

CBDCs: Practical implications for payment systems

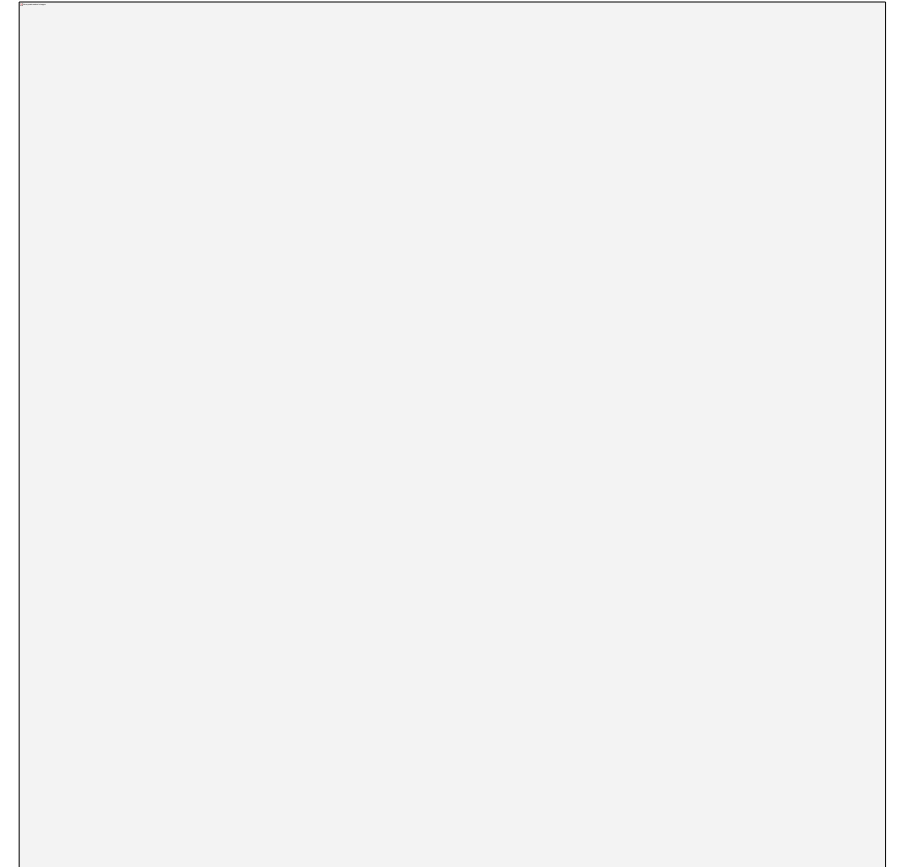
II Meeting of Heads of Financial Market Infrastructures
Banco de España & CEMLA
22 September, 2021

S V E R I G E S R I K S B A N K

Anders Mølgaard Pedersen
Senior advisor

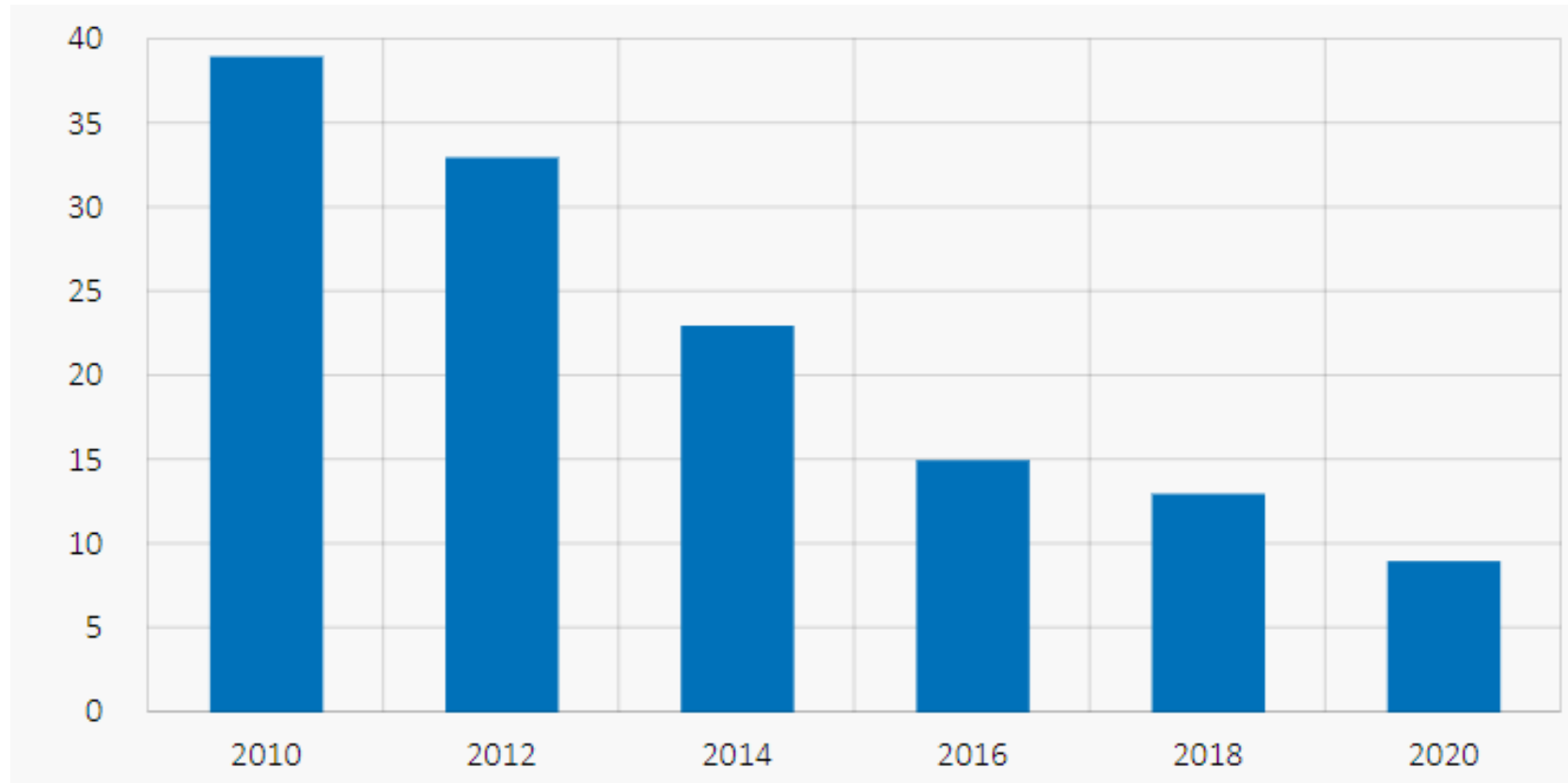
Introductory remarks

- **Why?**
- **How?**
- **Reflections on payment system implications**



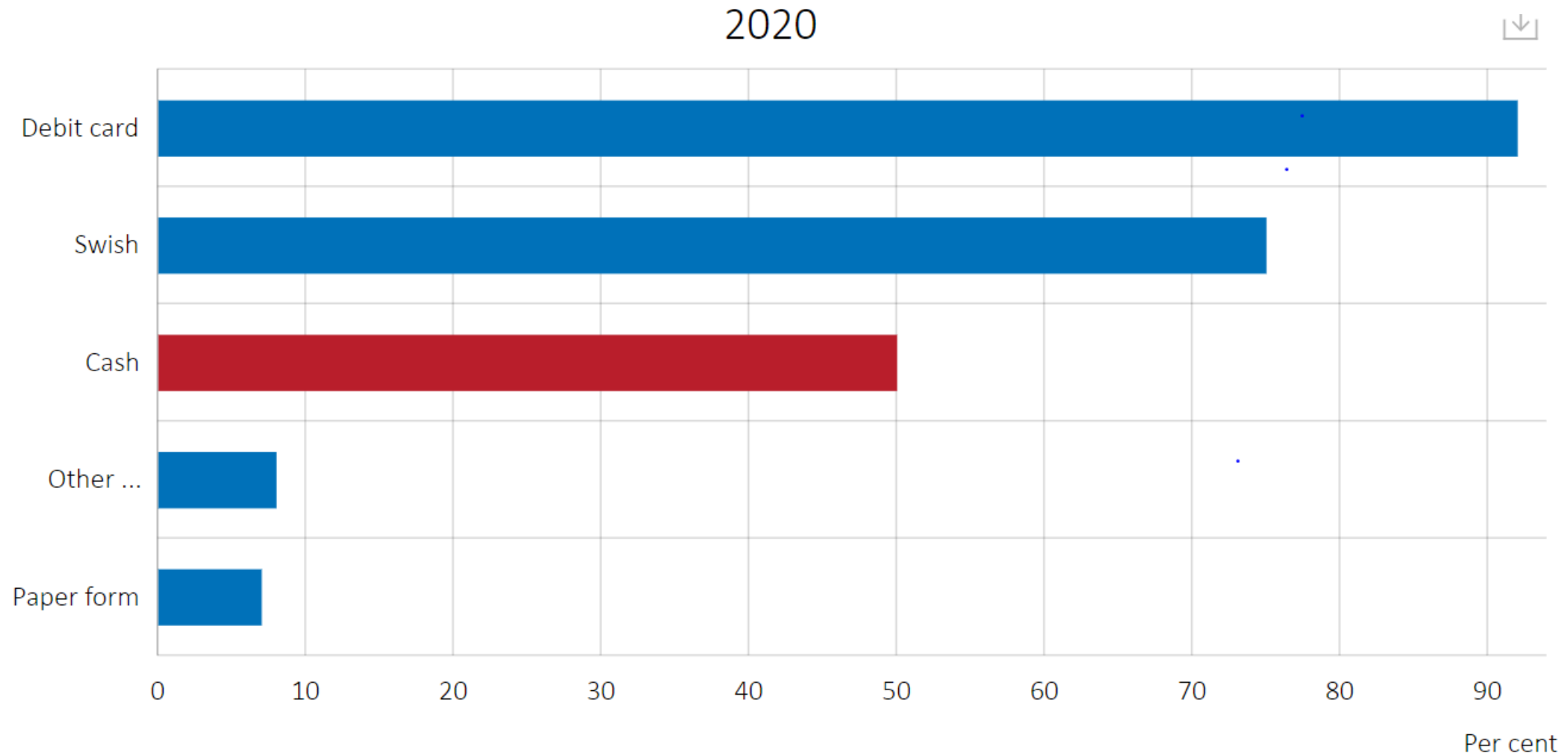
Cash is rapidly being marginalised in Sweden

Percentage of people paying for their most recent purchase in cash.



The payment app Swish has overtaken cash

“What means of payment have you used in the last 30 days?”



E-krona objectives



- To ensure **continued access to central bank money** for the general public
- To strengthen the **resilience** of the payment system
- To contribute to **innovation and competition**

The E-krona pilot: Build and test technical solutions

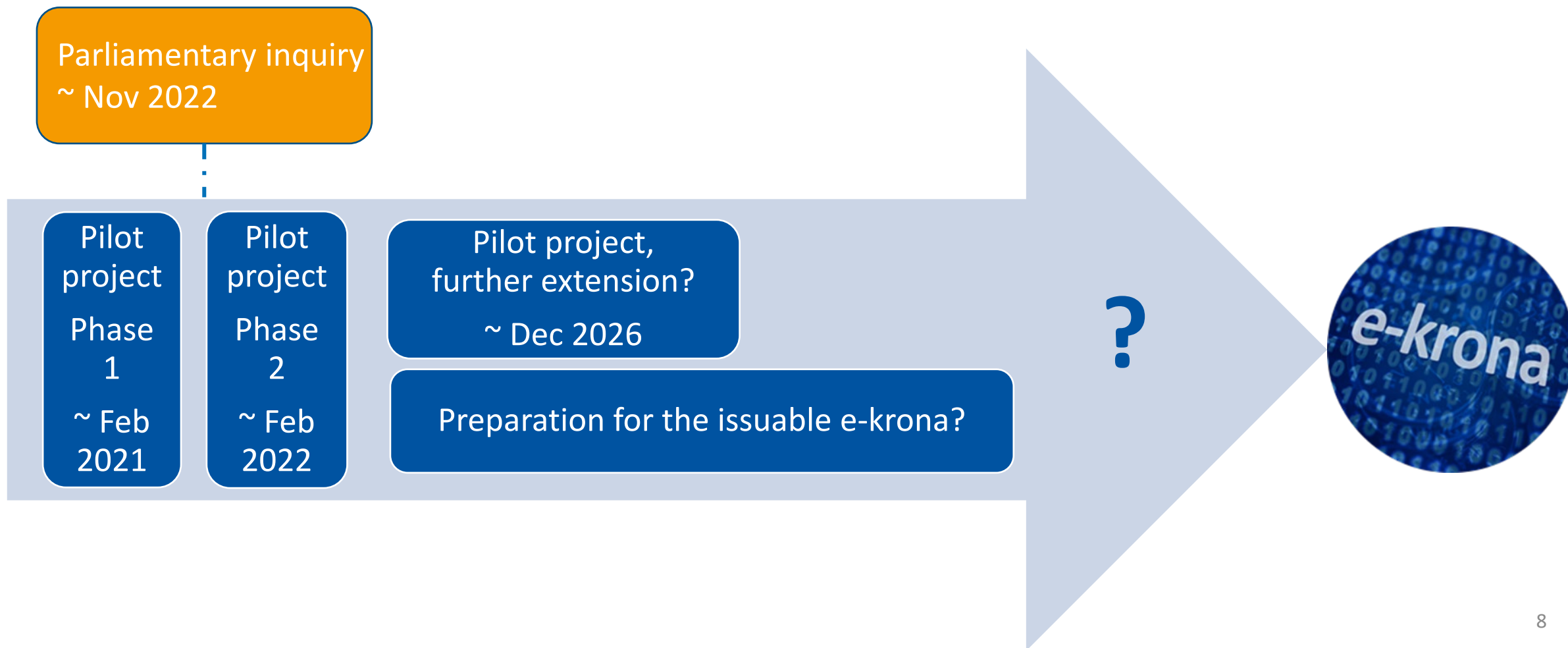


- A new division at the general secretariat of the Riksbank
- Objectives:
 - Establish a possible **technical solution**
 - Investigate **legal issues**
 - Gain knowledge of the **technical possibilities and challenges**

Lessons learnt from a technical perspective

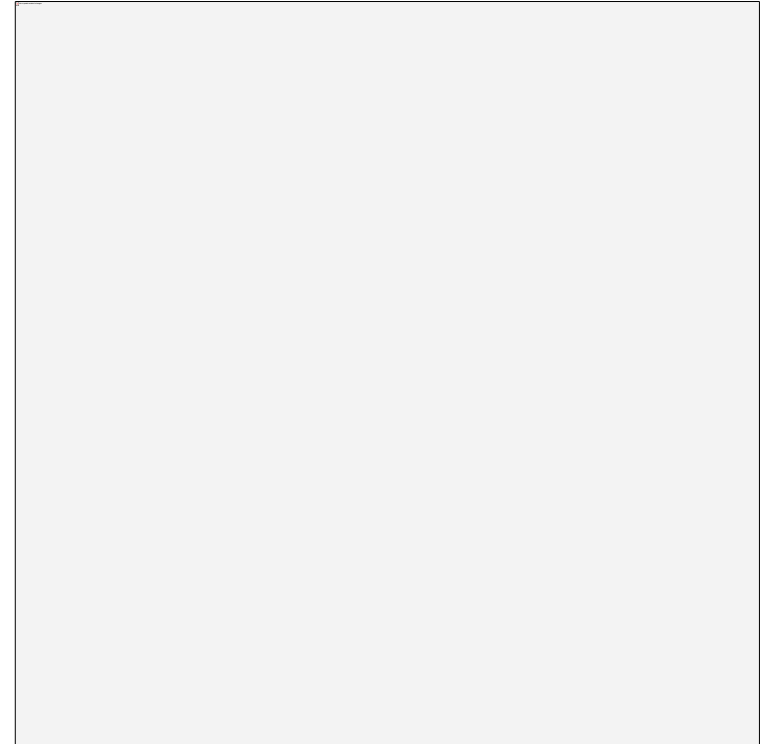
- A new and untested technology for retail payments
- The e-krona pilot enables a parallel infrastructure
- The choice of storage of e-krona and keys to the e-krona wallet gives different consequences
- Caps on wallets and positive interest are technically feasible as steering mechanism

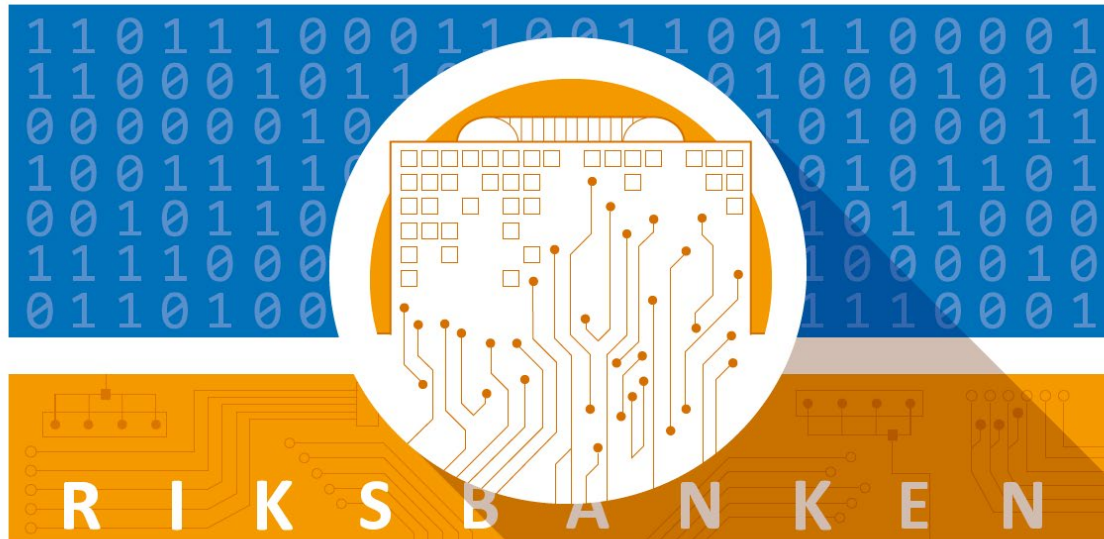
The road ahead for the e-krona pilot



Co-existence and interoperability are key

- **CBDC ecosystems with both public and private sector involved** ensures the best outcome
- **Domestically**, there should be an **easy flow of funds** between CBDC and other payment systems
- **Cross-border interoperability** of CBDCs offers opportunities, yet **requires coordination**





Thank you