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**BOCHK takes part in HKMA's Project Ensemble Sandbox  
to conduct two tokenisation use cases  
on fixed income and investment funds and liquidity management**

Bank of China (Hong Kong) ("BOCHK") announced that it is among the first to participate in the Project Ensemble Sandbox led by the Hong Kong Monetary Authority ("HKMA"). BOCHK will conduct the proof-of-concept of two tokenised use cases on **fixed income and investment funds** and **liquidity management** to explore the practical application of tokenised financial asset trading.

As a founding member of Project Ensemble Architecture Community, BOCHK has been participating in the design and implementation of the sandbox over the past few months. The Bank has validated interbank Payment-versus-Payment (PvP) and Delivery-versus-Payment (DvP) settlement by issuing and purchasing tokenised assets as a custodian and an investor respectively. These trials have been conducted smoothly, providing a solid foundation for the upcoming trial of the tokenisation use cases.

BOCHK will test the **fixed income and investment funds** and **liquidity management** use cases in the Project Ensemble Sandbox in collaboration with BOCI-Prudential Trustee Limited and BOCHK Asset Management Limited in the coming months. The **fixed income and investment funds** use case will tokenise traditional financial assets to validate the concept of tokenised asset trading. The **liquidity management** use case, leveraging the new financial infrastructure of the sandbox, will lay the groundwork for building the cross-border tokenised asset trading network by pilot-testing around-the-clock trading.

**Sun Yu, Vice Chairman and Chief Executive of BOCHK**, said, "BOCHK welcomes the HKMA's official launch of the Project Ensemble Sandbox. Supported by central bank digital currency, the local underlying interbank infrastructure will ensure efficient 24-hour cross-institutional fund transfers. This will allow tokenised deposits and tokenised assets to be validated for continuous and synchronous real-time settlement across institutions under the concept of a unified ledger, thereby enhancing the efficiency of interbank PvP and DvP transactions, as well as reducing settlement costs and strengthening security."

**Sun Yu** continued, "BOCHK is honoured to participate in the proof-of-concept of the Project Ensemble. On the one hand, it will create a new digital currency transaction experience for

customers by providing them with tokenised deposit services; on the other hand, our endeavour to issue tokenised financial assets will help promote research on tokenising real-world assets. Through this sandbox trial, we can explore and test the application scenarios of digital assets. The valuable experience accumulated will provide us with a practical basis for further refining the tokenised asset trading mechanism, laying the foundation for future commercial applications.”

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