

THE DIGITAL EURO: A DIALOGUE INITIATED BY THE EURO SYSTEM

In recent years, the debate on the possibility of **central banks issuing a digital currency** has shifted from a purely theoretical perspective to the launch of several initiatives by most countries, which explore, from a practical standpoint, how this payment instrument might be implemented.¹

The euro area has not been immune to this trend. On 2 October 2020 the **European Central Bank (ECB) published a report on the digital euro**,² prepared jointly with **the 19 national central banks of the Eurosystem**. According to this report, the issuance of a digital euro is not necessary at present. However, it could be in the medium term, so it is necessary to prepare for this.

Such preparation involves experimenting and testing the different technological options for this project. It also requires a dialogue with society as a whole on the need, challenges and risks posed by an initiative of this kind.

To foster this dialogue, a **public consultation** was launched at end-2020, which ran until 12 January 2021.

Its main aim was to collect the views of specialised professionals and society as a whole, so that their expectations, concerns and preferences may be taken into account from the start in designing a digital euro project. The questions addressed to the general public focused on their experience as users, their preferences and expectations, and on possible barriers to the use of a digital euro. According to the preliminary information published by the ECB, the features most valued by users were privacy, security and pan-European reach. Other features included in the consultation were usability, immediacy, cost, off-line functionality and representation in a physical support, such as a card. The public's opinion on the features required to ensure universal accessibility, including, inter alia, for the elderly, for people with disabilities and for those who do not have a bank account, was also collected.

Participation in the consultation was high, with more than 8,000 responses received, reflecting the interest this initiative arouses.³ These responses are currently being analysed and a detailed analysis of the findings is expected to be published in 2021 Q2.

1 A summary of all of these initiatives can be found at <https://www.bis.org/publ/work880.pdf>.

2 Available at: <https://www.ecb.europa.eu/euro/html/digitaleuro-report.en.html>.

3 Press release, available at: <https://www.ecb.europa.eu/press/pr/date/2021/html/ecb.pr210113-ec9929f446.en.html>.



Although the Europa series banknotes maintain the “ages and styles” design of the first series and have the same dominant colours, they include enhanced security features.