Project Guardian and tokenisation

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From Ubin to Guardian

The Monetary Authority began to explore distributed ledger technology for wholesale finance in 2016, working with banks, international organisations and other central banks on digital currencies issued by central banks.[1] The first programme, Project Ubin, ran in five phases until 2020 and tested interbank payments, securities settlement and cross-border payments on distributed ledgers.[2] Its successor in retail payments, Project Orchid, explored the uses of a digital Singapore dollar and the infrastructure needed for it.[3]

Project Guardian, launched on 31 May 2022, moved from central bank money to the tokenisation of assets. It was announced by Deputy Prime Minister Heng Swee Keat at the Asia Tech x Singapore summit as an industry partnership to examine the economic potential of asset tokenisation and decentralised finance while managing risks to financial stability and integrity. Its four areas of work were open and interoperable networks, trust anchors to verify participants, the tokenisation of securities and deposits, and decentralised finance protocols of institutional quality.[4] The timing is noteworthy. The project was launched in the month of the Terra collapse, at the moment when the speculative side of the crypto market was most discredited.

The first pilot

The first pilot was led by DBS, J.P. Morgan and SBI Digital Asset Holdings. On 2 November 2022 the Monetary Authority announced that the participants had completed live trades: a cross-currency transaction between tokenised Japanese yen and Singapore dollar deposits, together with simulated trades in tokenised government bonds, using liquidity pools that contained tokenised Singapore government securities, Japanese government bonds and deposits in both currencies. The pilot used smart contracts on a public blockchain, with access restricted to verified participants. It demonstrated that regulated institutions could transact on such infrastructure under controlled conditions. Sopnendu Mohanty, the Chief FinTech Officer of the Monetary Authority, called it “a big step towards enabling more efficient and integrated global financial networks”.[5]

Policymakers, industry and frameworks

Project Guardian then grew into an international programme. By 2026 its group of policymakers comprised nine members: the Monetary Authority, the Financial Services Agency of Japan, the Financial Conduct Authority of the United Kingdom, the Swiss Financial Market Supervisory

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Authority, the Australian Securities and Investments Commission, the Banque de France, the Deutsche Bundesbank, the International Monetary Fund and the World Bank. Its industry group had 28 members, with workstreams on asset and wealth management, fixed income and foreign exchange led by Schroders, the International Capital Market Association, Ant Group and the International Swaps and Derivatives Association.[6] The presence of FINMA is of particular interest for the comparison with Switzerland.

The programme has produced industry frameworks intended to standardise practice: a Guardian Fixed Income Framework for tokenised bonds, later supplemented on delivery-versus-payment settlement and custody, a Guardian Funds Framework for tokenised investment funds, and papers on operationalising tokenised funds, the use of tokenised bank liabilities in transaction banking, interlinking networks and open and interoperable networks, the last of these prepared with the Committee on Payments and Market Infrastructures of the Bank for International Settlements. Live applications have followed, from banks and asset managers including Ant Group, Apollo, DBS, Franklin Templeton, Hamilton Lane, OCBC and UBS.[7]

To encourage issuers, the Monetary Authority has introduced a grant scheme for digital bonds issued in Singapore, justified by the potential of such bonds to improve operational efficiency and lower costs.[8] The approach is typical of Singapore's industrial policy in finance, which has used targeted grants and tax incentives since the Asian dollar market of 1968 described in Chapter C.IV.

Settlement assets: wholesale CBDC and BLOOM

Tokenised assets need a tokenised means of payment. The Monetary Authority has pursued three such assets in parallel: wholesale central bank money, tokenised deposits of commercial banks and regulated stablecoins. After publishing a whitepaper in June 2023 that proposed a common protocol for digital money on distributed ledgers, it announced in November 2023 its plans to pilot live wholesale central bank digital currency. On 4 November 2024 it launched the Singapore Dollar Test Network, which allows financial institutions to settle transactions in wholesale central bank digital currency, and on 13 November 2025 it completed a live trial in which overnight interbank loans were settled in that currency. It also plans to issue tokenised MAS Bills settled in central bank digital currency.[9]

The most recent element is BLOOM, an acronym for “Borderless, Liquid, Open, Online, Multi-currency”. The Monetary Authority describes it as a public-private initiative to advance settlement infrastructure using tokenised commercial bank money and stablecoins that meet regulatory expectations, in several currencies and across borders, for wholesale uses such as corporate treasury, trade finance and payments initiated by artificial intelligence agents. By October 2026 its members included 24 firms, among them the three large Singapore banks, Standard Chartered, J.P. Morgan, Visa, Mastercard, Coinbase, Circle, Ripple and Temasek, together with Bank Negara Malaysia, the Bank of Thailand and the World Bank Group.[10] The participation of the central banks of the two neighbouring states links the initiative to the regional strategy described in Chapter I.IV. The use of BLOOM for trade finance connects it to the commodity trading hub examined in Part G.

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The logic of the strategy

The two halves of Singapore's policy can seem contradictory at first sight. The same authority that closed its doors to offshore exchanges in 2025 invests public resources in tokenisation and invites crypto firms such as Coinbase and Circle into its settlement initiatives. The contradiction dissolves once the underlying criterion is identified. The Monetary Authority welcomes the technology of distributed ledgers when it is used by regulated institutions to make conventional finance more efficient. It restricts the use of the same technology when it serves speculation by retail investors or regulatory arbitrage. Ravi Menon's formula of 2022, “Yes to digital asset innovation, no to cryptocurrency speculation”, has remained the guide.

Notes

1. MAS, “Central Bank Digital Currency”, mas.gov.sg (development/fintech), stating that MAS began exploring the design and use of CBDCs in 2016 in collaboration with industry, international organisations and other central banks.
2. MAS, “Project Ubin”, mas.gov.sg (schemes and initiatives): five phases from November 2016 to July 2020, covering tokenised SGD for interbank payments (Phase 1), decentralised RTGS (Phase 2), delivery versus payment across platforms (Phase 3), cross-border payment versus payment with the Bank of Canada (Phase 4) and a multi-currency payments network prototype, report released on 13 July 2020 (Phase 5).
3. MAS, “BLOOM”, mas.gov.sg, 23 October 2026: BLOOM builds on Project Orchid, which explored use cases for a digital Singapore dollar and the required infrastructure.
4. MAS, media release “MAS Partners the Industry to Pilot Use Cases in Digital Assets”, 31 May 2022: Project Guardian launched by DPM Heng Swee Keat at the Asia Tech x Singapore Summit; four areas of focus: open, interoperable networks; trust anchors; asset tokenisation; institutional-grade DeFi protocols.
5. MAS, media release “First Industry Pilot for Digital Asset and Decentralised Finance Goes Live”, 2 November 2022: participants DBS Bank, J.P. Morgan and SBI Digital Asset Holdings; live cross-currency transaction in tokenised JPY and SGD deposits; simulated trading of tokenised government bonds; liquidity pools of tokenised SGS bonds, JGBs, JPY and SGD.
6. MAS, “Guardian”, mas.gov.sg (schemes and initiatives), published 12 November 2025, last updated 29 January 2026: Policymaker Group of nine members; Industry Group of 28 members; workstream leads Schroders (asset and wealth management), ICMA (fixed income), Ant Group and ISDA (foreign exchange).
7. Ibid., listing the Guardian Fixed Income Framework with an addendum on DvP settlement and custody, the Guardian Funds Framework, “Operationalising Tokenised Funds”, “Bridging the Adoption Gap”, “Use of Tokenised Bank Liabilities for Transaction Banking”, “Interlinking Networks” and “Enabling Open & Interoperable Networks” (with the BIS CPMI); also naming these firms among live use cases.
8. Ibid., on the grant scheme for digital bond issuance in Singapore: “Digital bonds have the potential to improve operational efficiency and lower costs”.
9. MAS, “Central Bank Digital Currency”, mas.gov.sg: whitepaper on a common protocol for digital money, 22 June 2023; blueprint and plan to pilot live wholesale CBDC, 16 November 2023; SGD Testnet launched 4 November 2024; live trial of interbank overnight lending settled in wholesale CBDC completed 13 November 2025; planned trials of tokenised MAS Bills settled in CBDC.
10. MAS, “BLOOM”, mas.gov.sg, published 23 October 2026: “Borderless, Liquid, Open, Online, Multi-currency”; public-private initiative for next-generation settlement infrastructure; settlement assets including tokenised

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commercial bank money and stablecoins meeting regulatory expectations; G10 and Asian currencies; corporate treasury, trade finance and agentic payments; also listing 24 industry members (Airwallex, Anchorage Digital, Ant International, Circle, Coinbase, DBS, J.P. Morgan, Kasikornbank, Mastercard, Maybank, Monee, Nium, OCBC, Partior, Ripple, Schroders, ShopeePay, Standard Chartered, StraitsX, Stripe, Temasek, UOB, Visa and Xweave), the central banks of Malaysia and Thailand and the World Bank Group.

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