

Request for Comments: Developing a Framework on Competitiveness of Digital Asset Technologies

May 20, 2022

On March 9, 2022, President Biden signed an Executive Order (EO) on digital assets, including cryptocurrencies, and the possible creation of Central Bank Digital Currencies (CBDC) for a digital form of the country's sovereign currency. The EO directed Departments and Agencies to establish a framework for enhancing U.S. competitiveness in and leadership of leveraging digital asset technologies.

On May 19, 2022, the Department of Commerce published a notice and request for comment (RFC) on "Developing a Framework on Competitiveness of Digital Asset Technologies."^[1] The deadline for comments is **July 5, 2022**.

Commerce is soliciting comments on a range of issues related to the digital asset policy objectives laid out in the President's March EO including the mitigation of illicit finance and national security risks posed by the misuse of digital assets and support of technological advances that promote responsible development and use of digital assets.^[2] The RFC emphasizes the ongoing need for international cooperation in regard to digital assets, affirms support for the G20 roadmap for addressing challenges related to cross-border funds transfers, and anticipates further engagement with international partners including the G7, G20, Financial Action Task Force, and Financial Stability Board.

The RFC includes a non-exhaustive list of questions that commenters can respond to regarding competitiveness, comparisons to 'traditional' financial services and financial inclusion considerations, and technological development of digital assets. Questions include

Authors

Hon. Nazak Nikakhtar
Partner
202.719.3380
nnikakhtar@wiley.law

Duane C. Pozza
Partner
202.719.4533
dpozza@wiley.law

Paul A. Devamithran
Associate
202.719.3451
pdevamithran@wiley.law

Practice Areas

Digital Assets, Cryptocurrencies, and Blockchain

Export Controls and Economic Sanctions

FTC and Consumer Protection

International Trade

National Security

Privacy, Cyber & Data Governance

Strategic Competition & Supply Chain

Telecom, Media & Technology

“what are the features of U.S.-based digital asset businesses ... that currently underpin their competitiveness in a global market?” and “what factors and conditions, if any, that have driven and sustained the global leadership of U.S.-based legacy financial institutions will foster the same leadership for U.S. digital asset businesses?”

Comments will feed Commerce’s ultimate report to the President which may help establish a framework for greater regulation of digital assets, including cryptocurrencies. Since these are largely uncharted waters, any new regulation would likely have far-reaching impacts on the operations of various stakeholders –particularly in the private sector.

For more information about this RFC or for assistance drafting and submitting comments, please contact one of the attorneys listed on this alert. Wiley has a robust Digital Assets, Cryptocurrencies, and Blockchain practice, as well as unparalleled experience and expertise in Supply Chain and Transactional Support, International Trade, Export Controls and Economic Sanctions, National Security, Government Contracts, Telecom, Media & Technology, and Trade Analytics, and can help clients navigate evolving developments in this area.

[1] *Developing a Framework on Competitiveness of Digital Asset Technologies*, 87 Fed. Reg. 30,450 (Dep’t Commerce, May 19, 2022).

[2] *Id.*