



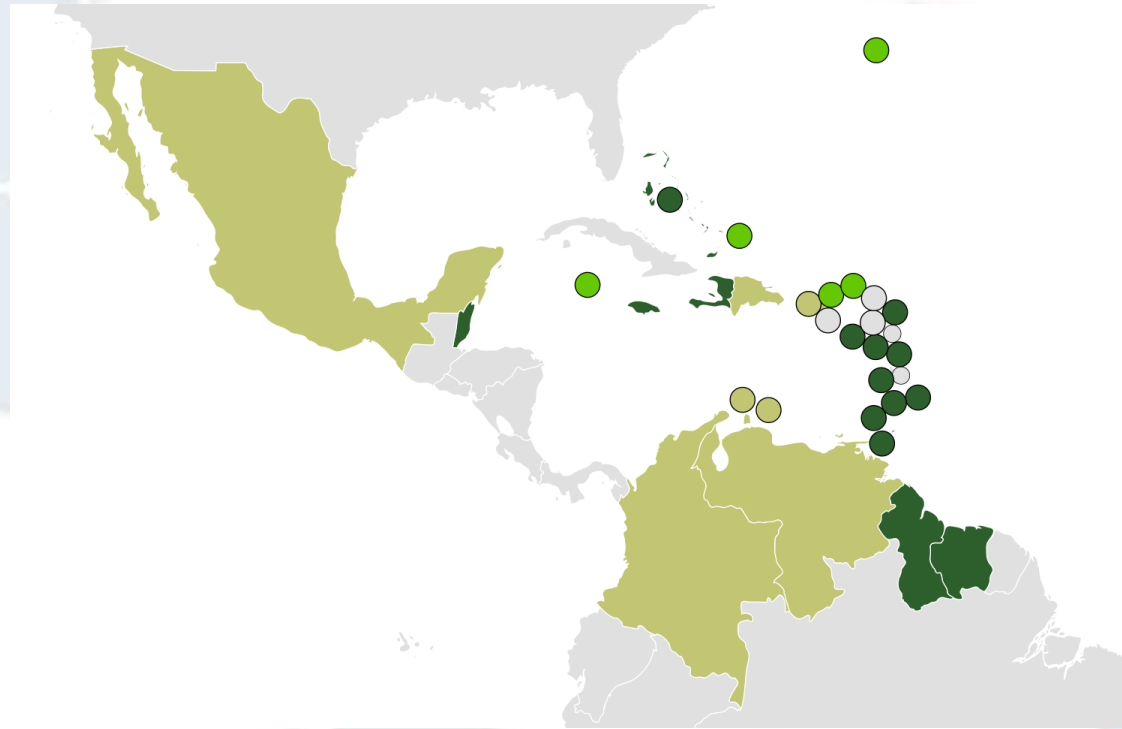
The Caribbean experience in Digital Financial Services



ITU FG DFC
Beijing, China
12th Oct 2017

The Caribbean

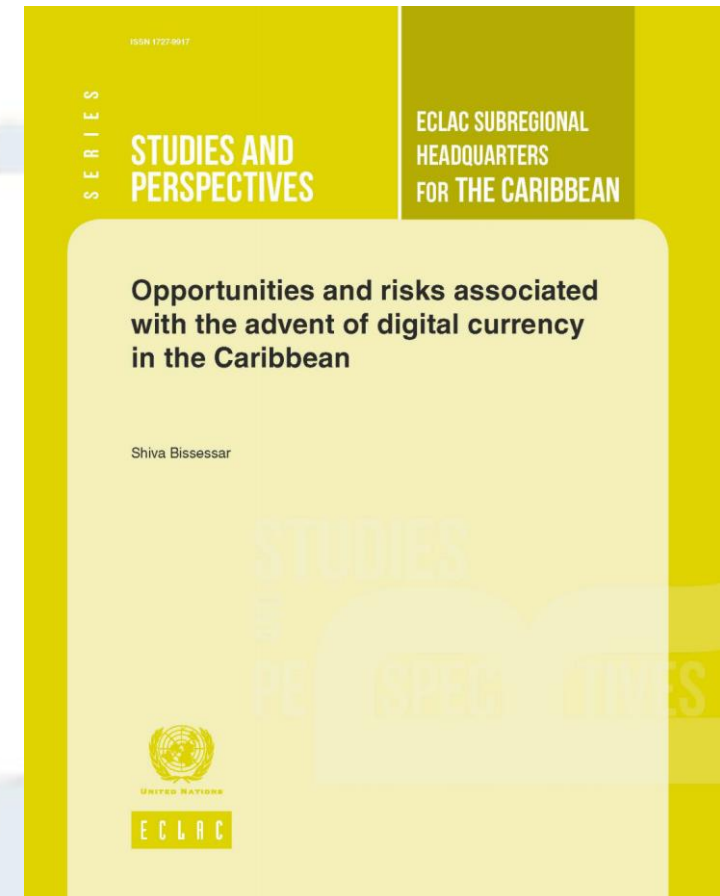
- Archipelago of several territories in the western hemisphere between North America and Latin America; includes a few mainland territories

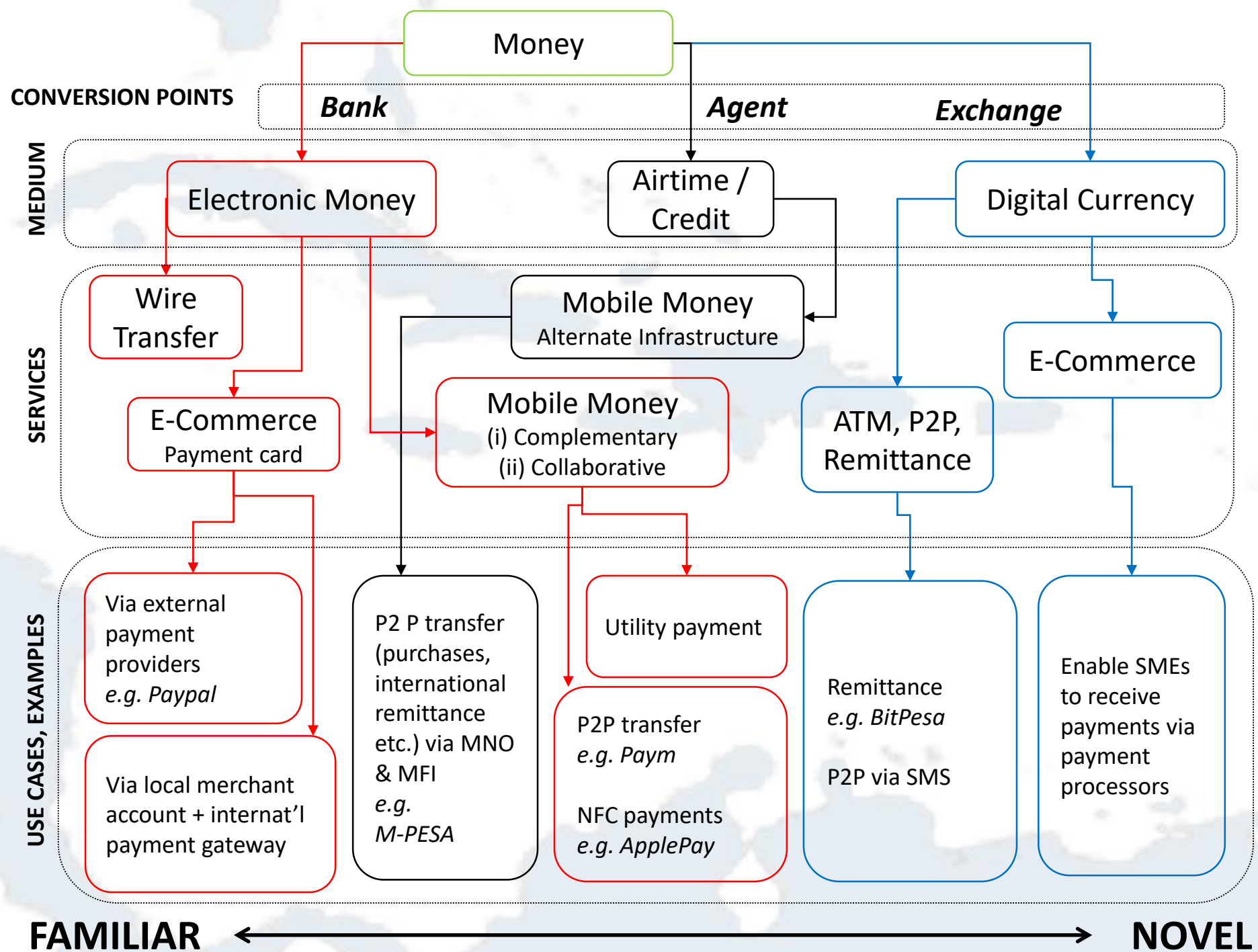


- Varying levels of population size and economic development
- Varying levels of digital economy participation; but generally low
- Some have high mobile penetration

Exploring Digital Financial Services (DFS)

- [2016 UN ECLAC digital currency study](#) uncovered longstanding payments system deficiencies in certain territories
- Authorities would like to increase participation in the digital economy & entrepreneurs bemoan lack of payments mechanisms to participate in global marketplace
- In [2016](#) and [2017](#) the ITU held workshops for the benefit of policy makers and other stakeholders, introducing new concepts of DFS





Landscape at present

- Some authorities have limited view on mobile money
- Some authorities have been more open in working with industry to develop regulatory classifications to allow for operations
- Potential service provider seeking to offer digital currency exchange services and offering to do a CBDC / DFC pilot.
 - Some CBs are only now examining digital currency and blockchain
- Limited expertise and academic research in various DFS areas

Opportunities for development of services

- Cash in & cash out
- Pay utility bills
- P2P
- G2P
- Merchant payment
- Remittances; domestic & international
- Financing and credit

Caribbean Blockchain Association

Positioning to bridge the gap between policy makers and market entrants

Advocates for the responsible adoption of blockchain and distributed ledger-based systems, advising public institutions and private industry on issues concerning policy, compliance, and technology.

Objectives include Industry Building, Knowledge Brokering and Global Engagement

Focus Areas

- Increased participation in the Digital Economy
- Correspondent bank de-risking problem
- Central Bank-issued Digital Currency (CBDC) and Digital Fiat Currency (DFC)
- Intra-regional settlement networks
- Disaster risk reduction

Looking forward to the ITU FG DFC

- Collaborative approach required in the Caribbean towards DFC
 - We hope to obtain requirements for such a solution from this FG
 - Partner in global trial and pilots
- Harness the expertise within this FG to bring learning to Caribbean financial and telecoms regulators on matters relevant to DFC incl.:
 - Security & Privacy
 - Speed & Efficiency
 - Scalability



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