auxiliary token	1538	1570	1579	1639	1757	1911	1936	2001	2077	2096	2122	2149
■ Blockchain: with native token	105	105	109	111	127	143	146	150	153	155	167	171
■ Functionally Fungible Group	55	56	79	90	107	143	154	154	158	162	163	165
■ Blockchain: without native token	12	12	12	13	13	18	18	18	18	18	20	20
■ Other: with native token	6	6	6	6	8	8	8	8	8	8	8	9
■ Other: without native token	0	0	0	0	0	0	0	2	2	2	2	2

# DATA REPORTS: New Tokens Registered



	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24
■ Auxiliary token	26	33	13	61	118	160	25	66	80	17	29	29
■ Blockchain: with native token	3	0	4	2	16	16	3	4	3	2	12	4
■ Functionally Fungible Group	0	1	23	12	17	36	11	0	4	4	1	2
■ Blockchain: without native token	1	0	0	1	0	5	0	0	0	0	2	0
■ Other: with native token	0	0	0	0	2	0	0	0	0	0	0	1
■ Other: without native token	0	1	1	0	0	0	0	2	0	0	2	1

# DATA REPORTS: DTIF Website Statistics

