

April 20, 2026
Mizuho Financial Group, Inc.
Nomura Holdings, Inc.
Japan Securities Clearing Corporation
Digital Asset Holdings, LLC

Launch of proof-of-concept trial for digital collateral management using Japanese government bonds (JGBs)

Enhancing 24/7 cross-border collateral transactions using blockchain technology

Mizuho Financial Group, Inc. (President & Group CEO: Masahiro Kihara), Nomura Holdings, Inc. (President and Group CEO: Kentaro Okuda), Japan Securities Clearing Corporation (President & CEO: Isao Hasegawa), and Digital Asset Holdings, LLC (CEO: Yuval Rooz; “DA Holdings”) today announced the launch of a joint proof-of-concept trial (“PoC”) to enhance collateral management using the Canton Network (“Canton”), the only blockchain specifically designed for institutional finance.

Overview of the PoC

The PoC focuses on Japanese government bonds (“JGBs”), the rights of which are transferred under the Act on Book-Entry Transfer of Corporate Bonds and Shares (“Book-Entry Transfer Act”). The project will determine, from both legal and practical perspectives, whether blockchain technology can be used to smoothly transfer rights and update book-entry transfer records within a hierarchical structure involving multiple account management institutions.

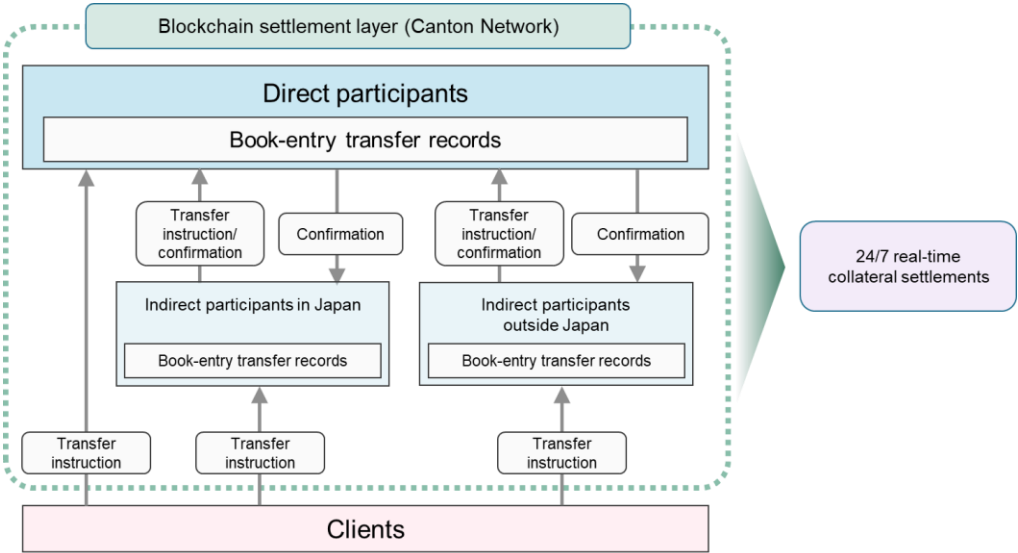
By integrating existing systems with the blockchain infrastructure on Canton, which is supported by DA Holdings, the PoC will test if sophisticated, real-time collateral transactions can be conducted 24/7, while maintaining the legal status of JGBs under the Book-Entry Transfer Act and the Financial Instruments and Exchange Act.

The PoC will also cover cross-border transactions involving stakeholders in Japan and outside the country. It will examine use cases involving the transfer of collateral among various parties, including clearing houses, institutional investors, clients, and agents.

Additionally, the project will consider how various laws and regulations, including the Book-Entry Transfer Act, may apply; examine whether amendments to the relevant internal rules and regulations are necessary; and identify any functional improvements required for commercialization.

The PoC will be conducted as part of an initiative that was selected by the Financial Services Agency of Japan in February 2026 for support under its Payment Innovation Project (PIP).

PoC architecture



Background and objectives

As the use of digital assets advances rapidly in the US and other markets outside Japan, and momentum also builds in Japan, achieving digital collateral management for JGBs—which are highly regarded as eligible collateral by institutional investors globally—has become an urgent priority. We believe that maintaining and strengthening the availability and liquidity of JGBs in the digital space is essential for the development of financial markets and for greater investor convenience.

In this PoC, by combining existing infrastructure with blockchain technology for JGB management, we aim to enable 24/7 real-time collateral transactions and significantly improve the efficiency of collateral management for trade not only within Japan but on a cross-border basis. A substantial reduction in administrative tasks related to the posting and substitution of collateral is expected to improve operational efficiency and reduce costs for both financial institutions and investors. Furthermore, by enabling JGBs, which are tangible assets, to be managed on a blockchain, we aim to deepen coordination with other digital assets, including digital-native assets, and create value through new types of financial transactions.

Through these initiatives, we intend to solidify the position of JGBs in the digital world. By reducing administrative costs and making collateral management more sophisticated, we will help expand the use of JGBs by institutional investors in Japan and outside the country, and enhance the international competitiveness of the Japanese financial market.