CBDCs & Fiat Digital Currencies
New Opportunities for Digital Money

By
Stephen Phillips
Founder of IMHOTEP Consulting, a Caribbean and Latin America based high technology and data science firm.

Stephen spearheads the development and implementation of the ECCB’s CBDC pilot project for Bitt.com.

As co-chair, Stephen contributes on the ITU’s Digital Currency Global Initiative.
About Bitt

Bitt is a financial technology company, and creator of the leading Digital Currency Management System. Bitt enables central banks, financial institutions, regulators and payment providers to adopt the digital currency infrastructure required for the next evolution of the financial ecosystem.

Medici Ventures Celebrates Portfolio Company Bitt’s Historic Central Bank Digital Currency Pilot with the Eastern Caribbean Central Bank

March 06, 2019 09:00 ET | Source: Overstock.com, Inc.

SALT LAKE CITY, March 06, 2019 (GLOBE NEWSWIRE) – Medici Ventures, the leading blockchain accelerator and subsidiary of Overstock.com, Inc. (NASDAQ:OSTK) announced its portfolio company Bitt is using blockchain technology to conduct a Central Bank Digital Currency (CBDC) pilot across the Eastern Caribbean Currency Union’s (ECCU) member countries.
USD Coin (USDC) Market Capitalization

- 500K
- 1B
- 5B

Time Frame: Jan '20 to Jan '21
Bitt CBDC System Architecture

API Layer
- CBDC Ledger
- Security
- Regulatory
- Policy Settings
- Reporting
- Durable queue

Private API
- DCMS App
- Services
- Security, Routing, Reporting
- MFA
- AML/KYT/CFT

Public API
- Private API
- MFA
- DCMS
- Fi Portal
- Minting

Commerce
- Private API
- Public API
- ecommerce
- Merchant App
- Wallet App
- Third-party Apps

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- Security,
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DCMS
- IP
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- Third-party
Apps

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- IP
Motivations for CBDC in the Eastern Caribbean

- Promote economic activity deliver on the vision for a single market economy
- Safe transactions with KYC, AML & CFT monitoring & reporting
- Improved tax compliance
- Faster delivery of currency to banks and merchants
- Faster and easier currency redemption for banks
- Faster / more efficient treasury management for banks
- Increased access to non-cash payment options for consumers and merchants
- Access to electronic payments without requiring a credit / debit card
- Less time spent at bank getting cash
- Ability to pay bills without going to a physical location
- Less breakage (loss of cash) for merchants
- Faster checkout for consumers
- Lower transaction fees
- Lower costs of dealing with cash (e.g. no deposit fees)
- Faster (instant) settlement
Eastern Caribbean Payments Landscape with CBDC

- Cash: -50%
- Cheques: -80%
- Credit Cards: +50%
- Debit Cards: +40%
- Elect. Pymts.: +60%
- DXCD: Acquires % decreases in cash & cheques
# Likely Future for CBDCs

<table>
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<tr>
<th>Current State CBDCs</th>
<th>Future State CBDCs</th>
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<td>Predominantly centralized operational and governance frameworks</td>
<td>Enhanced consortia and decentralized operational and governance frameworks</td>
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<td>Single currency networks</td>
<td>Multi-currency (Multi-asset) networks</td>
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<td>Digital Cash models</td>
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Summary

Questions?