

# The Digital Asset Boom:

## Effect on Financial Market Infrastructures

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As we observe the boom and evolution of digital assets, there is no doubt that key market infrastructures have homework to do. And rightly so, given that proper consideration needs to be given to the impacts and challenges related to the development of the digital asset sector. This is especially important given the fact that there is not yet a fully developed, end-to-end infrastructure to take a tokenised asset through the whole of its lifecycle.

In terms of interoperability between the traditional frameworks and that of the emerging digital ledger technologies, the industry as a whole needs to consider how market infrastructures should change in order to be fully integrated. Or perhaps it will rather be a matter of coexistence, in which case interoperability in terms of the different flows around each of the pre-trade, trade, and post-trade settlement processes will need to be safeguarded.

Back in 2017, the [European Central Bank \(ECB\) identified](#) the important issues of interoperability and standardisation, highlighting the example of the ISO 20022 standard for communications and messaging:

“DLTs do not remove the requirement for messaging, which needs to be as standardised as ever in order to allow communication among automated procedures such as smart contracts. ISO 20022 would seem to be the logical standard.... On top of the current ISO 20022 concepts or business definitions such as currency codes, country codes and definition of a payment, new concepts may need to be defined.”

Moving forward, therefore, the financial services community as a whole needs to adopt a collaborative approach and partnership in achieving true interoperability and integration. On the part of ANNA, we're focusing on the identification space within our member community to ensure seamless continuity and interoperability, irrespective of the infrastructures being utilised.

**Get involved:** We talk about the importance of laying the foundation for linking [#ISINs](#) and [#digitalassets](#) in our short video [here](#). To find out more about the future identification of digital assets, contact your local National Numbering Association [here](#).