



PRESS RELEASE

Project Sand Dollar: The Central Bank Identifies Preferred Technology Solutions Provider for Bahamas Digital Currency

The Central Bank of The Bahamas is pleased to announce the selection of **NZIA Limited** as the preferred technology solutions provider to design and implement the digital fiat currency system for The Bahamas. “Project Sand Dollar” is the official name for this payments system modernisation initiative. The Bank will commence negotiations with NZIA Limited to agree the final terms and scope of the engagement.

The selection of NZIA Limited reflects the company’s expertise in resilient Internet of Things networks solutions. NZIA Limited brings together the collective know-how and expertise of IBM, a leader in enterprise blockchain, along with Zynesis Pte. Ltd., a Singapore-based software development company specializing in blockchain solutions.

The Central Bank expects that at the conclusion of this project all residents in The Bahamas will have equal, expanded access to modernised digital payments capabilities. A concurrent reduction in cash transactions is also expected. The evolved Bahamian payments infrastructure should reduce service delivery costs, increase transactional efficiency and improve the overall level of financial inclusion in communities throughout the archipelago.

Appropriate policy and legislative reforms will accommodate the functional aspects of a digital currency. The draft Central Bank of The Bahamas Bill, 2019, now before the Government, anticipates this framework, and will provide for the development of regulations to govern the instrument. The regulatory framework will include safeguards to satisfy Exchange Control Regulations; monitoring and controls against money laundering and terrorist financing, and specifications to ensure complementarity as opposed to material substitutability for existing banking services.

More details about Project Sand Dollar, including announcement of the Family Island communities chosen for the pilot phase, will be revealed in the coming weeks.

1 March 2019