FINANCIAL CONDUCT AUTHORITY

Bank of England

Feedback Statement
FS26/1

Tokenisation in Wholesale Financial Markets

September 2026

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Chapter 1

Summary

1.1 In May, the FCA and the Bank of England published a joint Call for Input, "The future of tokenisation: A joint vision from the authorities for UK wholesale financial markets". This set out our joint ambition to enable the benefits of tokenisation in the UK's wholesale financial markets, building on HM Treasury's Wholesale Financial Markets Digital Strategy and complementing work planned by the Wholesale Digital Markets Champion.

1.2 The Call for Input explained how the UK authorities will support the adoption of tokenised securities, provided initial thinking on priority initiatives to support market evolution, and set out next steps.

1.3 We are publishing this Feedback Statement now, as we committed to in the Call for Input, to summarise what we heard from industry. We think this is helpful given we are at a critical moment in the adoption of this technology.

1.4 Effective modernisation of markets is a shared endeavour across industry and the authorities. We continue to encourage firms to explore business cases to build and scale tokenised infrastructure and work with their customers to help them take advantage of the opportunities that tokenised assets could present. Firms should also continue to engage with us on any specific regulatory questions or perceived blockers to tokenisation activity.

1.5 Our engagement with industry, including feedback received to the Call for Input, will inform a Tokenisation Roadmap ('the Roadmap') for our work on the digitalisation of wholesale markets. We will publish that later this year.

1.6 We received 123 responses to the Call for Input, from stakeholders across the industry. We also received responses from individuals, including several legal academics.

1.7 Firms were generally very supportive of the commitments made in the Call for Input and in most cases the points made supported our positions there. Firms recognised that industry and the authorities would need to work together to tokenise wholesale markets. The most frequently raised points were:

Ask	Detail
Speed	Firms wanted faster progress, for example on the prudential treatment of tokenised assets, CASS rules, synchronisation and tokenised deposits. They wanted assurance that the Roadmap would come with clear timelines and implementation milestones.
Pilots	Respondents supported our proposals to progress from sandboxes and pilots and towards full production, scale and permanence, and from strategy towards implementation. For example, a long-term model for settling digital securities, after the Digital Securities Sandbox (DSS), and recurring Digital Gilt Instrument (DIGIT) issuances.

Ask	Detail
Collateral	Collateral was by far the most frequently mentioned use case. Respondents wanted further clarity on the eligibility of tokenised collateral, to promote collateral mobility. Tokenised Money Market Funds (tMMFs) were frequently mentioned, mainly by buy-side firms.
Settlement	Firms wanted to ensure that blockchain-settled transactions would be able to access insolvency protections under the settlement finality regulations (SFRs). They also asked for stablecoins to be allowed as settlement assets.
Prudential	Respondents said that further clarity would be welcome on the meaning of our commitment to treat tokenised and non-tokenised assets the same "where legal rights are identical and underlying risks are comparable". Respondents also asked for further clarification on the application of the Bank's Dear CEO letter.
Custody	Most respondents favoured applying CASS 6 (the custody rules for traditional investment assets) to the safeguarding of relevant specified investment cryptoassets (RSICs), with targeted overlays for blockchain-specific risks, such as private key management.
Interoperability	Respondents wanted regulatory work on interoperability to be prioritised by regulators. They emphasised that this was not simply a technical issue. In particular they discussed the need for legal, regulatory, and cross-jurisdictional interoperability (including the need for international alignment with non-UK regulators on settlement and collateral), in addition to developing industry standards and technological interoperability.
Accountable persons	We said there must be an accountable person for all regulated activities. Respondents welcomed this, though some were concerned that, in practice, this would make it too difficult for firms to make use of decentralised finance (DeFi) technology.

Next steps

1.8 We will use the feedback received to develop our joint Roadmap, which will set out in detail how the FCA and the Bank intend to progress work on wholesale tokenisation, including specific target dates.

1.9 We also intend to explain how the Roadmap interacts with tokenisation work led by other parties such as the Treasury and the Wholesale Digital Markets Champion (WDMC), who is conducting work in areas such as interoperability, repo and collateral. Our work is intended to align with the WDMC's recent report and forthcoming work in these priority areas, and we stand ready to support this existing cross-sector work. This includes assisting the industry Action Groups with regulatory expertise, where required.

1.10 The FCA has published a Call for Input on tokenised gold alongside this Feedback Statement, prompted by several respondents mentioning tokenised gold in their feedback. The FCA will also be publishing a consultation paper on the custody of relevant specified investment cryptoassets (RSICs), planned for the first half of 2027.

1.11 We will continue to engage with industry, and are open to discussing areas of this Feedback Statement, or any issues related to tokenisation, with firms. Please email tokenisedsecurities@fca.org.uk or write to Matthew Thomson-Ryder, Financial Conduct Authority, 12 Endeavour Square, London, E20 1JN.

Chapter 2

Feedback on the benefits of tokenisation and our regulatory principles

Benefits of tokenisation

2.1 There are a range of potential benefits of tokenisation to wholesale financial markets, including 24/7 trading, atomic settlement, increased collateral mobility, fractionalisation, and operational efficiencies such as a reduced number of reconciliations. There are benefits across the trade lifecycle, from client onboarding to trading and corporate actions. However, we argued in our Call for Input that the greatest benefits were likely to be in post-trade. We also suggested that, over the long-term, tokenisation could enable new classes of product. We also said that, in the near-term (and potentially indefinitely), tokenised and non-tokenised structures would continue to co-exist. Finally, we emphasised that the UK is in a strong position to take advantage of tokenisation, given our existing strengths in areas such as fixed income.

2.2 There was a consensus among respondents that tokenisation represented a major opportunity, with some pointing to research that sought to quantify these benefits. Respondents agreed that the main opportunity was in post-trade. However, they generally argued that, within post-trade, the use of tokenised collateral for securing trades was most important. For example, increased velocity of collateral movement could allow collateral to be used more efficiently (for context, one recent report from the US found that market participants were holding an average of 7% excess collateral as a buffer). Increased transparency could allow for real-time margin calculations, whilst 24/7 trading could facilitate out-of-hours margin calls. Tokenised MMFs might be able to be used as collateral without having to be liquidated, limiting pro-cyclical effects in times of stress.

2.3 Other benefits mentioned included wider post-trade and operational efficiencies. In contrast, respondents mentioned less often some benefits that frequently appear in public literature: 24/7 trading and atomic settlement were rarely mentioned except where they relate to collateral.

2.4 Respondents agreed that the UK was in a good position to seize this opportunity. They often said we should focus on areas of UK strength. For example, that we should prioritise secondary markets and fixed income, including repo. Some respondents explicitly argued that we should deprioritise primary issuance. Several respondents also mentioned tokenised gold, given the international strength of the London spot gold trading market.

2.5 One area of disagreement within the responses related to the impact on existing structures. Most respondents welcomed our view that tokenised and non-tokenised infrastructure would coexist, at least in the near-term. But a smaller number argued, in contrast, that the true benefit of tokenisation would be in materially disrupting and displacing existing product and market structures.

Our response

We agree that, at least in the short to medium-term, the main benefit to wholesale markets is likely to be in improving collateral mobility. We will progress work on tokenised collateral, including considering the eligibility of tokenised assets like stablecoins as collateral in the Bank's Sterling Monetary Framework operations, including DIGIT. The Bank will also consult on a supervisory statement and discussion paper later this year on the acceptance of tokenised collateral by Central Counterparties.

We also recognise that the benefits of tokenisation may extend beyond post-trade efficiencies. Over time, tokenisation could support innovation in wholesale financial markets by enabling new products, services and business models that are difficult to deliver through existing infrastructure. Potential examples include programmable financial instruments, tokenised funds and collateral arrangements, more flexible financing solutions for businesses, and new forms of cross-border market activity. Supporting innovation of this kind is consistent with our objectives to promote growth, competitiveness and well-functioning UK financial markets.

However, ultimately we do not take a position on whether tokenisation will disrupt or merely complement existing products and market structures. We are open to discussing how we can support the development of tokenisation, but it is not the role of the authorities to pick winners as we are technology agnostic and approach tokenisation under the principle of 'same risk, same regulatory outcome'. Even if tokenised products and structures do replace non-tokenised ones, there will be an intermediate period where both need to co-exist and industry and regulators need to plan for this. As some financial markets and products are more suitable to tokenisation than others, this transitional period is unlikely to be short.

We also agree with the need to prioritise areas of UK strength, and we welcome the Wholesale Digital Market Champion's focus on areas such as secondary markets and the repo market trial. However, we consider it important to continue the ongoing work on primary issuance and prioritise accordingly; indeed, as the WDMC also has an action group on primary issuance, we believe there is general support within the sector not to deprioritise this. Both the FCA and Bank have objectives to support growth in the UK economy. This means we also need to be mindful of how financial markets can, through primary issuance, support financing in the real economy. We also believe that tokenised primary issuance will allow for the benefits of the technology to be more fully realised, by galvanising the necessary foundational investment and adoption by industry, which in turn can lead to longer term scalability. The FCA has published a Call for Input on tokenised gold alongside this Feedback Statement.

We continue to work on related policy areas such as dematerialisation and the FCA's recently published consultation on fractional shares.

Regulatory Principles

2.6 In the Call for Input, we set out several regulatory principles. We included these to show that, while we may need to redesign aspects of regulation to account for tokenisation, there are a number of key outcomes we would still expect to be met. For example:

- All regulated activities must have an accountable, regulated person responsible for regulatory compliance.
- Markets need to be secure, resilient, and have integrity. We would expect any blockchain-enabled infrastructure to maintain standards on KYC and be able to detect, deter and disrupt financial crime and market abuse. Such infrastructure would also need to have the capability to maintain orderly markets such as through short-selling bans or trading suspensions, and to meet operational and cyber resilience standards.
- We also discussed non-native tokens, in particular synthetic or economic exposure tokens that are usually structured as derivatives or debt instruments. Our basic position was that these should be allowed to the extent that the non-tokenised version would be allowed. However, we will seek to ensure the maintenance of the link between issuers and investors, and the ability to ensure adequate risk management.

2.7 Respondents expressed strong support for our regulatory principles. Most frequently, they expressed support for tech neutrality. However, some respondents argued that our regulatory principles would be difficult for firms making use of DeFi to meet and so were not, in practice, tech neutral. Similarly, while there was broad support for our principle that regulated activities need an accountable (legal) person, some wanted further clarity on the circumstances in which developers of DeFi technology would be treated as providing regulated activities.

2.8 Several technology providers set out how Distributed Ledger Technology (DLT) could facilitate market integrity and combat financial crime. For example smart contracts could allow for real-time transaction monitoring and reporting. But respondents also argued that DLT created new risks, for example smart contract vulnerability, new forms of fraud and market abuse, and increased cyber-security risk.

2.9 On synthetic/exposure tokens, some respondents argued these tokens created new risks beyond that implied by their legal structure, due to their economic similarity to the underlying instrument. If the majority of trading consists of trades in synthetic tokens, then the majority of settlement activity would also take place outside the central securities depository regulation (CSDR), which could create systemic risk.

Our response

Having considered the feedback, we remain committed to our regulatory principles. We will use these to help us develop our supervisory approach and any future changes to rules. In particular, regulated activities require an identifiable person to be responsible for that activity, and we do not see a case to change the perimeter for these activities. In line with other types of technology providers (eg cloud computing providers), DeFi software providers can play an important role in the provision of financial services. However, regulated financial services activities – such as dealing, arranging and safeguarding – should continue to be delivered by regulated firms. These firms may choose to make use of third-party technology services, including around outsourcing and critical third parties (CTPs), so long as they take responsibility for regulatory outcomes such as operational resilience and KYC. The Bank and FCA jointly oversee CTPs designated by HMT which are integral to the financial system and financial stability. In a tokenised ecosystem we would expect this regime to continue to apply to designated firms which are key to financial market activity.

For traditional investment products (eg government bonds and equities), we reiterate that we cannot accept solutions where customers have no recourse when assets are lost or stolen. Recent incidents have highlighted significant operational resilience risks in decentralised infrastructure. These include vulnerabilities in bridges, key-management systems, governance arrangements, oracle providers and cross-chain messaging layers. The Coldcard incident is notable because it sits outside the 'protocol stack' entirely, and highlights the importance of wallet security and self-custody risks. We will consider in more detail the implications of digital twins and synthetic tokens and are keen to discuss this with industry.

Chapter 3

Feedback on priority areas to be covered in our Tokenisation Roadmap

General themes

3.1 We will publish a Roadmap later this year. We set out our ambition for what we had identified as priority areas:

- Regulating the issuance and settlement of digital securities
- The regulatory treatment of tokenised assets, including their use as collateral
- Access to innovative central bank money settlement
- Market functioning and issuance
- Relevant specified investment cryptoasset (RSIC) custody
- Supporting the Treasury's DIGIT Pilot.

3.2 Respondents asked for this Roadmap to be specific, including detail on each workstream and dates. They also wanted us to move faster, for example around timelines for changes to prudential rules for tokenised assets, and on synchronisation.

3.3 Respondents asked for the Roadmap to move beyond pilots and sandboxes towards full production and permanence, and progress from strategy and high-level principles towards implementation. They argued that the main challenge was around scaling activity and that a lack of permanence in the regulatory regime was discouraging investment. The most common example was the need for a long-term model for tokenised asset settlement, after the DSS. Respondents also gave the example of DIGIT, arguing that recurring issuances would be needed to ensure a functioning secondary market could develop.

Our response

We confirm that our Roadmap will include dates and detail on each workstream. We recognise the need to move at pace, noting however that some workstreams come with external dependencies, for example on domestic legislation and international processes. We will provide detail on key dependencies in the Roadmap.

We also accept the need for scale and permanence. We would note that the DSS, unlike most sandboxes internationally, already allows for scalable live activity, while providing the flexibility to allow firms to deploy solutions in the market at speed. Since the Call for Input was published, one participant, HSBC, has already received permission to provide notary, top-tier account-maintenance and settlement functions within the DSS for certain instruments. We remain committed to making sure there is a clear pathway for firms inside the DSS to progress into permanent authorisation for these activities, noting that it is important that we use learnings from the DSS to determine what this end state should be. We will consider, with the Treasury, whether to extend or further modify the DSS, or make changes to the wider CSDR framework. Indeed, the DSS was always intended to provide evidence for the development of such a long-term framework.

On DIGIT, since the Call for Input was published the Treasury has announced that they have the intention to prepare for potential further issuances, subject to the success of the first transaction. More broadly, we are already progressing initiatives including delivering a synchronisation service to enable transactions involving tokenised assets to settle in central bank money, and consulting on extending RTGS and CHAPS settlement hours to near 24/7, to support the overall demands of a tokenised ecosystem.

However, we recognise that the ability for tokenisation to scale in the UK cannot be driven solely by the authorities. Collaboration with industry is essential. It is our view that the Roadmap will set out key initiatives and principles, that provide the foundations upon which industry can scale adoption by moving their activities and customers from pilot to live use cases over time.

Prudential and Collateral treatment

3.4 We set out our ambition for equivalent treatment of tokenised and non-tokenised assets, in relation to prudential treatment and treatment as eligible collateral for both central bank operations and clearing through central counterparties (CCPs). Alongside the Call for Input, the PRA published a Dear CEO letter. It confirmed that, for PRA-regulated banks, building societies and designated investment firms, tokenised traditional assets should, in general, receive the same prudential treatment as their non-tokenised equivalents where legal rights are identical and underlying risks are comparable. This would cover securities in the DSS. We also explained our commitment to further work, for example a discussion paper on eligible collateral in CCPs.

3.5 Respondents said that further detail on the meaning of 'where legal rights are identical and underlying risks are comparable' would be welcome, for example under what circumstances risks would be treated as comparable. They also asked for clarity on the circumstances in which tokenised assets, such as tokenised MMFs, gold, and stablecoins, would be eligible as collateral. Some respondents noted a concern with the wording of the Dear CEO letter, as this said the position is subject to Basel Committee on Banking Supervision (BCBS) requirements, and that these requirements arguably treat certain assets in the same way as unbacked cryptoassets for prudential purposes. Respondents therefore felt they would have to take the more cautious approach.

Our response

We are committed to giving industry clarity on the prudential and collateral treatment of tokenised assets. Our ambition is that these would be treated the same as non-tokenised assets, as long as the risks that they pose are comparable and sufficiently mitigated under the framework. In some cases, we have already confirmed timelines on this work, for instance the supervisory statement and discussion paper on CCP collateral will be published later this year. In other cases, we will provide timelines in the Roadmap. While further clarity is being developed, firms should continue applying the existing prudential framework. Further guidance for PRA-regulated firms was set out in the Dear CEO letter on cryptoasset exposures that was published in May.

Settlement, post-trade activity, and legal framework

3.6 Settlement and post-trade activity were priority areas in the Call for Input. We promised to consider, with the Treasury, whether to extend or further modify the DSS, or make changes to the wider CSDR framework. We also set out our ambition that digital asset ledgers should be able to access settlement in programmable central bank money.

3.7 Several respondents wanted the ability to use tokenised assets such as stablecoins as settlement assets, starting with the DSS. We also received a number of responses arguing for changes to the settlement finality regulations (SFRs). In particular, our statement that finality for DSDs and for non-systemic activity could be determined contractually was deemed insufficient, as only statutory finality provides insolvency protection against third parties. Respondents noted that securities pending settlement are usually unable to be rehypothecated, lent, or used as margin, because of the uncertainty over the insolvency treatment.

3.8 Beyond the SFRs, there were also more general requests to reform the legal framework, working with the Treasury, including looking more broadly at insolvency treatment and resolving cross-border conflict of laws issues.

Our response

We recognise the importance of settlement and wider issues of legal certainty. Since the publication of the Call for Input, we have confirmed that stablecoins can be used as settlement assets in the DSS (subject to conditions and to Treasury amendments to regulations). The Bank's systemic stablecoin Policy Statement has provided a code of practice for systemic issuers. The FCA has also published a policy statement on UK-issued stablecoins and will be consulting on resolution and insolvency for stablecoin issuers and cryptoasset custodians. We are considering what further certainty we can provide at this stage and our response on other issues raised will be addressed in the Roadmap.

Interoperability

3.9 We raised the risk of liquidity fragmentation, both within tokenised markets and between tokenised and non-tokenised markets. We argued for the importance of interoperability, on a technical level, but also a regulatory and economic level. We raised the question of how far regulators should support specific blockchain standards, but noted the risk of picking winners.

3.10 Respondents saw interoperability as critical and argued that it should be a standalone workstream within the Roadmap. Respondents agreed that we should look beyond technical interoperability, towards legal and regulatory interoperability, and to the end result of economically and commercially interchangeable assets. They also asked that we should specifically look at the interoperability between traditional and tokenised infrastructure, between native and non-native tokens, between different blockchains, and between different jurisdictions. We were also asked to support specific ISO standards, such as for digital token identifiers (DTIs).

Our response

We fully understand the importance of interoperability and of reducing liquidity fragmentation. We believe both industry and authorities have a role in developing a coordinated approach to tokenisation in wholesale markets which promotes interoperability and mitigates the risk of fragmentation.

We believe that industry is better placed to determine technical blockchain standards, product and transaction identifiers, and operating norms that support interoperability. Interoperability was a key theme of the WDMC report and will be a focus of industry Action Group 2, on secondary markets. At the same time, we stand ready to facilitate any industry-led solutions that emerge.

In terms of international interoperability, we will continue to engage with our international partners. This includes through multilateral forums such as the International Organization of Securities Commissions (IOSCO), the Committee on Payments and Market Infrastructure (CPMI), and Project Guardian. We also have bilateral engagement through the UK-US Transatlantic Taskforce on Markets for the Future (TTMF), which recently published its recommendations, and conversations with other regulators. We support the WDMC report's emphasis on international cooperation and interoperability, for example through Action Group 2, which will test cross-border trading.

Custody of relevant specified investment cryptoassets

3.11 Respondents provided views on whether safeguarding arrangements for relevant specified investment cryptoassets (RSICs) should be more closely aligned to CASS 6, which applies to traditional safe custody assets, or CASS 17, which was developed to address the safeguarding of cryptoassets, taking into account the features that make them different from traditional assets.

3.12 Most respondents, including both traditional finance and digitally native cryptoasset firms, favoured a technology-neutral safeguarding regime broadly aligned with CASS 6. This would mean the applicable requirements for tokenised assets would not differ materially from those applying to their traditional finance counterparts. Respondents highlighted the importance of preserving existing market practices and avoiding unnecessary differences in safeguarding treatment that could affect fungibility, settlement processes and the use of tokenised securities alongside their traditional equivalents. However, there was broad agreement that additional requirements relating to security, controls and the management of crypto-specific technology risks would be needed. Some respondents considered elements of the CASS 17 approach to be better suited to addressing those risks and cautioned against a fragmented approach to safeguarding requirements for different types of cryptoassets.

3.13 Most respondents highlighted challenges in applying safeguarding requirements relating to means of access across different RSIC custody models. Views differed on the implications of these issues for the design of safeguarding requirements for RSICs, including whether they should distinguish between natively issued digital securities and tokenised equivalents of traditionally issued securities.

3.14 Many respondents highlighted the importance of ensuring safeguarding requirements support the continued use of RSICs as collateral, preserve fungibility between traditional securities and their tokenised equivalents and operate effectively alongside evolving trading, settlement and post-trade arrangements. For example, respondents highlighted that materially different safeguarding requirements between traditional and tokenised forms of the same security could make it difficult to use them interchangeably. They also pointed out it could create operational complexity for firms using both traditional and tokenised market infrastructure. Several respondents said that tokenised markets may involve different issuance, trading and settlement models, including the use of DLT-based infrastructure, pooled liquidity arrangements and alternative settlement processes.

3.15 Many respondents strongly supported clear and enforceable ownership rights, particularly where tokenisation changes how ownership is recorded, evidenced or transferred. Many respondents said existing market infrastructure providers, including custodians, registrars and CSDs, would continue to play an important role in evidencing ownership and supporting settlement and insolvency processes. Therefore they should be appropriately reflected in any future safeguarding framework.

3.16 Several respondents provided detailed feedback on reconciliation processes, shortfall treatment, sub-custody arrangements and insolvency outcomes. They highlighted challenges associated with applying these requirements across different RSIC custody models, including evidencing ownership and entitlement where traditional and tokenised records coexist. They also outlined challenges in operating reconciliations across complex custody chains and DLT-based infrastructure, and in ensuring assets can be identified and returned in an insolvency scenario. Respondents suggested that existing concepts such as trust arrangements, nominee structures and sub-custody requirements may need to be adapted to accommodate different RSIC custody models and the continued role of existing market infrastructure.

Our response

We plan to consult on rules for safeguarding RSICs in the first half of 2027. We will continue to engage with industry stakeholders as we develop our policy approach. This will include further consideration of the issues identified through the Call for Input. For now, firms will be assessed under CASS 6.

Annex 1

List of respondents

Agant Finance

Aimichia Technology

The Alternative Investment Management Association

Anna Thalena Iversen

The Ascent Group

The Association for Financial Markets in Europe

The Association of Global Custodians

The Association of National Numbering Agencies

Ava Labs

Banco Santander

BCP Technologies

Bitpanda

BlackRock

Bloomberg

Bluprynt

BNY

Broadridge Financial Solutions

The Confederation of British Industry

CFA UK & CFA Institute

Chainalysis

Chainlink

Chakradhar Premraj Kale

ClearToken

The Coalition for Tokenized Markets

Coinbase

Computershare

Conduit-ucpi

The Crypto Council for Innovation

CryptoUK

Daniel Bruno Corvelo Costa

Digital Asset Holdings (Canton)

The Digital Currencies Governance Group

Digital Token Identifier Foundation

DigitalTrade4.EU

Dr Lerong Lu (King's College London) and Dr Ci Ren (University of Leeds)

Dr Narmin Nahidi

DRW

Electronic Money Association

Euroclear

The European Association of CCP Clearing Houses

The European Ethereum Institute

FIA

Financial Market Law Committee

Financial Services Consumer Panel

Fireblocks

The FIX Trading Community

GC100 (General Counsel and Company Secretaries in the UK FTSE 100)

Global Futures and Options Ltd (GFO-X)

The Global Legal Entity Identifier Foundation

Hedera

HSBC

Ian Hunt and Steve Whyman

ICAEW

ICLOSURE

Innovate Finance

INSCX Exchange (Central Clearing) Limited

The Institute of International Finance

Intercontinental Exchange (ICE)

The International Capital Market Association

International Organization for Standardization

The International Securities Lending Association

The International Swaps and Derivatives Association and Global Digital Finance

The Investment Association

The Investment Company Institute

The Investor & Issuer Forum

Lex et Ratio

Liquidity Digital Assets

Lily B Co

Lloyds Banking Group

The London Metal Exchange Group (LMEG)

Metrika

The Midnight Foundation

Monee Financial Technologies

Montreve

Moody's

Nasdaq

NatWest

Noah Oyeniyi

Optiver

Oridon

PwC

Ripple

Robinhood

Royal London Asset Management

S&P Global

The Sage Group

Schroders

SemiLiquid Tech Labs

Shenzu Spending

Solidus Labs

SS&C Financial Services Europe

Standard Chartered

The Stellar Development Foundation

Tether

TheCityUK

Tokenbridge

Tokenising Startups and Tokenise Your Startups

Tradeweb

Transpact.com

UAC Labs AG

UK Cryptoasset Business Council

The UK Depositary Association

UK Finance

Untangled Finance Limited

William Okello

The World Federation of Exchanges

The World Gold Council

The Worshipful Company of Information Technologists

Annex 2

Questions in the Call for Input

Question 1: Where do you see the most potential benefit to the UK market from tokenisation and why? Where do you see the main opportunities for tokenisation for your business?

Question 2: Do you agree with the vision and regulatory principles we have set out in this paper?

Question 3: Do you agree with the priority areas we have identified, and our long-term ambition in each of these? Are there any other priority areas you think are important?

Question 4: To what extent is regulation preventing you from offering tokenised securities products in or from the UK? Are there any specific rules and regulations you would like to see changed?

Question 5: Where and how is interoperability most important for your firm? What domestic and international initiatives – including international standards – would be most valuable?

Question 6: How should safeguarding requirements for SICs be designed to deliver adequate client asset protection, while remaining proportionate, technology-agnostic and supportive of market development? Please consider whether and where safeguarding requirements should differ by type of SIC, how clients' ownership rights can be protected in the absence of external parties, such as a registrar, CSD or digital securities depositary that ensures legal ownership of SICs is accurately recorded and updated, and how safeguarding frameworks should support fungibility, interoperability and clear accountability as tokenised issuance, trading and post-trade models evolve.

Question 7: Do you agree with our roadmap of initiatives and next steps? Is there anything else you would like to receive clarity on in our roadmap that is not in this paper, or any parts you would like us to prioritise?

Question 8: Are there any new products you would like to discuss with us, in particular any early-stage initiatives and experiments, where you would find early engagement with the regulators particularly useful?

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