



Reserve Bank
of New Zealand
Te Pūtea Matua

The Future of Money – Central Bank Digital Currency
Te Moni Anamata – Aparangi ā Te Pūtea Matua

An issues paper inviting public feedback before
10am, Monday, 6 December 2021

- *Please read the issues paper available on our website before providing your feedback.*
- *A PDF of this feedback form is also available should you wish to consider it offline first.*

We want to hear what you think about the issues and proposed approaches outlined in this paper.

You do not need to answer every question, there is an opportunity to give free-text answers, and you may attach documents on the next or last page (say, if you want to submit by letter, or give an extended answer to a question, or attach something else you want us to consider).



The Future of Money – Central Bank Digital Currency
Te Moni Anamata – Aparangi ā Te Pūtea Matua

Please tell us about yourself

Please provide a little information about you and any organisation you're representing so that we can analyse and report the results of this survey against general themes and groupings.

* Please enter your details (Name, City/Town, Email are required). Please leave the organisation field blank if you are answering just for you or your family/whanau.

Name	<input type="text"/>
Organisation [if relevant]	<input type="text"/>
City/Town [or nearest]	<input type="text"/>
Country [if not New Zealand]	<input type="text"/>
Email	<input type="text"/>

* This response is made on behalf of an...

- individual or family/whanau
 organisation

Please help us understand your organisation a little more

	Organisation type	Main focus of activity	Coverage
Please select the best fit from each column	<input type="text"/>	<input type="text"/>	<input type="text"/>

[Optional further description/clarification]

[Optional] Please tell us anything about you or your organisation that will help us understand the background to your responses or the interests you represent

* I/we read the consultation paper before giving this response...

Yes

No

* We may wish to include a list of people and organisations that responded in a summary of submissions, or be required to release responses under the Official Information Act 1982 (OIA). **Email addresses are not released.** We will consider your responses when making decisions under the OIA. **I consent to the following being released...**

	Yes	No
My name and (nearest) city/town or country (if not NZ)	<input type="radio"/>	<input type="radio"/>
Our organisation's name (if given above)	<input type="radio"/>	<input type="radio"/>
My/our answers or submission being released in full	<input type="radio"/>	<input type="radio"/>

[Please provide a reason if you have answered "No" to any of these questions.]

[Optional] You may upload a written response or supporting material here in PDF, DOC or DOCX format (16MB file size limit). Please ensure you either answer questions or click "Next" at the bottom of the following pages until the end of the survey, and then push the "Done" button to complete your submission.

Choose File

Choose File

No file chosen



Reserve Bank
of New Zealand
Te Pūtea Matua

The Future of Money – Central Bank Digital Currency
Te Moni Anamata – Aparangi ā Te Pūtea Matua

1. Introduction
2. What is a CBDC?

The vast majority of money and payments in New Zealand are digital. New Zealanders overwhelmingly prefer to pay and save using digital forms of money. At the same time, private innovations in digital money are emerging domestically and globally, and many central banks are actively considering central bank digital currencies (CBDCs) of various forms...A CBDC is digital money issued by a central bank that represents a legal claim on that central bank...[Section introductions]

We do not have any specific questions relating to these sections. However, if you do have any feedback on these please use the "Is there anything else.." question at the end of this form.



The Future of Money – Central Bank Digital Currency
Te Moni Anamata – Aparangi ā Te Pūtea Matua

3 Motivation and process for considering a CBDC

The Reserve Bank is investigating whether a CBDC would support our role as steward of money and cash, particularly in a digital future. As steward we aim to ensure that central bank money contributes to a sound and dynamic monetary and financial system by being:

1. **A stable anchor of value and confidence, and convertibility in our money.**
2. **A fair and equal way to pay and save in our modern and inclusive economy.**

This objective reflects the fact that central bank money in both physical and digital forms plays an underpinning role in ensuring that all prices are set in NZD and that people can confidently expect to be able to make payments and settle debts in NZD now and into the future.

To be clear, the Reserve Bank is not considering replacing cash with a CBDC... [Section introduction]

1. Do you agree with the motivations for the Reserve Bank considering a CBDC, as set out in Section 3?

	Strongly Agree	Agree	Neither agree nor disagree / Don't know	Disagree	Strongly Disagree
Declining cash use and availability	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Innovations in private money (e.g. cryptocurrencies and stablecoins)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
To preserve the fairness and equality afforded by central bank money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

[Optional] Comment supporting your answers:

Which of these motivations are more compelling to you? Please rank them in order.



Declining cash use and availability



Innovations in private money (e.g. crypto-currencies and stablecoins)



To preserve the fairness and equality afforded by central bank money

2. Are there additional motivations that should be considered?

- Yes
- No
- Don't know

If "Yes" please list or briefly describe the additional motivations that should be considered:

3. Do you agree that the scope of work should focus on a general-purpose CBDC (Section 3.2) in the first instance?

Strongly Agree	Agree	Neither agree nor disagree / Don't know	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

[Optional] Comment supporting your answer:

4. Do you agree with the multi-step process for the development and implementation of a CBDC as outlined in Section 3.1 and illustrated in Figure 8?

Strongly Agree	Agree	Neither agree nor disagree / Don't know	Disagree	Strongly Disagree
<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

[Optional] Comment supporting your answer:



Reserve Bank
of New Zealand
Te Pūtea Matua

The Future of Money – Central Bank Digital Currency
Te Moni Anamata – Aparangi ā Te Pūtea Matua

4. Opportunities of a CBDC

This section describes how a CBDC that is issued to all generates benefits to our stewardship mandate and our overarching purpose to support the wellbeing and prosperity of New Zealand...[Section introduction]

5. Do you agree with the description of the opportunities presented through the implementation of a CBDC?

	Strongly Agree	Agree	Neither agree nor disagree / Don't know	Disagree	Strongly Disagree
Monetary anchor	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- A CBDC supports the continued use of NZD as our unit of account	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Improving central bank money to meet future needs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Additional monetary policy tool	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Fair and equal way to pay and save	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Improving financial inclusion with a CBDC	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Supporting broader inclusion goals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Personal freedom, autonomy and back-up in paying and saving	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Payments efficiency and resilience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Increasing innovation and competition in domestic money and payments	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Improving payment-system resilience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Addressing cross-border payments and remittances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

[Optional] Comment supporting your answers:

6. Are there any other opportunities that should be considered?

- Yes
- No
- Don't know

If "Yes" please list or briefly describe these other opportunities that should be considered:

7. Do you agree with the design principles that have been developed to capture the opportunities, described in Section 4?

	Strongly Agree	Agree	Neither agree nor disagree / Don't know	Disagree	Strongly Disagree
Uniform	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Universal	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cash-like	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Innovative	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

[Optional] Comment supporting your answers:

8. Are there other design principles to capture the opportunities that should be considered?

- Yes
- No
- Don't know

If "Yes" please list or briefly describe the additional motivations that should be considered:



The Future of Money – Central Bank Digital Currency
Te Moni Anamata – Aparangi ā Te Pūtea Matua

- 5. Challenges and risks of a CBDC
- 6. Developing CBDC design principles

A CBDC is not without its challenges, of which some are inherent and some are more likely to relate to design decisions that could affect particular stakeholders... The high-level opportunities and challenges of a CBDC ...can guide the general direction in which the further design and experimentation of a CBDC could go...[Section introductions]

9. Do you agree with the description of the challenges and risks in Section 5?

	Strongly Agree	Agree	Neither agree nor disagree / Don't know	Disagree	Strongly Disagree
Operational complexities and risks	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Risks to the banking system	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Potential impacts of issuing a CBDC on commercial bank transaction accounts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
- Reserve Bank balance sheet	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Design complexities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

[Optional] Comment supporting your answer, but please leave discussion of challenges and risks you believe to be missing to the next question:

10. Are there other challenges and risks that should be considered?

- Yes
- No
- Don't know

If "Yes" please list/describe these other challenges and risks:

11. Do you agree with the design principles that have been developed to harness the opportunities and to address the challenges described in Sections 5 and 6 respectively?

	Strongly Agree	Agree	Neither agree nor disagree / Don't know	Disagree	Strongly Disagree
Managed issuance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Integrity	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

[Optional] Comment supporting your answers:

12. Are there other design principles that should be considered in respect of the opportunities and challenges described in Sections 5 and 6 respectively?

- Yes
- No
- Don't know

If "Yes" please list/describe these other challenges and risks:



The Future of Money – Central Bank Digital Currency
Te Moni Anamata – Aparangi ā Te Pūtea Matua

7. Conclusion and next steps
8. Have your say

We are seeking public feedback on the opportunities, challenges and indicative design principles. Following public engagement on the issues outlined in this paper, and subject to that feedback, we will conduct a detailed design and scenario analysis to understand the performance and impacts of different CBDC designs. This analysis will help us identify how the opportunities and challenges identified in this paper might play out in practice and how the risks could be mitigated...[Section extract]

Thank you for your feedback.

- Here's a final opportunity to comment.
- We will email you a link to the summary of submissions when published some time before 30 April 2022.
- Please press **DONE** to complete your submission.

Is there **anything else** you wish to comment on relating to the views expressed in this paper, the issues canvassed, or the direction of further work signalled in this issues paper?

If you have additional information or longer answers for some questions please attach them here (.PDF .DOC .DOCX only, max size16MB)

Choose File

Choose File

No file chosen