



EUROPEAN CENTRAL BANK

EUROSYSTEM

Digital euro

AMI-Pay

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Overview

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What is a “digital euro”?

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



Digital equivalent of legal tender euro banknotes



Complementing, not replacing, cash



Costless access for citizens' basic payment needs to a **simple, risk-free and trusted** digital means of payment

CBDC versus other forms of money and assets



Liability of central bank

- i. **Cash:** physical form, to *general public*
- ii. **Central bank deposits:** *digital form*, limited access

→ **CBDC/ Digital euro:** complement to cash and deposits



Liability of a private entity

- i. Commercial bank money
- ii. E-money
- iii. Some 'stablecoins' that entail a claim/liability on an identifiable entity



Not a liability

- i. Crypto-assets*

* This definition corresponds to [Occasional Paper Series No 223](#), ECB, 2019.

Digital euro: a complement to private initiatives



Key arguments to support this view:

- Co-existence of several means of payments is desirable
- Private sector will remain more innovative
- Central banks do not have ambition
 - to take-up the front-end or
 - to take away deposits from banks' balance sheets.
- Digital euro would be offered preferably through supervised service providers

Way forward



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.

Questions for discussion



- What role can you or your organisation play in facilitating the appropriate design and uptake of a digital euro as an effective means of payment?
- What potential challenges need to be considered in the design of the technology and standards for the digital euro?
- How to ensure wide usability and sufficient consumer demand?

Link to digital euro pages

[Executive
summary page](#)



[Full report](#)

