

Central bank digital currency and public-private cooperation

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CBDC objectives

- Continued access to central bank money
- Resilience
- Increased payments diversity, innovation and efficiency
- Encouraging financial inclusion
- Improving cross-border payments
- Supporting public privacy
- Facilitating fiscal transfers

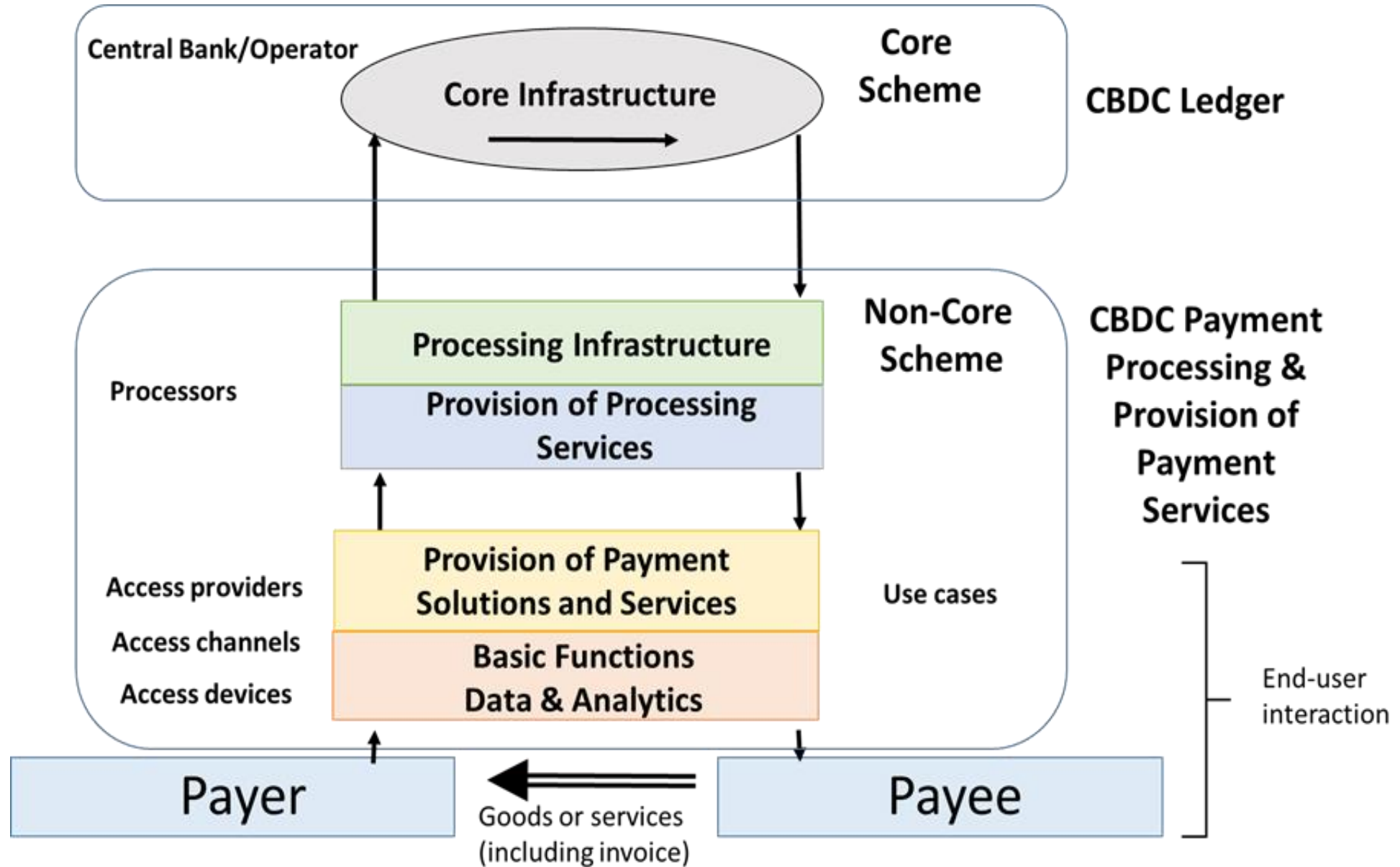
Foundational principles

- Group of central banks 2020:
 - Do no harm
 - Co-existence
 - Innovation and efficiency

- The Bank of Canada, European Central Bank, Bank of Japan, Sveriges Riksbank, Swiss National Bank, Bank of England, Board of Governors of the Federal Reserve and Bank for International Settlements
 - <https://www.bis.org/publ/othp33.htm>

An emerging consensus?

- Public and private sectors in a balance
 - Keep current division of labour
 - No central bank appetite to compete with the private sector
- Domestic interoperability is crucial
 - Flow of funds to and from other payment systems/arrangements
 - Messaging, data and other technical standards
- Access to and treatment of payment data would play a significant role in any CBDC design
 - Central banks cautious to have too much data
- CBDC is a significant undertaking
 - Balancing involvement, monitoring and regulation



Continued norm setting

- Group of central banks
 - Financial stability, design and interoperability and some end-user aspects
 - Today!
- G7
 - Retail Public Policy Principles
 - ~ Two weeks
- ECB and the Digital Euro...

Stay tuned!