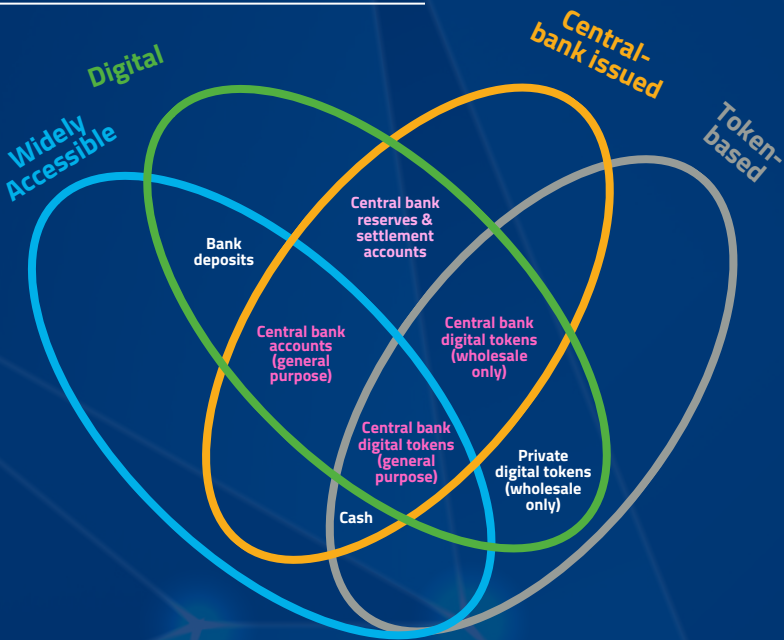


CENTRAL BANK DIGITAL CURRENCIES (CBDCs)

Digital form of central bank money

THE MONEY FLOWER ¹

— = CBDC Characteristics



Attributes of CBDCs

- Complement current forms of money and methods for providing financial services
- Enable greater efficiency of fund flows at lower cost
- Protect consumer privacy with the right public policy and design choices
- May increase security and reduce fraud or other illicit activities through greater transparency (e.g., ensuring funds reach the right recipients, are used for the designated purposes, and that stolen funds can be canceled)

Types of CBDCs

Retail

Issued by a central bank to individual users, enabling fund transfers directly into their digital wallets



Wholesale

Only available to financial institutions for interbank transfers & wholesale transactions

We need rules on the role of government with respect to CBDCs



Global Status of CBDCs ²

105 countries exploring use cases of CBDCs

50 countries are in an advanced phase of digital currency exploration

81 countries representing **90%** of global GDP are exploring CBDCs



60% of central banks are conducting experiments on CBDCs



14% are moving forward with development and pilot arrangement



The share of central banks actively engaging in CBDC work grew to **86%** in the last **4 years**



¹ [https://www.bis.org/cpmi/publ/d174.pdf\(pg.7\)](https://www.bis.org/cpmi/publ/d174.pdf(pg.7))

² Central Bank Digital Currency Tracker - Atlantic Council