As debt capital markets are currently structured, many intermediaries are necessary to process transactions. This process becomes even more complicated with cross-border transactions. With these inefficiencies in mind, the Commonwealth Bank of Australia (CBA) and the World Bank collaborated to develop the first-ever public bond to “be created, allocated, transferred and managed using blockchain technology.”

In August 2018 the CBA announced that it had been tasked as the sole arranger of a blockchain-based bond, known as a “Bond-i” bond, short for Blockchain Operated New Debt Instrument. This two-year bond was priced at USD$73.16 million with a 2.251 percent yield. The CBA and World Bank used a private Ethereum blockchain for the project; the CBA blockchain platform was evaluated by Microsoft. World Bank and CBA touted the project as a success, proving that debt capital markets can be made significantly more efficient using blockchain technology.

In May 2019 CBA and World Bank announced they would be building on the success of Bondi by enabling secondary market trading of the bond on the blockchain. The successful secondary market transaction further proved blockchain technology’s ability to facilitate traditional financial transactions in a more efficient manner, without the need for intermediaries.