



**Association of National Numbering
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To: Post-Trade Innovation Policy Team, Bank of England
Post Trade and Market Conduct Team, Financial Conduct Authority

Re: Digital Securities Sandbox joint Bank of England and FCA consultation paper

Dear Bank of England, FCA

Thank you for the opportunity to respond to the joint Bank of England and Financial Conduct Authority (FCA) consultation paper which sets out proposals on the implementation and operation of the Digital Securities Sandbox (DSS).

The Association of National Numbering Agencies (ANNA) is a global member association, comprised of more than 120 National Numbering Agencies (NNAs), who are Stock Exchanges, CSDs, Central Banks, Data Vendors and Regulatory Bodies. NNAs allocate International Securities Identification Numbers (ISIN - ISO 6166), Classification of Financial Instruments (CFI - ISO 10962) and Financial Instrument Short Name (FISN - ISO 18774) for more than 200 jurisdictions. Additionally, the Derivatives Service Bureau (DSB), an ANNA subsidiary, assigns Unique Product Identifiers (UPI – ISO 4914) to uniquely identify the product involved in an OTC derivatives transaction. Thus, ANNA and its members are active contributors to the development, adoption, promotion and implementation of the global ISO (International Organization for Standardization) financial standards.

ANNA is also the Registration Authority for the ISIN, and the FISN as well as a strong supporter of other ISO financial standards, most notably the Legal Entity Identifier (LEI - ISO 17442) and the Digital Token Identifier (DTI – ISO 24165) which are included in the ISIN record.

ISO standards have global recognition and a proven governance framework to ensure they evolve in line with user requirements. Within the financial services industry, these standards drive market efficiency, reduce operational risk, and contribute to the development and proper functioning of securities markets. The increased use of these standards improves data quality and provide greater data analysis opportunities for both public authorities and other market participants.



Q1. Do you have any comments on the draft Guidance on the Operation of the Digital Securities Sandbox (Appendix A)?

ISINs are already assigned for financial instruments globally and ANNA would recommend that where financial instruments are tokenised, that the ISIN code continue to be utilized for the unique identification of the asset, and complemented with the Digital Token Identifier (DTI-ISO 24165) for the unique identification of the related DLT implementation(s) of the tokens.

The combination of ISO 6166 International Securities Identification Numbers (ISIN), ISO 24165, the Digital Token Identifier (DTI) and ISO 10962 Classification of Financial Instruments (CFI) provides a holistic view of a security and token implementation while being linked to verified reference data elements for market participants and regulators.

For the 2021 revision of ISO 6166 standard, language was introduced to make explicit that ISINs are assigned irrespective of the technology used, including tokenized instruments. The use of ISIN in its current form will enable the identification of the digital asset such as security tokens. The DTI record contains fields to link the DTI to other identifiers such as ISIN. In addition, ANNA plans to include the corresponding DTI for the asset level within the ISIN record structure where technically feasible to do so. Both ISO Registration Authorities for the two standards (ISO 6166 – ISIN – and ISO 24165 – DTI -) cooperate to align the provision of a complete and complementary picture at all levels for different kinds of digital assets.

The ISIN is allocated to these instruments regardless of the technology used for creating the respective instruments (e.g. both to instruments in paper form and to instruments in electronic form including tokenized instruments i.e., digital tokens). The DTI uniquely identifies all types of fungible tokens (except for NFTs and CBDCs which are currently out of scope) on the token level and complements the ISIN which uniquely identifies financial and referential instruments at the asset level.

The responsible National Numbering Agency (NNA) continues to issue the ISIN, CFI, and FISN for any financial instrument including digital tokens using the respective ISO Country code prefix (e.g., BE for Belgium). Where an ISIN has been allocated for a tokenised instrument ANNA is requesting a DTI for this instrument. In 2023, [ANNA](#) in cooperation with the Digital Token Identifier Foundation (DTIF) started assigning 'XT' prefix ISINs for digital assets that are referential instruments without affiliation to a specific country. These ISINs are based on DTIs, recorded in the DTI record, and made available in the DTI register.

Thus these two complementary and interoperable ISO identifiers, ISIN and DTI, serve different functions, but are intrinsically linked. While the ISIN continues to identify the asset, and has done so for the past 40 years, the DTI uniquely identifies the implementation of the token on a DLT.

Furthermore, CFI codes already support the classification of those digital assets that are financial instruments (debt instrument, equity etc.) and where represented in token form utilizing distributed ledger technology.

We would like to thank the Bank of England and Financial Conduct Authority (FCA) for the opportunity to provide feedback and highlight the benefits of the ISIN and its complimentary ISO standards and where financial instruments are tokenized, the ISIN remains fit for purpose in



uniquely identifying financial instruments. Please do not hesitate to contact us if you have any questions.

Kind regards

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