

SHANGHAI NOW

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A testing application exclusively designed for the Chinese electronic yuan can now be downloaded on major mobile Android app stores and Apple's App Store.

The move marks another big push by China's central bank to expand the usage of its own digital currency ahead of the upcoming Beijing Winter Olympic Games.

The pilot version of the app, developed by the People's Bank of China's digital currency research institute, is currently available to selected users in 11 cities and regions including Shanghai, Beijing, Shenzhen, Suzhou, Chengdu, Changsha, Qingdao, and the Beijing Winter Olympic area.

The new app has been downloaded around 127,000 times on OnePlus's app store as of noon last Wednesday, one day after its launch.

Major domestic banks, including the top six state-run lenders, China Merchants Bank, as well as two online lenders, Tencent-backed WeBank and MYbank, backed by Alibaba's Ant Group, provide e-yuan services, a notice on the app said.

The People's Bank of China, the nation's central bank, is responsible for issuing and distributing the digital yuan to commercial banks, which then channel the cyber currency to end-users.

With the e-yuan app, users can make retail payments by scanning a bar code. They can also send money, request payment, link their digital wallet to other accounts, and review all transactions.

Via sub-wallets, people can spend the currency on a variety of lifestyle apps such as ride-hailing app Didi Chuxing, food delivery platform Meituan and streaming platform Tencent Video.

Logistics company SF Express, Trip.com, ticketing app China Film Pass, state-owned petrol giant Sinopec, and electric-vehicle charging station provider TELD are also among the applications on which people can pay for services using virtual yuan.

China expands digital currency usage ahead of Winter Olympics



A pilot version of the application exclusively designed for the Chinese electronic yuan became available on major Android app stores and Apple's App Store last week. — IC

Some retailers, like e-commerce company JD.com, have accepted digital yuan as payment during the past year.

Customers can apply for four types of electronic wallets, with the least privileged only requiring a phone number, and users can keep themselves anonymous to the banks.

The account can be upgraded if users share more private information, such as

ID card numbers.

The daily transaction value for this type of e-wallet holder is capped at 5,000 yuan (US\$782), with an annual cap of 50,000 yuan.

The highest privileged e-wallet, Category One, is required to be opened at a bank counter with personal identification. No transaction limit is set for this type of wallet holders, a table on the app shows.

China UnionPay Merchant Services Co, the largest acquirer in Asia Pacific, said in a written interview with Shanghai Daily that it has helped extend e-yuan services to more than 100,000 merchants in pilot cities.

People have enjoyed these services in areas including catering, transportation, scenic spots and the health sector, the company said.

Thanks to the efforts in promoting this new payment option, the number of individuals with digital yuan accounts hit 140 million, with 10 million corporate accounts created, a top official at the People's Bank said in early November.

As of late October 2021, China's digital yuan pilot application locations exceeded 3.5 million, with transactions reaching 62 billion yuan, the central bank official added.

The digital yuan will be mainly used to meet domestic retail payment needs and will co-exist with the physical yuan in the long term, according to a recent white paper on e-yuan's R&D progress released by the central bank.

E-CNY wallets are classified by KYC (Know Your Customer) levels. The KYC requirements and limits are listed below.

Category 1

Mobile number, Valid ID, Linking bank account, Visit a bank branch

Balance: Unlimited
Single Transaction: Unlimited
Daily: Unlimited
Annual: Unlimited

Category 2

Mobile number, Valid ID, Linking bank account

Balance: 500,000
Single Transaction: 50,000
Daily: 100,000
Annual: Unlimited

Category 3

Mobile number, Valid ID

Balance: 20,000
Single Transaction: 5,000
Daily: 10,000
Annual: Unlimited

Category 4

Mobile number

Balance: 10,000
Single Transaction 2,000
Daily 5,000
Annual: 50,000

(Unit: yuan)

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