Ms. Izzat-Begum B. Rajan

Former Board Chair, International Association for Trusted Blockchain Applications (INATBA)

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ICMA: What makes a blockchain or tokenization application truly trusted in practice and how does INATBA support this through governance and interoperability standards?

Izzat-Begum B. Rajan: A trusted application is one in which legal rights are clearly defined, the technology is secure and auditable, and governance and accountability exist for every actor—issuers, custodians, platforms, validators, and service providers. Trust also depends on interoperability, allowing assets to move safely across systems without vendor lock-in. INATBA supports this by bringing together regulators, industry, and academia to align on practical governance principles, shared terminology, and interoperable approaches that can be applied across jurisdictions and sectors.

ICMA: Your Tokenization report highlights huge potential for inclusive growth. How can tokenization increase liquidity and access in developing markets and what first steps should be taken?

Izzat-Begum B. Rajan: Tokenization can enhance inclusion by enabling fractional ownership, reducing issuance and transfer costs, widening the investor base including diaspora and SMEs, and accelerating settlement and collateralization. These factors collectively unlock liquidity in markets where it is limited. This includes prioritizing assets with clear ownership or title, establish fit for purpose rules and maintain supervisory dialogue through pilots or sandboxes, and ensure identity verification, compliance, custody, and dispute resolution mechanisms are robust before scaling.

ICMA: What excites you most about tokenizing real world assets such as programmable ownership and 24/7 markets?

Izzat-Begum B. Rajan: What excites me most is programmable ownership, for example automating corporate actions, compliance checks, and revenue flows in ways that reduce friction and errors. Equally important is the shift toward near real time, 24/7 market infrastructure, which can lower settlement risk and broaden participation across time zones.

ICMA: In your view, which real world asset such as property, crops, or digital rights is most ready for tokenization today?

Izzat-Begum B. Rajan: Digital rights, for example royalties and licensing revenues, are among the most ready for tokenization because the asset lifecycle is already digital, rights can be standardized, and distribution can be automated transparently. Where land registries and ownership clarity are strong, selected real estate use cases can also scale, but readiness varies widely by jurisdiction.

ICMA: In your "Critique of Regulatory Conflation" paper, you show how misclassifying tokens can hurt innovation. What practical guidance can you give regulators to classify tokens correctly and encourage adoption?

Izzat-Begum B. Rajan: Classify tokens based on their economic function and the rights they provide, such as claims on cash flows, governance or control, and access or consumption, rather than the technology used to represent them. Use a technology neutral framework that is based on activities and risk, acknowledge hybrid models, and provide clear supervisory pathways so compliant innovation is encouraged instead of being delayed by uncertainty.

ICMA: INATBA brings together regulators, industry leaders, and policymakers. What is the most common challenge when these groups collaborate on blockchain and how can they overcome it?

Izzat-Begum B. Rajan: The most common challenge is a mismatch in language, incentives, and timelines. Policy focuses on stability, industry focuses on speed, and both often define risks differently. These challenges are addressed by agreeing on a shared vocabulary, concentrating on concrete use cases, and conducting evidence-based pilots with clear metrics for consumer protection, integrity, and operational resilience.

> " **ESG must be made meaningful, with credible data, auditability, and strong anti-greenwashing measures across tokenized asset lifecycles, especially for reporting, provenance, and impact claims** "

ICMA: Ahead of the February 2026 Digital Assets Forum, what bold actions should policymakers and leaders take to create ESG aligned and interoperable tokenization ecosystems?

Izzat-Begum B. Rajan: Policymakers need to provide legal certainty for on-chain representations of rights, including enforceability, custody, and insolvency treatment. They should also ensure interoperability by design, using common data models, identifiers, and open standards to prevent market fragmentation. Most importantly, ESG must be made meaningful, with credible data, auditability, and strong anti-greenwashing measures across tokenized asset lifecycles, especially for reporting, provenance, and impact claims.

ICMA: Can you share a recent INATBA initiative or working group that you are particularly proud of and why?

Izzat-Begum B. Rajan: I am particularly proud of INATBA's Tokenization thought leadership, which created a shared, practical map of opportunities, risks, and policy priorities that both market actors and regulators can use. INATBA's Industry Position Paper on DeFi is equally important. Its value lies in being action-oriented, focusing on what must be in place governance, legal clarity, interoperability, and compliance for tokenization to scale responsibly.