Dubai Launches World's First Government-Backed Cryptocurrency

Consumers in Dubai, UAE will be able to use digital currency to make retail payments in-store, pay for government utilities, telecommunication, and school fees in government shopfronts via emcash – Dubai's digital currency launched by emcredit, a state-backed subsidiary of the Dubai Department of Economic Development.

This comes as a result of a partnership between blockchain payment provider Pundi X, Ebooc Fintech & Loyalty Labs, and emcredit - Dubai's Credit Bureau.

The bespoke, Pundi X POS ("point of sale") device created for ebooc fintech & loyalty labs for the exclusive use of emcredit with their branding will be dedicated to running a stable, digital equivalent of the UAE dirham. Ebooc - the first Emirati fintech company is the exclusive partner of Pundi-X and providing blockchain-based NexGen technology and loyalty solutions for the financial services sector.

The announcement confirms Dubai's status as a global blockchain innovation centre and the first global capital to afford citizens the option to make essential payments on a digital currency.

XPOS devices are expected be rolled out at shopfronts the region following today's deal with provisions for an increase in coming years.

"We are committed to continuously improving the services we offer to our customers in accordance with the directive of His Highness Sheikh Mohammed Bin Rashid Al Maktoum, UAE Vice President and Prime Minister and Ruler of Dubai," said an emcredit spokesperson, "To be the world's first city to offer blockchain-based payment solutions to our residents is an exciting moment for Dubai. It confirms Dubai's status as an international tech hub. Deploying cutting-edge technology such as blockchain is a key priority and is delivering benefits to our citizens in the form of convenience and securities to customers and merchants across Dubai".

Zac Cheah the CEO and co-founder of Pundi X said, "Bringing blockchain-based payments technology into the government sphere is a major development for the technology. But to be able to bring it to one of the great cities of the world and the most advanced economy in the Middle East makes today an historic moment for the real-world application of a technology that has promised so much potential until now."

Further details of the partnership will be announced following the development, testing and approval of the technology by government regulators later this financial year.

Pundi X is shipping thousands of its payments devices to the global retail market, including retail partners in markets such as Singapore, Brazil, Africa and Korea, just eight months after raising $35-million in startup funding in a public token sale in January.

This partnership brings world-leading, blockchain-based XPOS technology into a public sector environment for the first time and is the company's first deployment in the Middle East region.

The company is targeting a rollout of more than 100,000 of its unique blockchain-based POS devices to the global retail in three years' time.

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