

# Report on Bond Tokenisation in Hong Kong

The following is issued on behalf of the Hong Kong Monetary Authority:

The Hong Kong Monetary Authority (HKMA) today (August 24) released a report titled "Bond Tokenisation in Hong Kong" (the Report) to summarise the experience learnt from the Government's inaugural tokenised green bond offering and outline potential next steps to promote the wider use of tokenisation technology in Hong Kong's bond market.

Bond tokenisation is one of the pilot projects announced in the [Policy Statement on Development of Virtual Assets in Hong Kong](#) issued by the Financial Services and the Treasury Bureau last October. In February this year, the HKMA assisted the Government in the successful offering of HK\$800 million of tokenised green bond under the Government Green Bond Programme ([the Tokenised Green Bond](#)), marking the first tokenised green bond issued by a government globally. The use of distributed ledger technology has been applied to primary issuance, settlement of secondary trading and coupon payment, and will be tested out in maturity redemption.

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The Report sets out details of the Tokenised Green Bond, and suggests available options with regard to salient aspects of a tokenised bond transaction in Hong Kong ranging from technology and platform design to deal structuring considerations. In addition to serving as a blueprint for potential similar issuances in Hong Kong, the Report also considers what could further be done to promote tokenisation in the bond market; these include exploring further use cases, addressing issues of fragmentation across platforms and systems, and enhancing Hong Kong's legal and regulatory framework. The HKMA in coordination with the Government will work with the industry to conduct further tokenised issuance(s) to advance development on this front.

The Report is available on the [HKMA website](#).