

ECB intensifies its work on a digital euro



PRESS RELEASE

2 October 2020

- Publication of Eurosystem High-Level Task Force report on digital euro
- Eurosystem needs to be ready for possible future decision to introduce digital euro
- Public consultation and experimentation to be launched

The European Central Bank (ECB) today published a comprehensive report on the possible issuance of a digital euro, prepared by the Eurosystem High-Level Task Force on central bank digital currency (CBDC) and approved by the Governing Council.

A digital euro would be an electronic form of central bank money accessible to all citizens and firms – like banknotes, but in a digital form – to make their daily payments in a fast, easy and secure way. It would complement cash, not replace it. The Eurosystem will continue to issue cash in any case.

“The euro belongs to Europeans and our mission is to be its guardian,” said Christine Lagarde, ECB President. “Europeans are increasingly turning to digital in the ways they spend, save and invest. Our role is to secure trust in money. This means making sure the euro is fit for the digital age. We should be prepared to issue a digital euro, should the need arise.”

The Eurosystem task force, bringing together experts from the ECB and 19 national central banks of the euro area, identified possible scenarios that would require the issuance of a digital euro. These scenarios include an increased demand for electronic payments in the euro area that would require

a European risk-free digital means of payment, a significant decline in the use of cash as a means of payment in the euro area, the launch of global private means of payment that might raise regulatory concerns and pose risks for financial stability and consumer protection, and a broad take-up of CBDCs issued by foreign central banks.

“Technology and innovation are changing the way we consume, work and relate to each other,” said Fabio Panetta, member of the ECB’s Executive Board and Chair of the task force. “A digital euro would support Europe’s drive towards continued innovation. It would also contribute to its financial sovereignty and strengthen the international role of the euro.”

A digital euro would preserve the public good that the euro provides to citizens: free access to a simple, universally accepted, risk-free and trusted means of payment. It also poses challenges, but by following appropriate strategies in the design of the digital euro the Eurosystem can address these.

The Governing Council has not taken a decision yet on whether to introduce a digital euro.

The Eurosystem will engage widely with citizens, academia, the financial sector and public authorities to assess their needs, as well as the benefits and challenges they expect from the issuance of a digital euro, in detail. A public consultation will be launched on 12 October.

Experimentation will start in parallel, without prejudice to the final decision.

For media queries, please contact [Alexandrine Bouilhet](#), tel.: +49 172 174 93 66.

Notes: