



October 21st, 2024

RE: Comments on the Financial Data Transparency Act Joint Data Standards

Via electronic submission.

Kaiko appreciates the opportunity to provide comments on the nine Federal agencies¹ proposed joint data standards under the Financial Data Transparency Act of 2022 (FDTA) that would establish technical standards for data submitted to certain financial regulatory agencies in the United States².

Founded in 2014, Kaiko is a leading source of cryptocurrency market data, analytics, indices, and research, providing businesses with industrial-grade and regulatory-compliant data. Kaiko has been collecting, normalizing, storing, and distributing crypto assets data to market participants. Kaiko currently provides a large database of instrument reference data, collected from over 100 digital assets centralized and decentralized exchanges, comprising more than 8,000 individual tokens and 200,000+ instruments.

Kaiko has been approved as Certified Provider of FIGI asset identifiers for cryptoassets³, working under the auspices of the Object Management Group® (OMG®) to expand the open data standard to blockchain-based digital assets. This open source based contribution aims at establishing high data quality standards in the growing digital assets markets.

Kaiko supports the proposal in FDTA to recourse to an asset identifier that both covers digital assets and is a global non-proprietary identifier available under an open license, such as the Financial Instrument Global Identifier (FIGI) established by the Object Management Group.

¹ Office of the Comptroller of the Currency (OCC), Treasury; Board of Governors of the Federal Reserve System (Board); Federal Deposit Insurance Corporation (FDIC); National Credit Union Administration (NCUA); Consumer Financial Protection Bureau (CFPB); Federal Housing Finance Agency (FHFA); Commodity Futures Trading Commission (CFTC); Securities and Exchange Commission (SEC); Department of the Treasury (Treasury).

² Financial Data Transparency Act Joint Data Standards, 89 Fed. Reg. 67,890 (proposed Aug. 22, 2024).

³ <https://www.omg.org/news/releases/pr2021/01-20-21.htm>.

Digital assets have emerged in the recent years and include amongst others money or money like digital assets, including stablecoins, financial digital assets, and other digital assets including tokenized assets such as tokenized commodities, real estate or goods, cryptoassets, aka cryptocurrencies and functional digital assets. Such a broad coverage stems from the fact that assets are deemed to be digital assets when they are represented on distributed ledgers / blockchain or similar technologies. With the development of such distributed ledgers / blockchain technology, it is expected that an increasing number of digital assets will have to be reported under the FDTA. Recoursing to an identifier that covers digital assets therefore enables to operationally encompass such assets in the FDTA reporting framework, contributing to the fit and proper development of markets in such assets.

In a context of financial innovation, recursing to an identifier that is available on an open source basis will furthermore provide for the ability to comply with a reporting framework by using identifiers that are freely available to all market participants, including regulators, market participants and the public. This is expected to lower barriers to entry in digital assets markets for assets where FDTA applies and make compliance with reporting obligations more accessible.

We are available to answer any questions you may have at legal@kaiko.com and would welcome the opportunity to discuss digital assets reporting obligations more in detail.