



JAM-DEX
NO CASH • NO PROBLEM



BANK OF JAMAICA CBDC **FAQs**

FREQUENTLY ASKED QUESTIONS

FAQ 1

What is CBDC?

- CBDC is money issued by BOJ in digital form.
- CBDC is not held in a bank account, it is held in a digital wallet and is distributed by banks or authorized Payment Service Providers.
- Just as is the case with cash in your wallet, you don't earn interest on CBDC in a digital wallet.
- CBDC can be exchanged 1-for-1 with banknotes and coins.

FAQ 2

Is CBDC the same as cryptocurrency?

No. CBDC is not cryptocurrency. CBDC is the digital version of the currency of the country. It is legal tender and is issued and regulated by the country's central bank. Cryptocurrency is privately issued and is not backed or regulated by a central bank.



BANK OF JAMAICA
CBDC FAQs

FAQ 3

How do I get a digital wallet?

To get a digital wallet – Jam-Dex, contact a Wallet Provider – commercial bank, building society, merchant bank or authorized Payment Service Provider. You will be asked to provide basic information such as:

- Name
- Address
- Taxpayer Registration Number
- Provide a valid, government issued picture ID

FAQ 4

Is there a cost associated with a digital wallet?

There is no cost in getting a digital wallet or doing transactions using a digital wallet. You don't even have to put money in your wallet when you open it.



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CBDC FAQs

FAQ 5

What are the advantages/benefits of CBDC?

- **There are no fees.**
CBDC will reduce your costs as there are no fees for phone to phone transfers or payments. CBDC will reduce costs for merchants and banks as the costs associated with handling and securing cash are no longer an issue.
- **No bank account is needed for you to use CBDC.**
You don't need to have, or open, a bank account to get a digital wallet.
- **CBDC will allow for financial inclusion.**
Getting a digital wallet is easy, as there are fewer customer identity verification requirements, relative to opening a bank account, that are easier to meet. By using CBDC, persons who do not have an account at a DTI (Deposit Taking Institution), or have inactive accounts, can become part of the financial system and use digital payments to transact their business securely.
- **Using CBDC is efficient**
You can transfer money and make and receive payments without being face to face with the other person (counterparty).

FAQ 6

Will CBDC replace cash, debit cards and credit cards?

No, CBDC gives you another option to spend and make transfers. If you use cash, credit cards, debit cards or online transfers, you may continue to do so while also using CBDC.



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FAQ 7

Is CBDC secure?

Yes, CBDC is safe and secure! CBDC has anti-counterfeiting features and is resistant to hacking and tampering. There is a robust cyber-security framework to ensure that CBDC is kept secure.

FAQ 8

Is my digital wallet information kept private?

Your Wallet Provider is the only entity that will have access to your information and be able to see your transactions. Your Wallet Provider will ensure that your data is protected and kept private. When conducting transactions using CBDC your identity is not recorded. The system only records the value of the transaction for authentication purposes. Your Wallet Provider will be obligated to share your information only if the relevant authorities require this information under a Court Order.

FAQ 9

How do I put money in my CBDC wallet?

Once you have opened your digital wallet by going to a commercial bank, building society, merchant bank or authorized Payment Service Provider, you can add money to your digital wallet.



BANK OF JAMAICA
CBDC FAQs

FAQ 9

How do I put money in my CBDC wallet?

Methods to top up your digital wallet include:

- Going to any Wallet Provider to add CBDC to your digital wallet.
- Transferring funds from your regular bank account to your digital wallet.
- Using a Smart ATM.
- Transferring CBDC from another digital wallet.

FAQ 10

How do I make and receive payments using CBDC?

To make payments simply scan the QR code or enter the wallet ID of the person who you wish to transact with, then enter the amount you want to send. To receive payments provide your QR code or wallet ID and confirm receipt after the amount has been received.



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CBDC FAQs

FAQ 11

How do I convert CBDC to cash?

You can use a Smart ATM or go to any Wallet Provider to convert your CBDC to cash or vice versa, convert your cash to CBDC.

FAQ 12

Will I have to pay telephone or data charges when using CBDC?

No, there is no cost to you when using your phone for CBDC transactions.

FAQ 13

Where can CBDC be used?

CBDC can be used anywhere in Jamaica that CBDC wallet services are available or the counterparty has a CBDC wallet.



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CBDC FAQs

FAQ 14

Can I accept CBDC as a form of payment on my e-commerce site?

Yes, if your Wallet Provider provides this service.

FAQ 15

Are there limitations as to when CBDC can be used?

No, CBDC can be used 24 hours per day, 7 days per week, 365 days per year.

FAQ 16

What is the difference between e-money and CBDC?

E-money refers to electronic money *issued by a financial institution* licensed to do so, while CBDC is digital currency *issued by a central bank*. E-money can only be used amongst persons who are customers *of the same financial institution* while CBDC is *interoperable* i.e. it can be transferred between persons who have a digital wallet, that uses CBDC, irrespective of the Wallet Provider.



FAQ 17

Is CBDC covered by the Jamaica Deposit Insurance Company?

No, CBDC is issued and therefore secured by Bank of Jamaica. Under certain conditions, if the Wallet Provider is unable to pay, BOJ will reimburse 100% of CBDC funds directly to customers based on their preferred means of payment i.e. CBDC in a digital wallet of another Wallet Provider, or transfer to their regular bank account.

FAQ 18

Can CBDC be used to facilitate overseas transactions?

No, CBDC, like banknotes and coins, is for Jamaica Dollar transactions only – payments and transfers.





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