



To: European Banking Authority

Regarding: Draft guidelines on preventing the abuse of funds and certain crypto-assets transfers for money laundering and terrorist financing purposes under Regulation (EU) 2023/1113 ('The Travel Rule Guidelines')

Dear European Banking Authority (EBA),

I write to you in my capacity as co-chair 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.

The SAG greatly appreciates the EBA's approach to have the Legal Entity Identifier (LEI) being considered as the standard identifier for identifying legal entities involved in fund and crypto-asset transfers as set out under the EU's recast Transfer of Funds Regulation, while determining key and precise defining elements for alternative identifiers being used. The SAG also appreciates the proposed inclusion of Country Codes (ISO 3166) for submission and inclusion as part of the proposed address information requirements.

There are several technical standards of ISO/TC 68 that can be leveraged for digital assets as the consistent use of standards is the foundation of achieving transferability across multiple payment platforms. First, is a standard that has been in place for some time and is used widely for the identification of fiat currencies. This is the ISO 4217 standard. This standard has been examined by ISO/TC 68 subject matter experts with the conclusion that the ISO 4217 standard is fit for purpose for the identification of Central Bank Digital Currencies (CBDC).

With a view to cater for broader crypto-asset identification, TC 68 has published a new standard (ISO 24165) for a Digital Token Identifier (DTI). The DTI is intended to cover representation of tokenized financial instruments, e-money tokens as well as other digital assets such as cryptocurrencies, virtual currencies, utility tokens, stablecoins, etc. The data elements of a DTI used to uniquely identify a digital token are based on objective and publicly verifiable technical characteristics of the digital token. Inclusion in the registry and the issuance of a DTI guarantees the existence of the token and its 1:1 relationship to its identifier in all circumstances, including after complex events such as forks on a blockchain. Such identification will be clearly distinguished from the existing ISO 4217. ISO 24165 has two parts: Part 1 addresses the method for registration and assignment, while Part 2 determines the data elements required for registration. The [Digital Token Identifier Foundation](#), an ISO Registration Authority, is responsible for the issuance and management of DTIs.

The SAG would also like to bring to your attention that the Association of National Numbering Agencies (ANNA), the ISO Registration Authority for ISO 6166 International Securities Identification Numbers (ISIN), and The Digital Token Identifier Foundation (DTIF), the Registration Authority for the DTI, have recently introduced new ISINs to identify crypto assets to ensure a complementary relationship between the ISIN and DTI standards across all digital assets. The ISIN uniquely identifies the asset level of the instrument, and includes other standards such as the ISO 10962 Classification of Financial Instruments (CFI), ISO 18774 Financial Instrument Short Name (FISN), and LEI in its record, complementing the unique identification of the token level DLT implementation and associated reference data provided by the DTI.

In addition to the above, ISO/TC 68 Subcommittee 8 (SC8) reference data for financial services has published a standard for natural person identifiers. ISO 24366 part 1 outlines the identifier structure and referee data record for the NPI. SC8 recently took the decision to publish the more recent work on the NPI (ISO 24366:2021) as an ISO Technical Report.

Lastly, there are financial messaging standards used in payments and credit and debit card transactions.

The suite of ISO 20022 standard financial messages for payments and card transactions is very comprehensive. There is the ability for additional messages to be created, if required, using the ISO 20022 development and governance processes, to support any specific needs for digital assets.

The SAG remains at your disposal to support you in your work and to engage with you in discussions and questions related to standards in financial services.

Thank you and regards,

[signed]

Karla McKenna

Co-Chair of the ISO/TC68/AG2