Digital euro

CEMLA

IV Fintech Forum Meeting

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What do we mean by “digital euro”? 

Digital euro would be **central bank money** made available **to citizens and firms** in **digital form** for use in **payments**

- Complementing, not substituting, cash and wholesale central bank deposits
- **Synergies** with industry
- Digital euro **not necessary so far**
Main benefits of a digital euro

- Supporting **digitalisation** in the European economy
- Response to a declining use of cash as a means of payment
- Tackling **sovereignty concerns** related to foreign private digital means of payment in the euro area or possible future foreign CBDC

The Eurosystem needs to be prepared
Public consultation

- ended in January 2021 with **record level** of public feedback
- over **8,000 responses** received in online survey
- **input** from citizens, firms and industry associations on desirable designs and how to address challenges
- **privacy, security and pan-European reach** ranked highest in European citizens’ preferences

Detailed analysis of responses to the public consultation will be published in spring.
Work on design and review of open questions

Conceptual work
• Continue the analysis of different design options

Practical experimentation
• Test the implementation of functional design options

Work with the European Commission
• Joint review of broad range of policy, legal and technical questions

This work is done in parallel to the analysis of responses to public consultation
Possible launch of a digital euro project

Towards mid-2021 the Eurosystem will consider whether to launch a digital euro project

- Start with an investigation phase
  ... to obtain answers to open questions raised in the report
  ... to develop a minimum viable product that would be able to meet Eurosystem requirements and the needs of prospective users

The objective is to ensure that the Eurosystem will be prepared to issue a digital euro if it decides to do so in the future.
Our publication

- Eurosysten report
- Website digital euro hub