



To: Commodity Futures Trading Commission (CFTC)
Regarding: Listed Spot Crypto Trading Initiative

Dear CFTC,

We write to you in our capacities as co-chairs of the Standards Advisory Group (SAG) of Technical Committee 68 of the International Organization for Standardization (ISO) TC 68/AG2.

ISO is an independent, non-governmental international organization with a membership of 163 national standards bodies. Through its members, it brings together experts to share knowledge and develop voluntary, consensus-based, market relevant International Standards that support innovation and provide solutions to global challenges.

ISO/TC 68 is the Technical Committee within ISO tasked with developing and maintaining international standards covering the areas of banking, securities, and other financial services. The Standards Advisory Group (SAG) as an Advisory Group of ISO/TC 68 acts as an advisory sounding board to support and engage with regulators on financial services standards requirements, for the effective and efficient use and development of financial services standards, delivered using a cooperative relationship approach. The SAG enables a proactive dialogue with regulators on financial services standards matters.

The SAG's objectives are:

- Provide a forum for mutual assistance between the global regulatory community and ISO in carrying out their respective authorities and responsibilities with respect to financial services standards;
- Aid the adoption and promotion of consistent standards, where possible;
- Effectively deal with common issues collectively and consistently; and
- Encourage strong and open communication within the regulatory community and with the industry concerning financial services standards.

The SAG's response represents a collective view of its membership and draws upon its knowledge as an expert standards setting body with practitioner-led experience in the development and use of standards.

SAG would like to provide information on two TC 68 standards from which CFTC's proposed approach could benefit.

First, the DTI (Digital Token Identifier, ISO 24165) is the only globally recognised ISO standard for cryptoasset identification that provides guaranteed uniqueness based on objective and verifiable technical data across different platforms, systems, and jurisdictions. The addition of a DTI as part of the minimum disclosures list will provide reference to the specific token implementation(s) of the digital asset on the relevant Designated Contract Markets (DCMs).

DTIs play an increasingly vital role in these exchanges by:

- Standardizing token listings: Making it easier for different exchanges to list the same digital asset consistently.
- Enhancing transparency: Allowing for better tracking of digital assets across exchanges and enabling more accurate pricing.
- Facilitating regulatory compliance: Helping exchanges meet reporting requirements and enabling regulators to monitor the market more effectively.

The DTI is agnostic to the technical implementation of the DCMs, with token reference data available for both public and private blockchains. It is also used to represent a wide range of crypto assets – tokenised and native financial instruments represented as security tokens, stablecoins and other asset-based tokens, e-money tokens, cryptocurrencies, utility tokens, and digital or virtual assets.

In addition, the LEI (Legal Entity Identifier, ISO 17442) can be implemented for the identification of Designated Contract Markets (DCMs). The LEI is already established in CFTC reporting. The CFTC mandates the use of LEIs for identifying counterparties in swap transactions. The LEI is also used in reporting to SDRs, which are entities that collect and maintain swap data. The LEI allows the CFTC to better monitor and analyze swap data, identify related entities, and assess systemic risk. It also promotes transparency and standardization in financial markets.

In October of 2024, the ISO 17442 standard was expanded to specify how LEIs can be embedded in digital credentials. The vLEI (verifiable LEI) is a digital signed credential that makes an LEI instantly and cryptographically verifiable when presented in digital form, enabling digital interactions that utilize the vLEI to have a high level of assurance about the identity of the actors and the organizations they represent.

The vLEI addresses critical needs to tackle emerging identity-based risks, namely the permissions and authentication of organizational identity and the digital signing and submission of official documentation (such as regulatory filings, reports, data submissions), including the signing of the content therein. vLEIs are digital signed credentials that leverage the LEI to indicate the identity of a legal entity and enable verification of the organization as well as persons representing the organization. The vLEI can be leveraged for DCMs reporting to the CFTC through a combination of compliance with core principles, regular rule enforcement reviews, and various filings related to rules, products, and market data.

The SAG remains CFTC's disposal to further discuss and support your work. Do not hesitate to engage us in your discussions and questions related to standards.

Thank you and regards,

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Co-Conveners of the ISO/TC68/AG2