



EUROPEAN CENTRAL BANK
EUROSYSTEM

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Member of the Executive Board

ECB-UNRESTRICTED

[REDACTED]
[REDACTED]
EBA CLEARING
40 Rue de Courcelles
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13 June 2023
L/FP/23/22

Re: EBA CLEARING comments on digital euro design

Dear [REDACTED],

Thank you for your letter dated 24 March 2023 and for sharing your views on the design of a digital euro. We find engagement with the market important and do so in the form of regular Euro Retail Payments Board (ERPb) technical sessions on the digital euro as you refer to in your letter, the Digital Euro Market Advisory Group, and the Rulebook Development Group. We also provide updates on and discuss the digital euro in our bi-annual ERPb meetings.

Let me assure you that the key principle underlying digital euro development, including the digital euro scheme, is to reuse existing components and standards wherever possible. It is indeed a guiding principle of the digital euro Rulebook Development Group – a body including market stakeholders – to leverage and build on existing standards and scheme solutions to the extent possible.

The corresponding “scheme compatibility” workstream is already ongoing and completed its first cluster of tasks.

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The principles of the compensation model that we propose reflect the features of a digital euro – it is a public good and central bank money settled by the Eurosystem. The Eurosystem would apply a similar logic to a digital euro as it currently applies to cash in terms of bearing its own cost.

I would also like to emphasise that the Eurosystem has not yet taken a decision on the most suitable technology for a digital euro settlement infrastructure. The market research conducted earlier this year, of which we published the results recently, is informing us further on this important element of the design.

We remain committed to engaging closely with all stakeholders. Ms Evelien Witlox, the Programme Manager for the digital euro project, stands ready to discuss in further detail the issues that you raise in your letter. The digital euro project team secretariat ([REDACTED]) is available to arrange a meeting in the coming weeks.

Yours sincerely,

[REDACTED]