

*These slides contain findings of the 2022 BIS central bank survey on CBDC and crypto that will be published early July. Do not copy and/or distribute these slides or individual graphs prior to that.*

# Central bank digital currencies around the globe

## *Current status, key drivers and what's next*

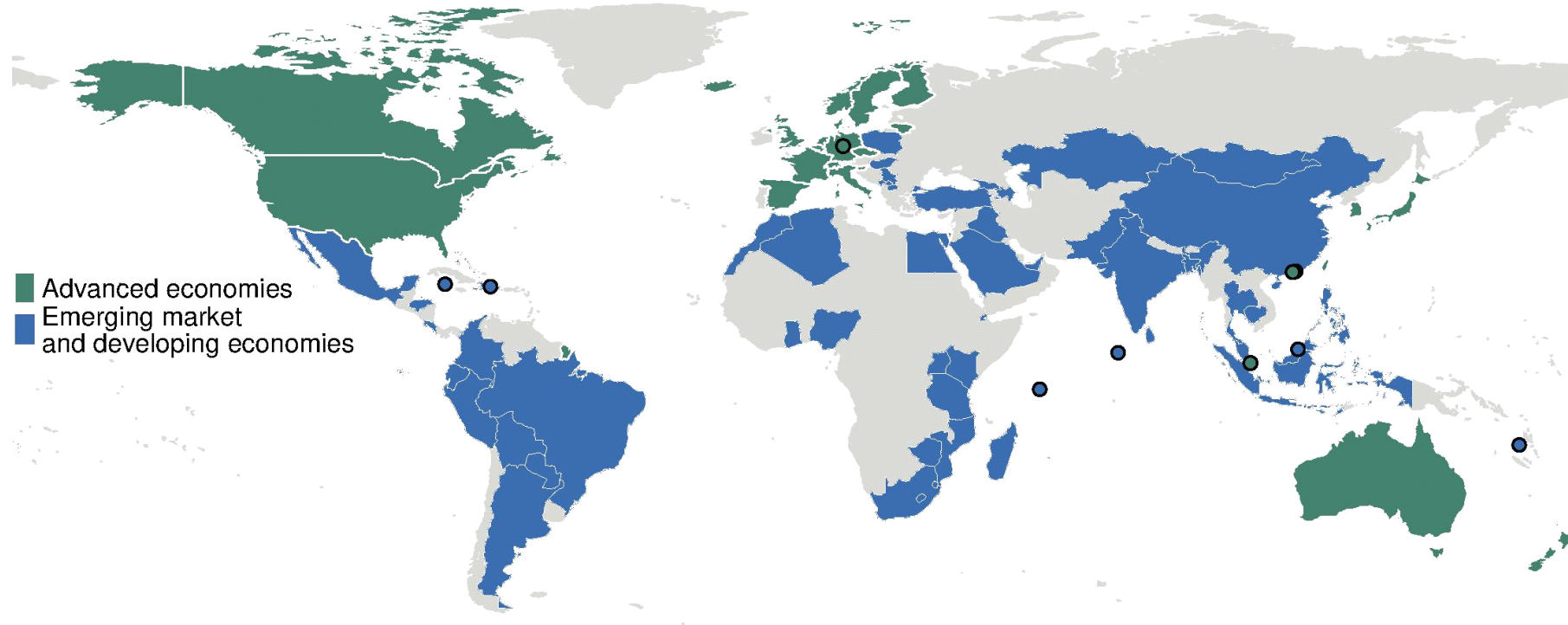
15<sup>th</sup> Conference on Payments and Market Infrastructures: Shaping Payments Innovations

Disclaimer: views expressed are those of the presenter and do not necessarily reflect those of the BIS, CPMI or their member central banks

Anneke Kosse  
29 June 2023, Ohrid

# COMING SOON – Results of the 2022 BIS survey on CBDC and crypto

## A record 86 central banks replied to the survey of late 2022



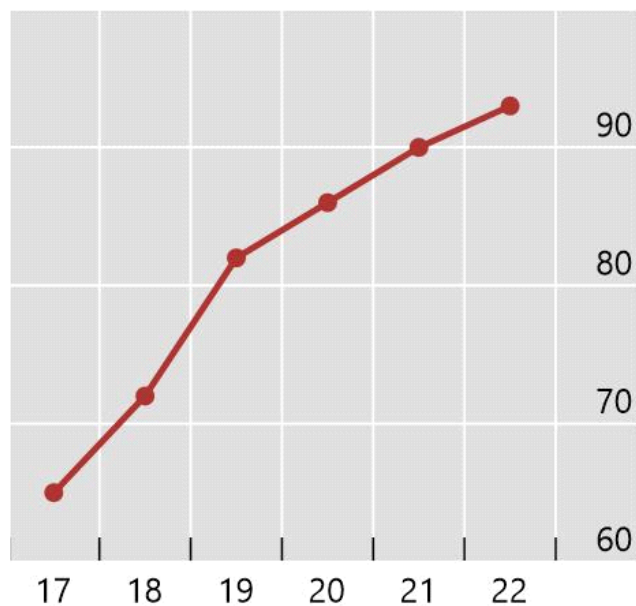
The black circles represent Brunei, the Cayman Islands, the Dominican Republic, the European Central Bank, Fiji, Hong Kong SAR, Macao SAR, the Maldives, Seychelles and Singapore. The categorisation of jurisdictions into advanced economies (AEs) and emerging market and developing economies (EMDEs) is based on the World Economic Outlook (WEO) classification of the International Monetary Fund (IMF). The use of this map does not constitute, and should not be construed as constituting, an expression of a position by the BIS regarding the legal status of, or sovereignty of any territory or its authorities, to the delimitation of international frontiers and boundaries and/or to the name and designation of any territory, city or area.

Source: 2022 BIS central bank survey on CBDCs and crypto.

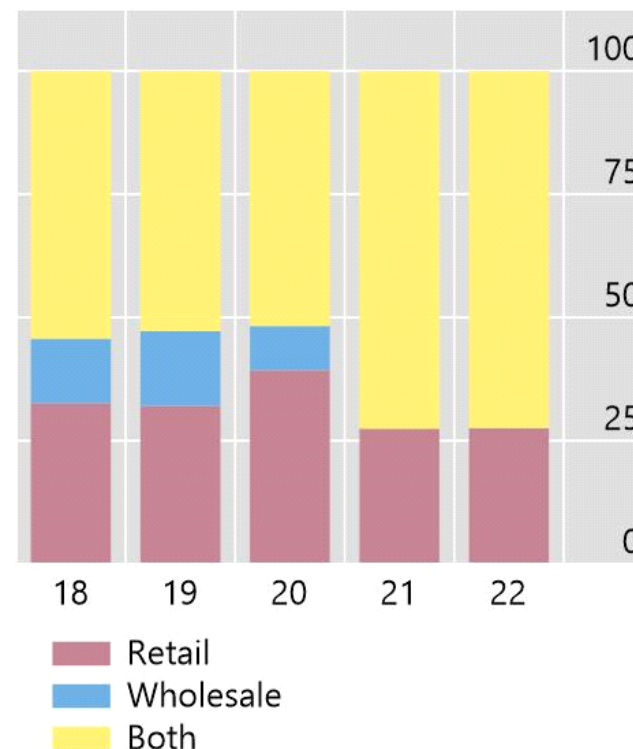
# Central bank involvement in CBDC work advances further

As a percentage of respondents

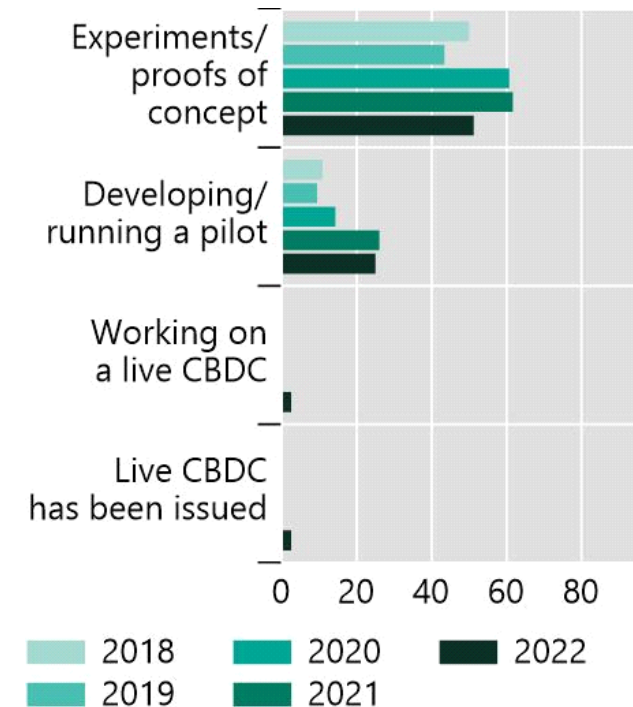
A. Engagement in CBDC work



B. Focus of work<sup>1</sup>



C. Type of work in addition to research<sup>1</sup>



<sup>1</sup> Share of respondents conducting work on CBDCs.

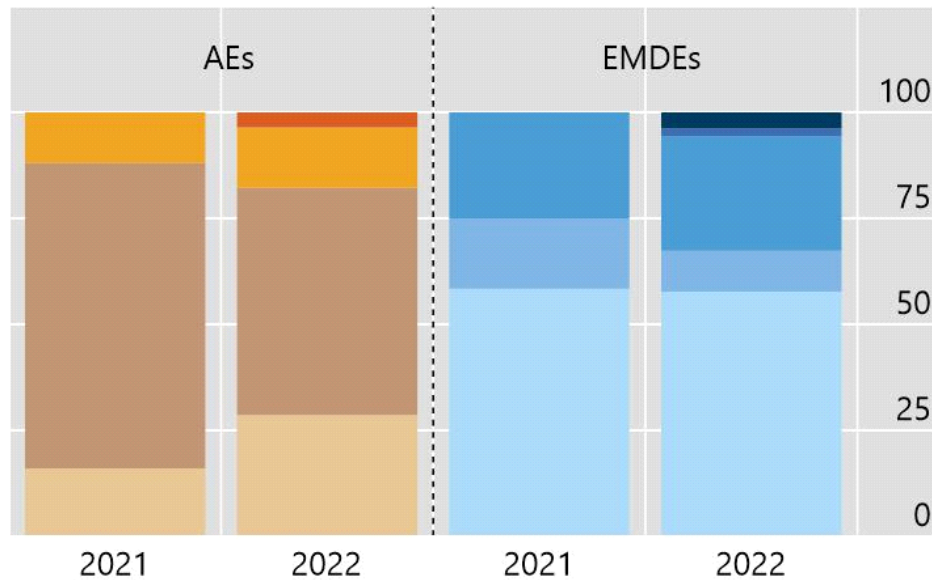
Sources: BIS central bank surveys on CBDCs and crypto, 2017–22.



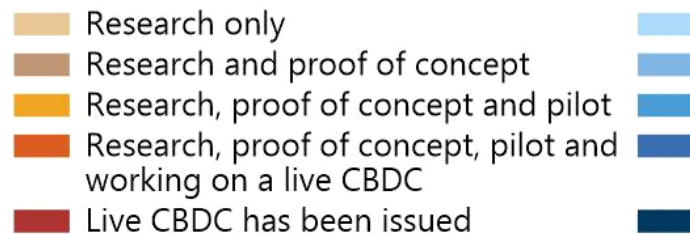
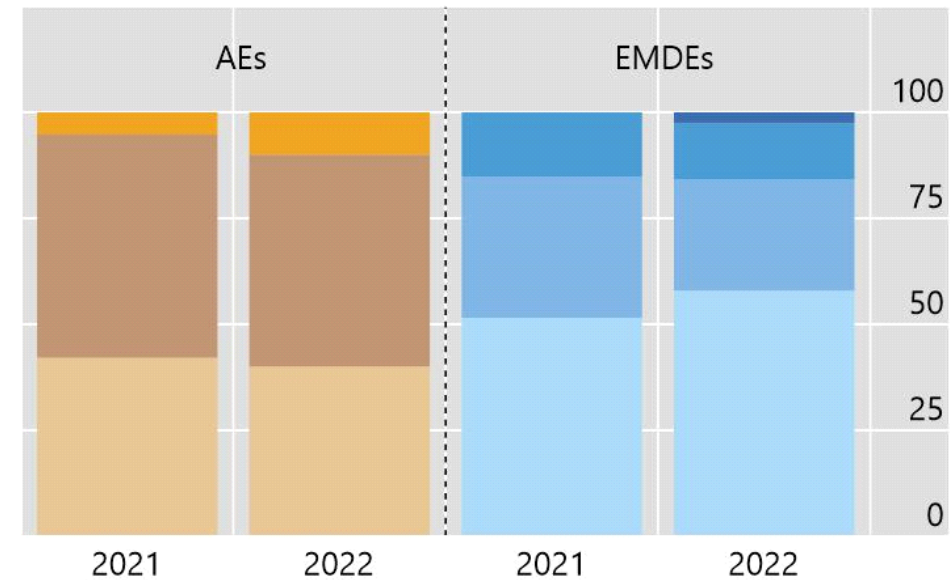
# EMDEs are more advanced in their CBDC work than AEs

As a percentage of respondents conducting work on CBDCs

A. Retail



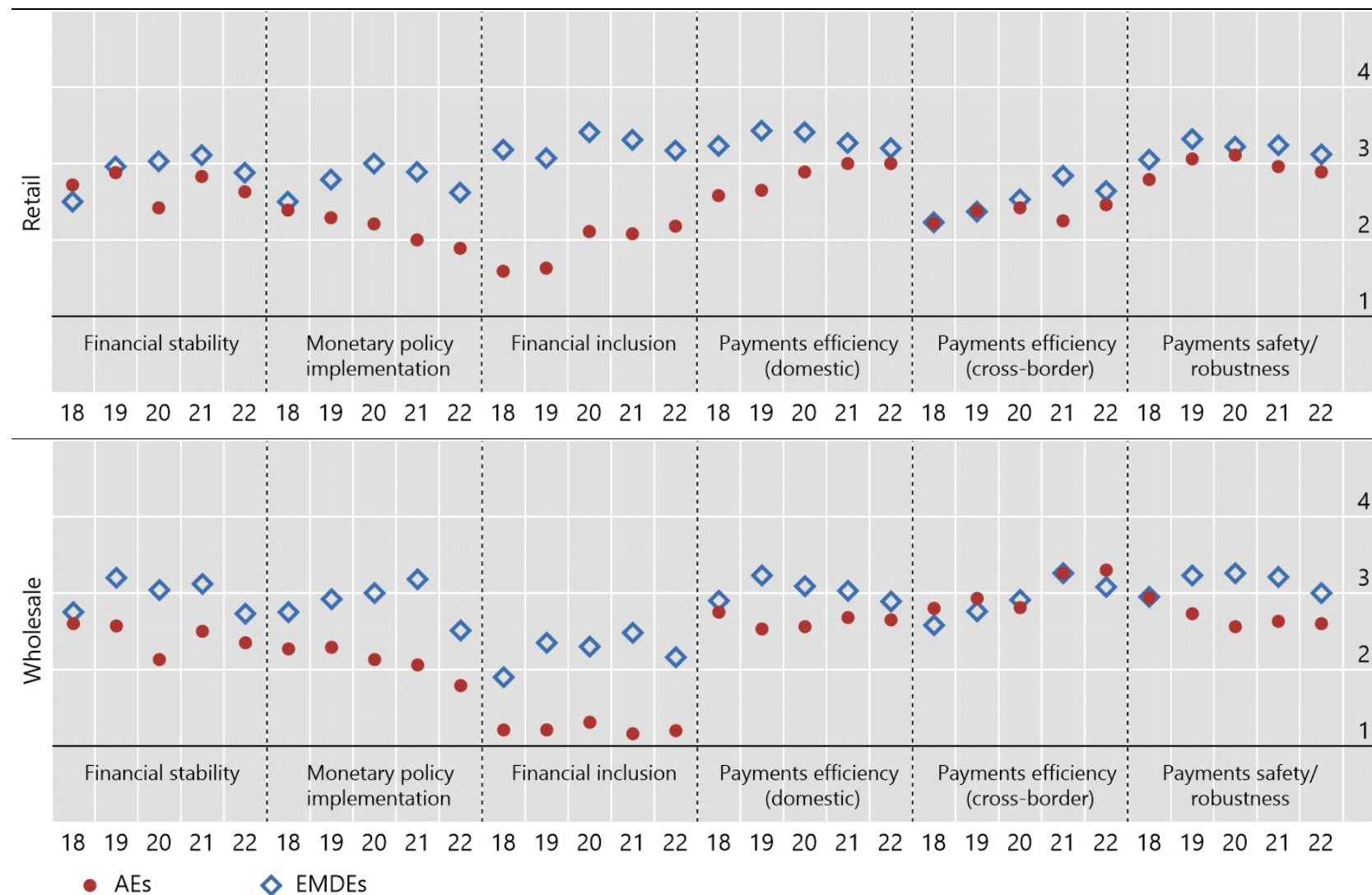
B. Wholesale



Sources: BIS central bank surveys on CBDCs and crypto, 2021–22.

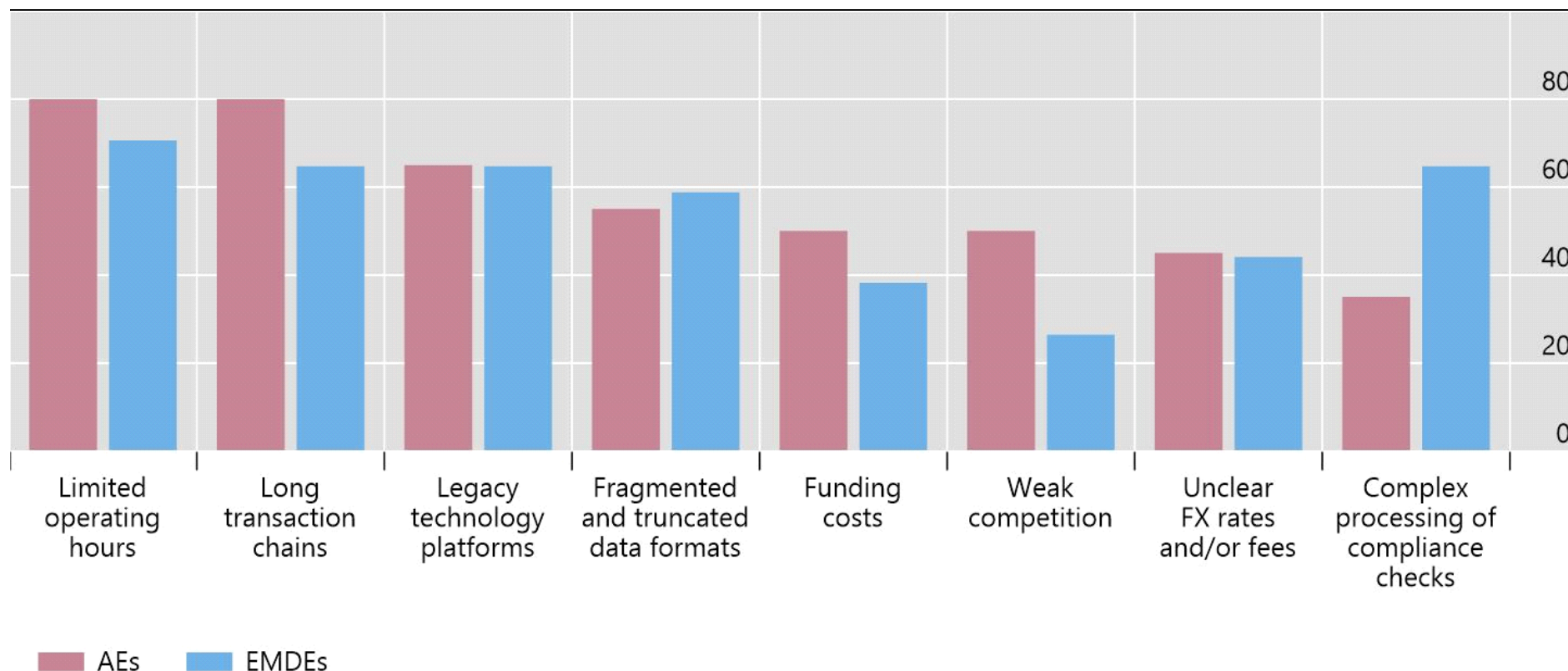
# Reasons for considering issuing a CBDC are converging

Average importance, 1 (not so important) – 4 (very important)



## Cross-border frictions that a wholesale CBDC could address

As a percentage of respondents conducting work on CBDCs, 2022<sup>1</sup>



<sup>1</sup> The sample includes jurisdictions that consider efficiency in cross-border payments as a somewhat important, important, and very important driver of their CBDC engagement.

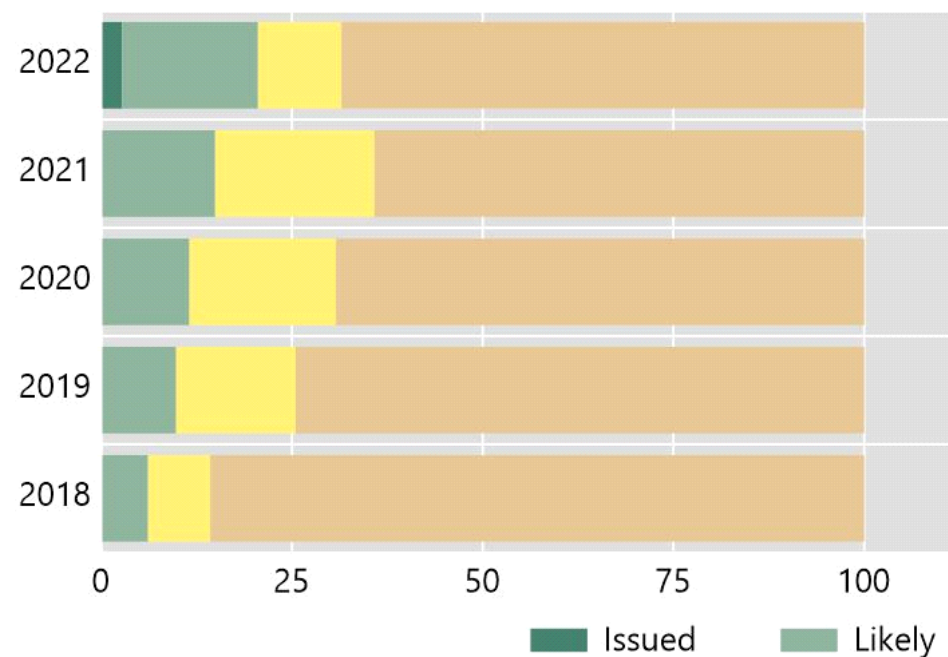
Source: 2022 BIS central bank survey on CBDCs and crypto.

# Uncertainty about short-term issuance of a CBDC is fading

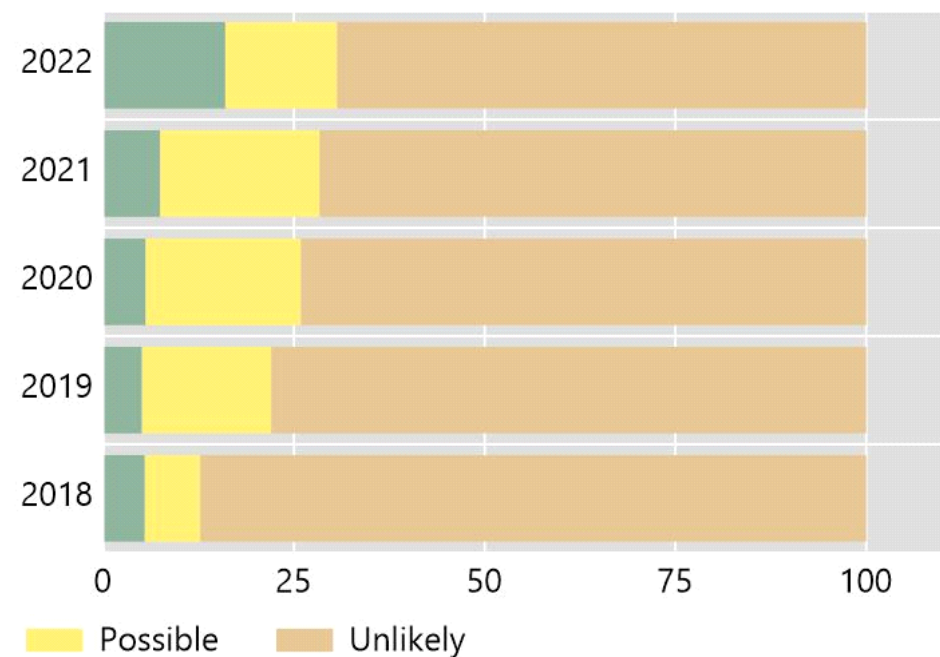
## Likelihood of issuing a CBDC in the short term

As a percentage of respondents

### A. Retail



### B. Wholesale



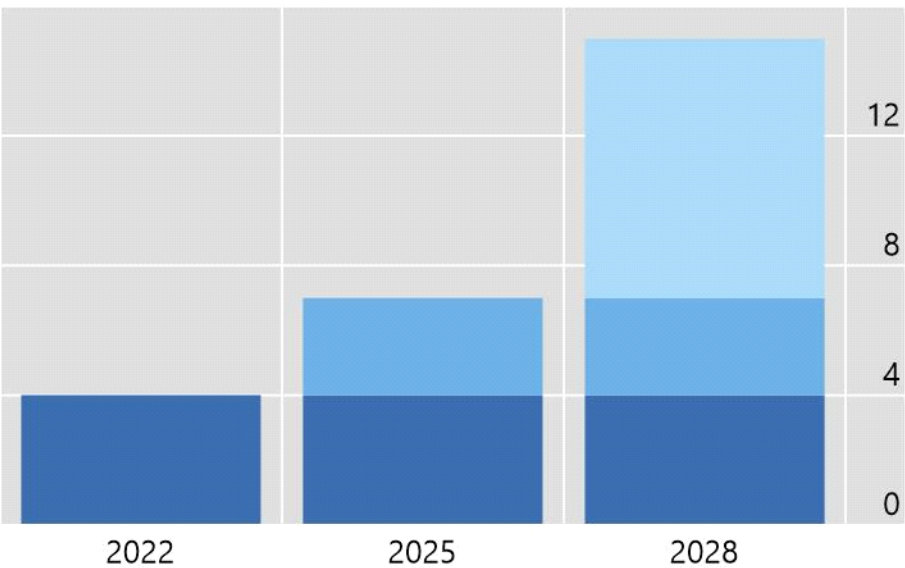
<sup>1</sup> Short term: 1–3 years. "Likely" combines "very likely" and "somewhat likely". "Unlikely" combines "very unlikely" and "somewhat unlikely".

Sources: BIS central bank surveys on CBDCs and crypto, 2018–22.

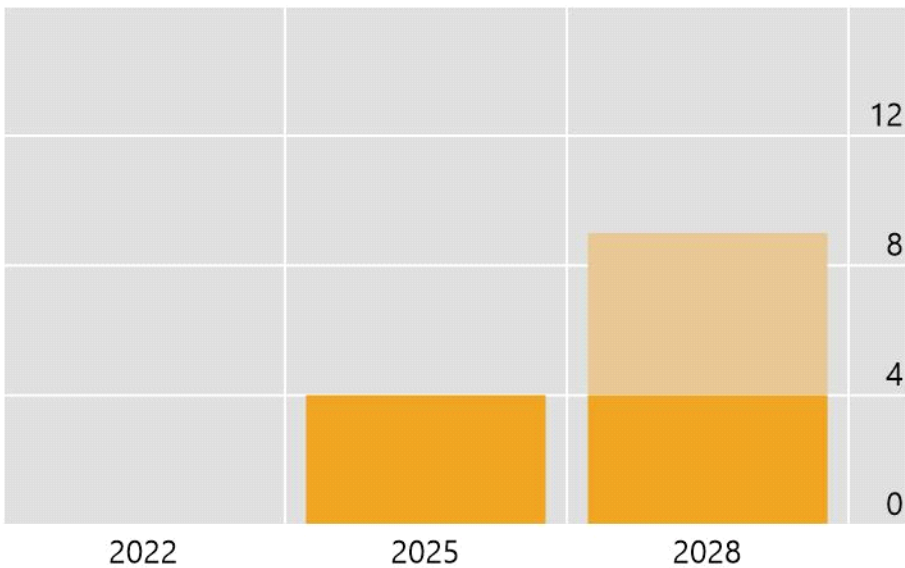
# There could be 15 retail and 9 wholesale live CBDCs by 2030

Count

A. Retail



B. Wholesale



- Already issued
- Very likely to be issued within the next 3 years
- Very likely to be issues within the next 4 to 6 years

<sup>1</sup> The number of CBDCs already issued is based on Auer et al (2020). The estimated number of CBDCs in 2025 and 2028 is determined based on the number of central banks indicating that the issuance of a retail or wholesale CBDC was very likely.

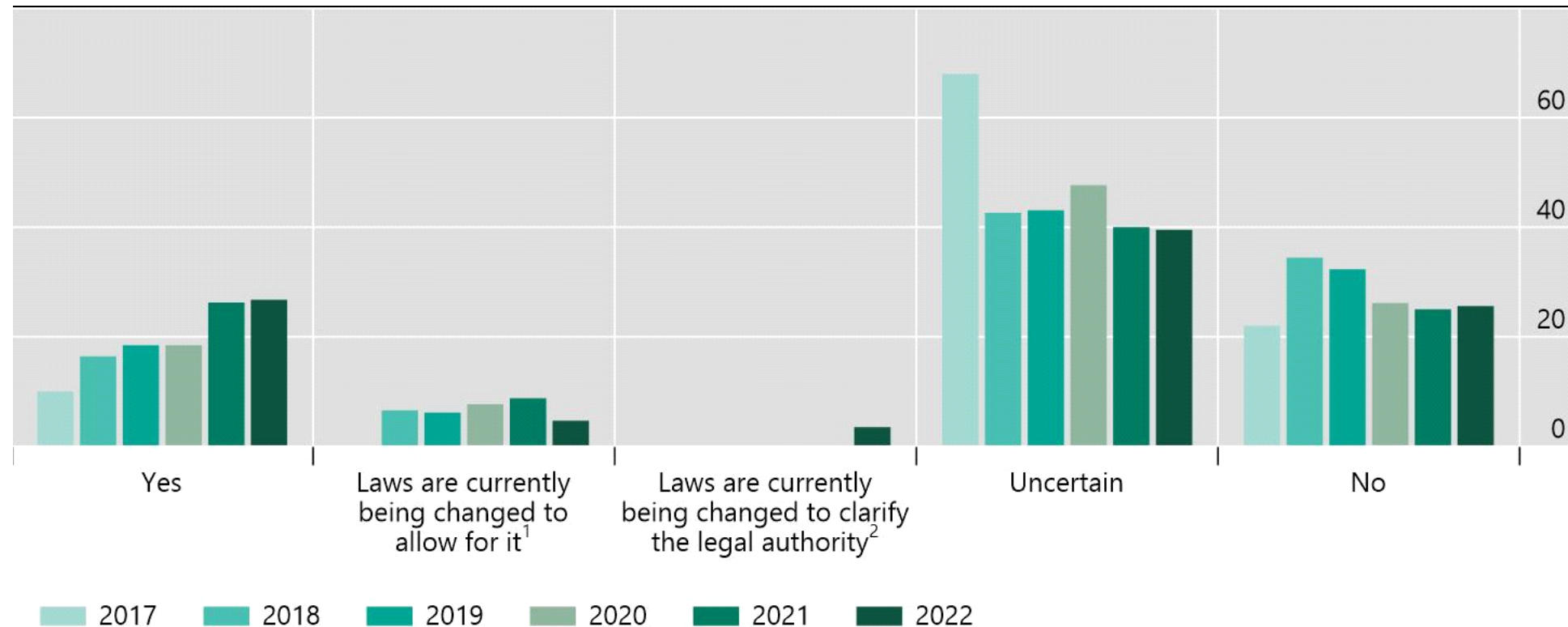
Sources: Auer et al (2020); 2022 BIS central bank survey on CBDCs and crypto.



# Uncertainty about the legal basis for issuing a CBDC

## Legal authority of central banks to issue a CBDC

As a share of respondents

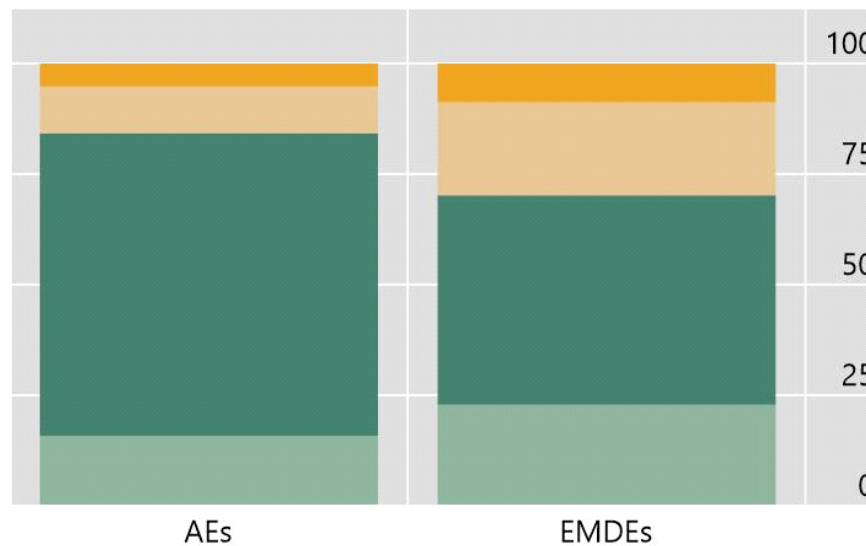


<sup>1</sup> This answer option was introduced in 2018. <sup>2</sup> This answer option was introduced in 2022.

Sources: BIS central bank surveys on CBDCs and crypto, 2017–22.

# Retail CBDCs and fast payment systems are mostly seen as complements

A. Applicable statements



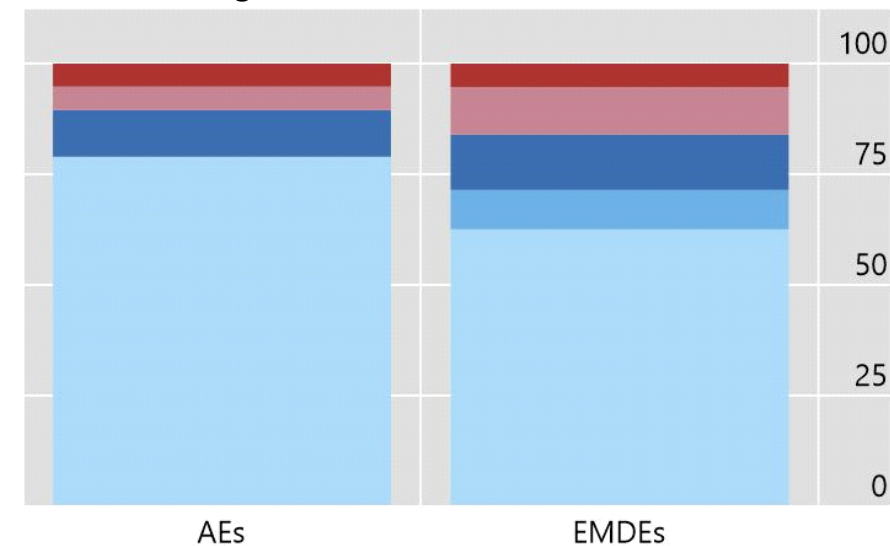
The jurisdiction has an FPS and is:

- not (yet) planning to add more features
- planning to add more features

The jurisdiction does not have an FPS:

- but is planning to launch one
- and is not planning to launch one

B. Central banks' assessment of whether there may be value of having both an FPS and a retail CBDC<sup>2</sup>



There is value in having both, because:

- a retail CBDC may offer unique features
- an FPS may offer unique features
- of other reasons

There is no value in having both, because:

- they could provide (broadly) similar features
- of other reasons

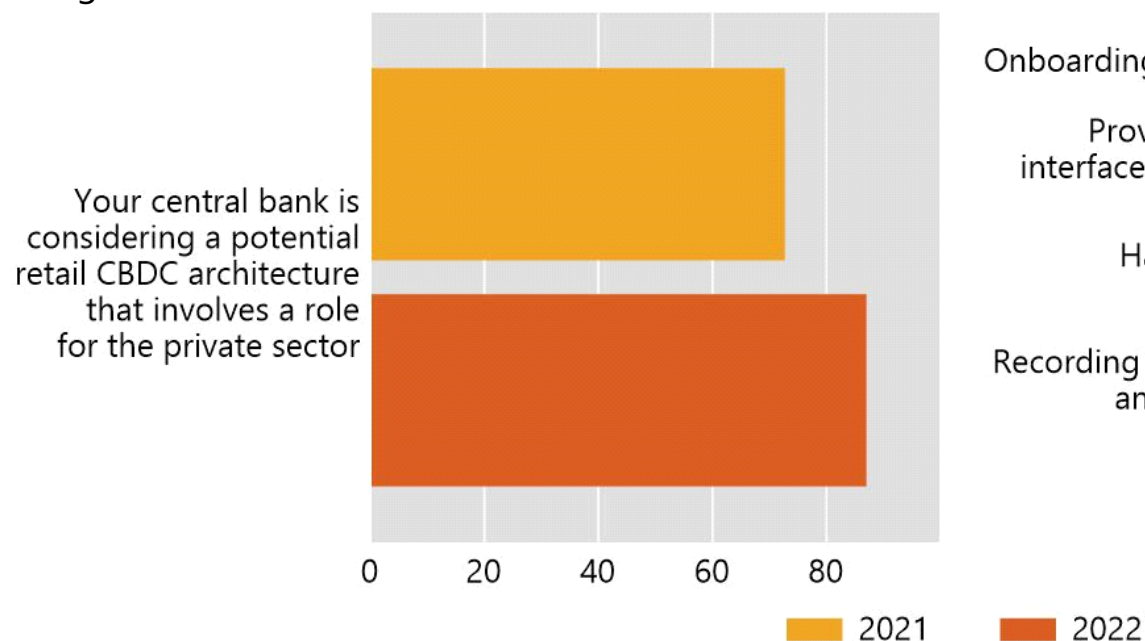
<sup>1</sup> Euro area included as an aggregate figure. See Annex B for the exact wording of the question and answer options. <sup>2</sup> Central banks were asked to answer the question regardless of the design of the existing or planned CBDC and/or FPS (if any).

Source: 2022 BIS central bank survey on CBDCs and crypto.

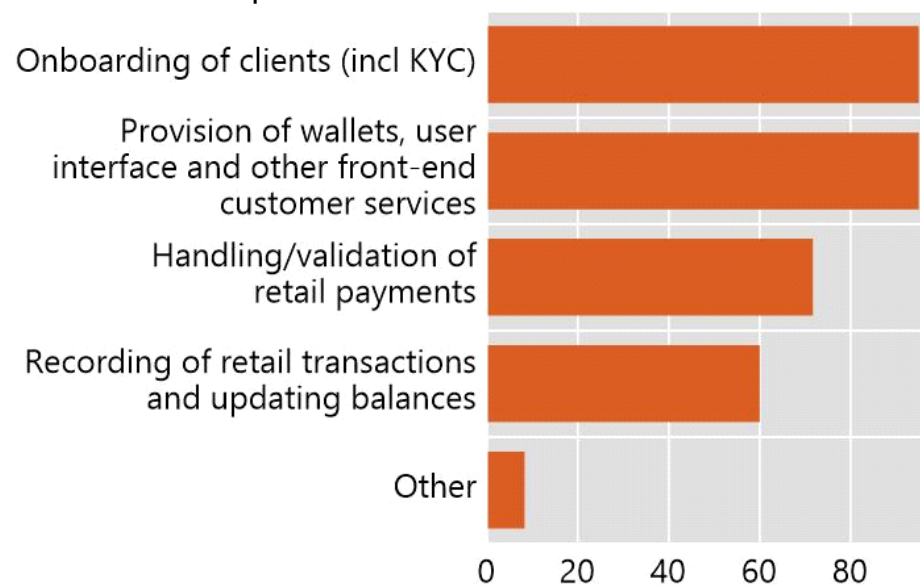
# A growing number of central banks consider a public-private partnership for a potential retail CBDC

As a percentage of respondents

A. Agreement to statements<sup>1</sup>



B. Role for the private sector<sup>2</sup>

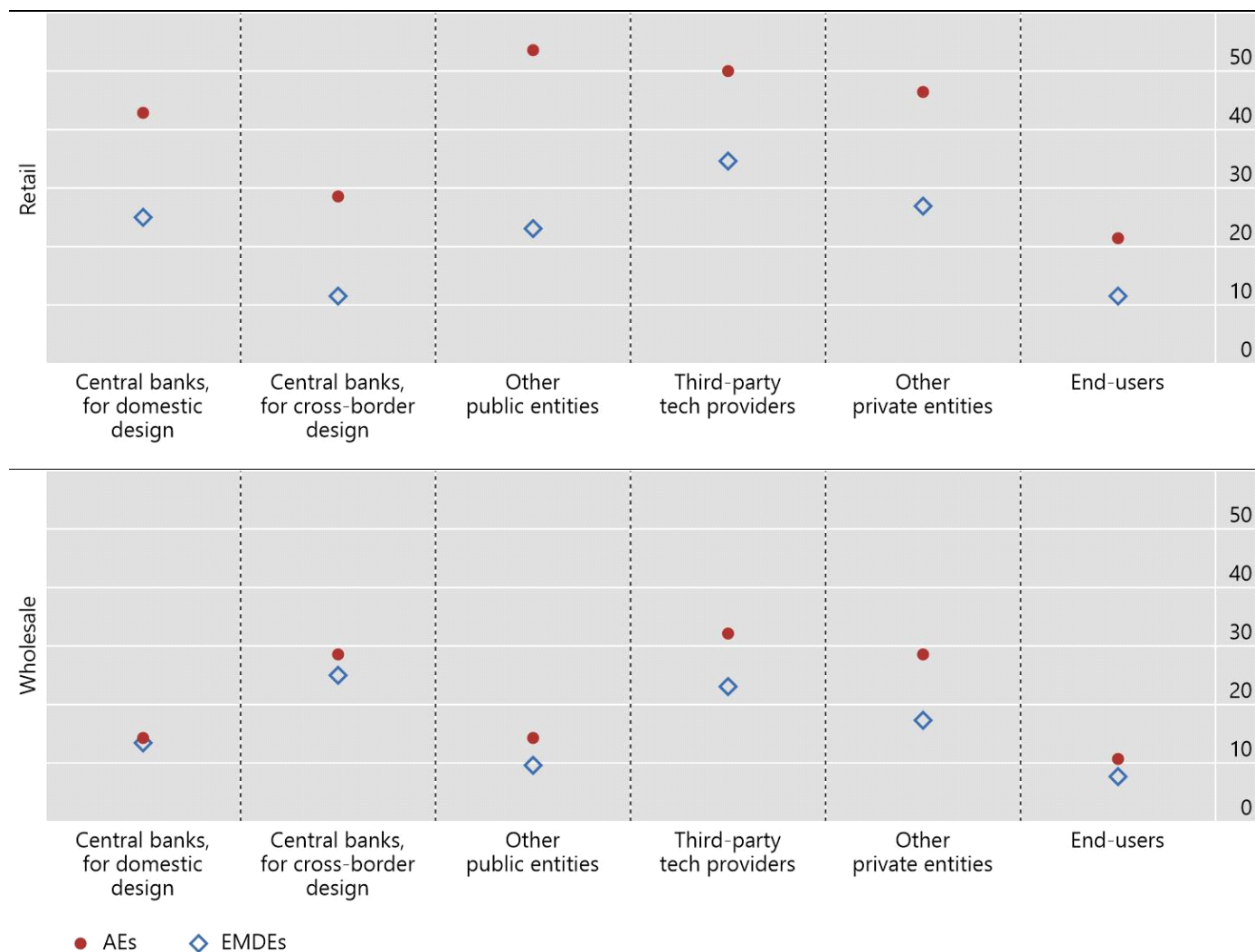


<sup>1</sup> The panel shows the share of respondents who agreed to the statement after removing those for whom the statement was not applicable. <sup>2</sup> The question could be answered only by central banks that are considering a potential retail CBDC architecture which involves a role for the private sector.

Sources: BIS central bank surveys on CBDCs and crypto, 2021–22.

# Central banks involve various stakeholders to inform design choices

As a percentage of respondents, 2022



<sup>1</sup> See Annex B for the exact wording of the question and answer options.

Source: 2022 BIS central bank survey on CBDCs and crypto.



## Key take-aways

- **Interoperability of design**

- CBDCs will complement and coexist with other payment methods, incl. other CBDCs.
- Interoperability is key to ensure end-user adoption, cross-border functionality and avoid fragmentation.

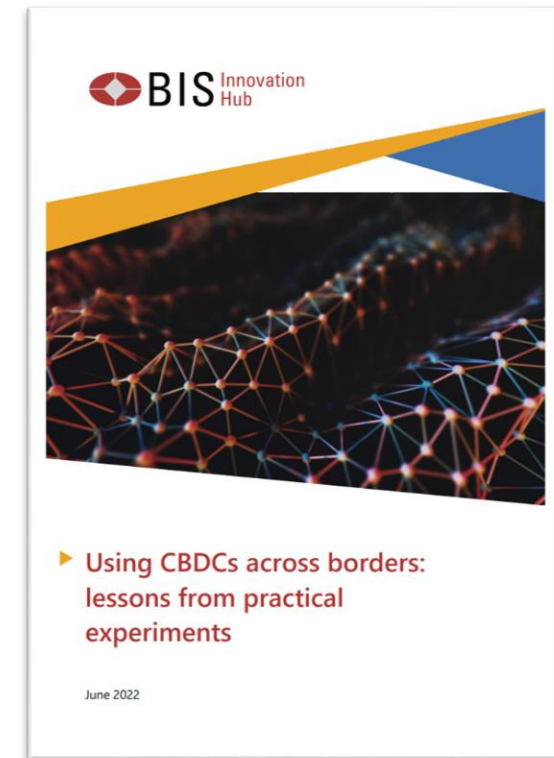
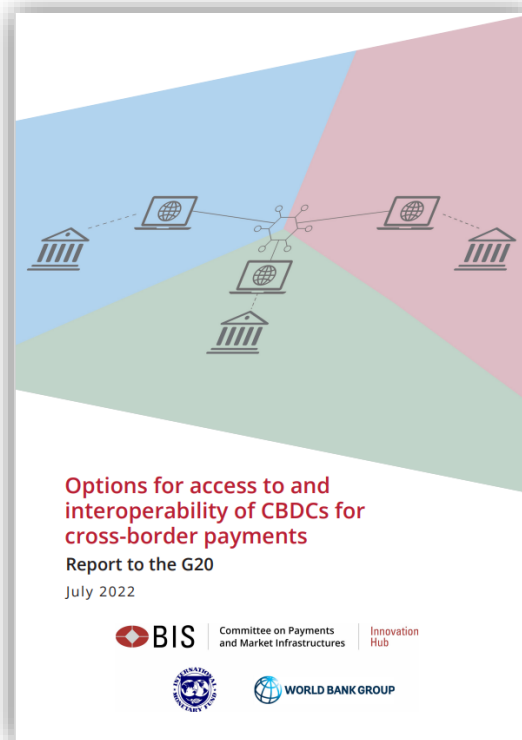
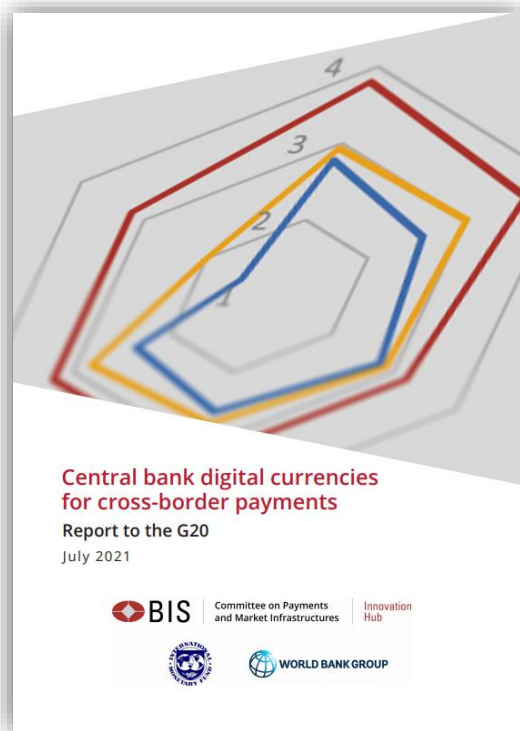
- **CBDCs for cross-border payments**

- Even if CBDC issuance is driven by domestic motives, convenient and inexpensive access to other currencies for remittances, travel and trade could incentivise adoption.
- It is important to extend the opportunities of CBDCs also to the cross-border space to ensure that cross-border payments do not fall behind (again).

- **Clean slate, but with an expiry date**

- Knowledge sharing and international collaboration are important, already in early stages of the design.
- Current international initiatives are laying the foundations for further cooperation.

# Examples of international cooperation on cross-border CBDCs



Questions?