



GDF Tokenization Forum

Community Highlights – Session 3

Tuesday 2 July 2024

GDF Tokenization Forum

Tuesday 2nd July 2024 | 4pm GMT / 11am ET / 8am PST



SPEAKERS



Zahid Mustafa
State Street



Julian Sawyer
Zodia Custody



Maximilian Ruf
Ripple



Gonçalo Lima
FIX Trading
Community, R3



Jim Kaye
FIX Trading
Community



Bryony Widdup
Hogan Lovells



Milena Kohlhofer
Ownera

GDF TOKENIZATION FORUM CO-CHAIRS



Breige Tinnelly
Archax



Anthony Woolley
Ownera

GDF TOKENIZATION FORUM SECRETARIAT



Madeleine Boys
GDF

GDF Tokenization Forum H1 Round-Up



- The Forum has rostered significant momentum since the first meeting in February, and successfully mobilized participants and the broader financial services community to drive thought leadership around what will help drive tokenization and enable this market to scale.
- Key highlights from the GDF Tokenization Forum in H1 include:
 - The initiation of **interoperability** work at the first session, leading to the creation of an alliance between the FIX Trading Community and GDF for interoperability between FIX and FinP2P.
 - The second session featured guest speakers from EY and the Investment Association discussing **fund tokenization**, as well as guest speakers from Fidelity and TomorrowNext discussing **interoperability and market-wide distribution**.
 - In this third session, the fireside chat was focused on **custody**, in addition to updates provided on GDF's new **Sustainable Finance Tokenization** and its Joint Working Group with the FIX Trading Community, the **FIX-FinP2P Interoperability Alliance**.

Sustainable Finance Tokenization Working Group



- As the **tokenization of carbon credits markets** is gaining attention from industry and regulators, GDF has mobilized a new Working Group (WG) on Sustainable Finance Tokenization.
- The WG kicked-off on June 20th, under the leadership of Bryony Widdup (Hogan Lovells) and Deanna Reitman (Faegre Drinker).
- It has set out to produce a **primer** on the **opportunities for tokenization within sustainable finance**, by highlighting industry use cases including carbon credits, climate data, sustainable real estate, supply chain due-diligence and management, and other natural capital markets applications.
- The WG is meeting **bi-weekly** until early August to gather input on structure and content for the primer. The co-chairs and Secretariat will then convene to draft a report to be circulated to the WG in September and work back from publication in November to time with COP29.

- **What is the Joint Working Group?** The FIX-FinP2P Protocol Interoperability Alliance is dedicated to enabling seamless messaging between Traditional Finance and Digital Securities, leveraging the strengths of the opensource FIX Trading Community and FinP2P Tokenization interoperability protocol.
- **Objective:** This initiative aims to modernize existing financial infrastructure to seamlessly interact with DLTs by **facilitating interoperability** across traditional financial systems and blockchain-based platforms, aiming to provide a solution to a current buy-side adoption challenge area.
- **Deliverable:** Participating FIX community member firms and relevant blockchain technologies will collaborate to **test the integration of a FIX-based trading system with a FinP2P router** in a sandbox environment. The culmination of the alliance's efforts will be the **publication of a white paper** summarizing the sandbox testing outcomes, insights gained, and recommendations for modernizing FIX to accommodate Digital Assets. Member firms will have the opportunity to review and contribute expertise.

Joint GDF and FIX Trading Community Working Group (continued)



- For more information, please see the briefing deck available [here](#).
- If you would like to get involved, please register your interest [here](#). The initiative requires minimal resource commitment from participating member firms as it leverages existing technology already integrated into their systems. Member firms will focus on providing feedback and insights during the testing phase. There is no financial cost to participate in this initiative.

Date	Phase	Agenda	Forum
June 20	Intro	Kick-off Call	Zoom
July 11	Phase 1	Sandbox connectivity, Defining use cases and flows <i>(presented by integration partner - Ownera)</i>	Zoom
July 25	Phase 1	Executing use case flows in tokenized Lab Sandbox <i>(presented by volunteer participants)</i>	Zoom
Aug 8	Phase 2	Complete use case flows in tokenized Lab Sandbox. Explore connecting to actual tokenization partners <i>(presented by volunteer participants)</i>	Zoom
Sept 12	Phase 2	Review results and White Paper draft, and provide comments <i>(presented by FIX, GDF, Deloitte)</i>	Zoom
Oct 2-3	Live demos	Live presentation on stage at Digital Assets Week London <i>(presented by volunteer participants)</i>	In person at Digital Assets Week in London

Joint Working Group Timeline

Fireside Chat Takeaways



Zahid Mustafa

Managing Director, Product
Development, Digital Assets
State Street



Julian Sawyer

CEO
Zodia Custody



Maximilian Ruf

Director Client Solutions
Ripple

The guest speakers discussed the opportunities for custodians in the space of digital asset custody (DAC), challenges that digital asset custodians currently face, and how these challenges impact buy-side adoption. Additionally, the speakers discussed the future of the custodial landscape and the role of buy-side demand, regulatory frameworks, and institutional initiatives in driving the evolution.

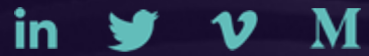
NEW: GDF Custody and Tokenization Working Group

- In 2022, GDF partnered with the International Securities and Services Association to form a joint working group supported by Deloitte and involving 25 institutions and map out the role of digital asset custody within the crypto ecosystem. The Group published “Digital Asset Custody Deciphered” in 2023 – a primer highlighting opportunities and challenges for digital asset custody service providers, especially in the context of public permissionless blockchains.
- Recognizing the crucial role of institutional-grade custody solutions for unlocking the benefits of DLT in financial markets, this Tokenization Forum seeks to address custody in the context of tokenization. **GDF is mobilizing to form a new Working Group to build on this momentum and drive a thought leadership piece on this subject area.**
- This Group aims to **further explore custody issues** and **issue a new primer on custody in the context of tokenization**. This new Group will continue to advance the discussion on digital asset custody, ensuring it keeps pace with the growing tokenization of the real economy and the increasing production use cases coming to market.
- To gauge interest, GDF has prepared a form for forum participants to express their willingness to join this initiative. If you would like to get involved, please register your interest [here](#).

The GDF Tokenization Forum is a bi-monthly meeting, open to GDF members and partners, as well as the broader digital finance community, led and supported by GDF AC Members Ownera and Archax.

It will convene industry experts to discuss key areas and insights into the tokenization of RWA and evolving tokenization strategies, across different asset classes in financial services.

For more information on the GDF Tokenization Forum, please reach out to Madeleine Boys at madeleine@gdf.io



 **Global Digital Finance Limited**
Registered Company Number: 11246402

 128 City Road
London
EC1V 2NX

 hello@gdf.io

 www.gdf.io

For more information on the GDF Tokenization Forum, please contact the Secretariat Madeleine Boys at madeleine@gdf.io.