

**REPUBLIC OF THE PHILIPPINES  
TOKENIZED TREASURY BONDS**

**DISTRIBUTED LEDGER TECHNOLOGY REGISTRY  
AND THE DIGITAL WALLET**

Part of the Republic of the Philippines’ digitalization objectives and the Bureau of the Treasury’s (BTr) Government Securities (GS) Digitalization Roadmap is the adoption of Distributed Ledger Technology (DLT) in the issuance, registry and settlements process of government securities. The Tokenized Treasury Bonds (“TTBs”) is the pilot initiative of the BTr in this direction specifically to test the registry capability of the DLT.

**I. Dual Registry Structure**

The TTBs will be utilizing a dual registry structure, where NRoSS will be running in parallel with a DLT Registry. It will set a one-to-one correspondence of entries, with the NRoSS as the single source of truth.

**II. DLT Registry**

The DLT Registry is a blockchain-based registry, owned by the BTr, which will operate in parallel with the NRoSS.

Advantages of a DLT Registry are as follows:

- a. **Enhanced Security** – The DLT Registry makes use of sophisticated end-to-end encryption to record and store data that is only accessible to authorized personnel with specific cryptographic signatures and has no single point of network failure.
- b. **Fractional Ownership** – This will eventually promote the democratization of wealth by allowing investors to purchase an affordable portion of a high value asset in the form of tokens. Tokens are evidences of fractional ownership and rights to digital asset like the TTBs.
- c. **Efficiency** – The DLT Registry will eventually allow the use of smart contracts to validate and execute transactions making transactions faster and transaction costs lower.
- d. **Immutability** – Records stored in the DLT Registry cannot be altered or falsified due to the consensus and cryptographic signature mechanisms in place to protect data.

**III. The Digital Wallet**

- a. Technology Provider and Platform

Philippine Digital Asset Exchange (“PDAX”), a BSP-licensed and regulated Virtual Asset Service Provider (“VASP”), will act as technology provider for the Digital Bond Registry.

Access to Digital Wallets will be available to authorized persons through a browser-based ([www.pdax.com.ph](http://www.pdax.com.ph)) and mobile application-based platform. The PDAX mobile application can be downloaded for free via Google Play, the App Store and Huawei AppGallery.

b. Digital Wallet Creation

The BTr will facilitate the opening of the Digital Wallet using the bondholder information recorded in NRoSS. To effect the creation of the digital wallet, the investor will be required to submit the (i) name of the institution, and the (ii) name and e-mail address of authorized representative who will receive the access credentials to the bondholder's Digital Wallet.

c. Capability of the Digital Wallet

The digital wallet will store and record the bondholder's TTBs. As such, the bondholder may access and view its holdings anytime using any of the platforms provided above.