



BANK OF THAILAND

BOT Press Release

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No. 68/2021

**Findings from Project Inthanon-LionRock Phase 2 and
Next Steps for the Multiple Central Bank Digital Currency Bridge (mBridge) Project**

Ms. Vachira Arromdee, Assistant Governor of the Bank of Thailand (BOT) has revealed a report on the findings from Project Inthanon-LionRock Phase 2 and introduced the scope for Phase 3, which has been renamed as the Multiple Central Bank Digital Currency (CBDC) Bridge Project or also known as the mBridge Project.

Findings from Project Inthanon-LionRock Phase 2

Project Inthanon-Lionrock Phase 2, jointly conducted by the BOT and the Hong Kong Monetary Authority, has successfully demonstrated the viability of a Wholesale CBDC platform between Thailand and Hong Kong using distributed ledger technology (DLT) under a comprehensive and near real-world environment. In particular, additional hypothetical currencies and jurisdictions were incorporated and critical features such as transaction privacy, foreign exchange matching, monitoring and compliance were tested. Findings reveal that the prototype platform for multiple CBDC settlements is able to complete international transfers and foreign exchange operations within seconds, as opposed to the 3-5 days normally required by using the existing correspondent banking network. The cost of such operations can also be reduced by up to half, according to the Project's report. (For more information, find the report link and QR code below).

Next steps for the Multiple Central Bank Digital Currency Bridge (mBridge) Project

The success of Inthanon-LionRock Phase 2 led to subsequent third phase which has been renamed as the mBridge Project upon the joining of the Digital Currency Institute of the People's Bank of China and the Central Bank of the United Arab Emirates, with support from the BIS Innovation Hub Hong Kong Center. The mBridge Project seeks to develop a multi-currency cross-border payments platform between the four participating jurisdictions, broadening the Project's geographic scope and diversity of currencies and business use cases.

Going forward, the mBridge Project will continue to explore and conduct experiments to resolve existing limitations of the current system, related to privacy controls, liquidity management and the scalability and performance of DLT in handling large transaction volumes. In addition, the Project will incorporate policy requirements and compliance with jurisdiction-specific regulations into the system, along with laying down appropriate governance for a more complex structure and controls. Following this, the participating central banks will jointly evaluate the project and consider pursuing experiments with commercial banks and other market participants within a safe environment in the future.

Bank of Thailand
28 September 2021

Inthanon-LionRock to mBridge: Building a multi CBDC platform for international payments

Report: https://www.bot.or.th/Thai/PressandSpeeches/Press/News2564/n6864_annex.pdf



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