

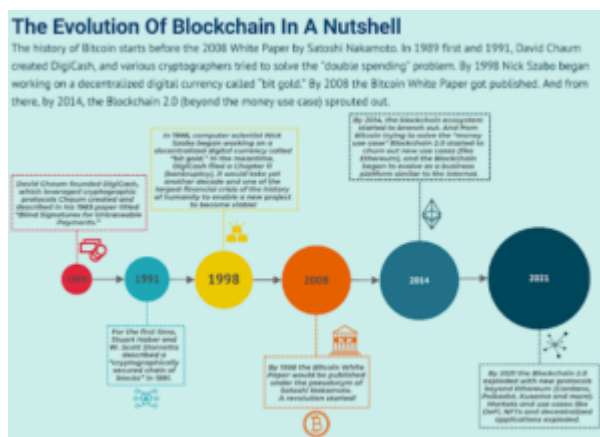
World's first 'Bitcoin City'

November 25, 2021

In news— After becoming the **world's first country to adopt bitcoins (September 2021)** as legal tender in the counter, **El Salvador** is planning to build the world's first 'Bitcoin City.

Key highlights-

- The **country would initially issue a \$1 billion bond backed by bitcoin to begin raising funds for the planned city.**
- **This Bitcoin City would be circular**, with an airport, residential and commercial areas, and feature a central plaza designed to look like a bitcoin symbol from the air.
- The **city planned in the east of the country would get its energy supply from a volcano and would not levy any taxes except for value added tax (VAT).**
- **Half of the VAT levied would be used to fund the bonds issued to build the city, and the other half would pay for services such as garbage collection.**
- The country will start **funding in 2022, and the bonds will be available in 2022.**
- The bond would be issued on the **"liquid network"**, a bitcoin sidechain network.



About El Salvador-

- The Republic of El Salvador is a small coastal country in Central America.



- El Salvador's capital and largest city is **San Salvador**.
- El Salvador's population numbers 6.1 million.
- Ethnically, 86.3% of Salvadorans are mixed (mixed Native Salvadoran and European (mostly Spanish origin)).
- El Salvador is also known as the land of volcanoes as well as "**the little thumb of America**"