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Finance, Competitiveness & Innovation

International Telecommunication Union

Central Bank Digital Currency -CBDC
& Financial Inclusion

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CBDC DESIGN ELEMENTS AND MODELS

Design Elements of the CBDC

- Physical vs Digital currency
- Token Based vs Account based
- Wholesale vs General Purpose (retail)
- Anonymous (Pseudonymous) vs KYC
- Interest bearing vs non-interest bearing
- Database vs Blockchain
- Centralized Ledger Vs DLT
- Other design elements

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Attributes of Money and mapping to CBDC

A taxonomy of money based on four attributes **:

1. Who is the issuer (central bank or other),

2. What is its form (electronic or otherwise),

3. Who can access and/or hold it (Wholesale or GP/retail), and

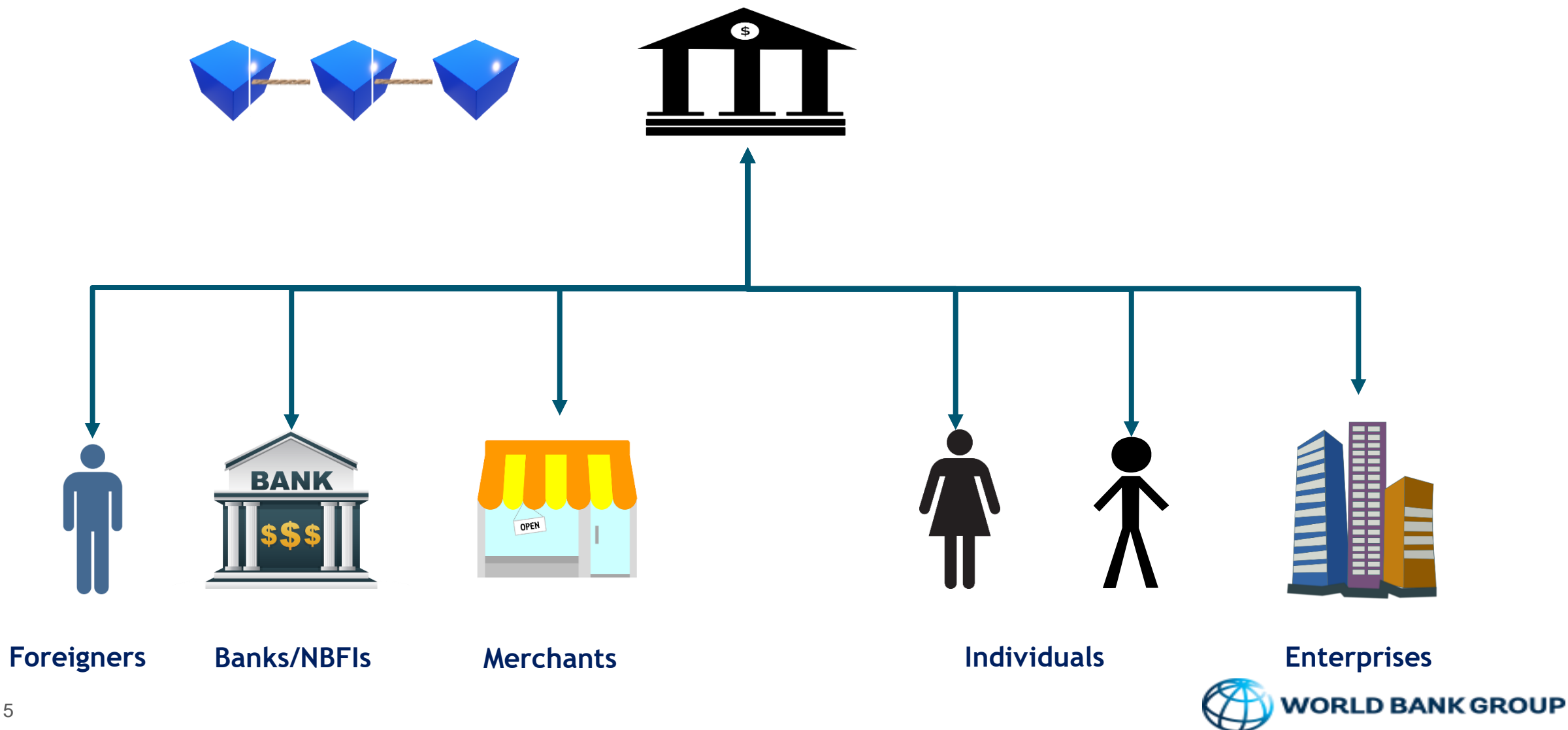4. How is it transferred (centralized or decentralized).

Prime Design Factors	Secondary Design Factors
Access	Anonymity
Centralization	Interest
Level of Centralization	Technology
Token/Account	Outsourcing

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Wholesale Token-based Centralized CBDC

NBFI

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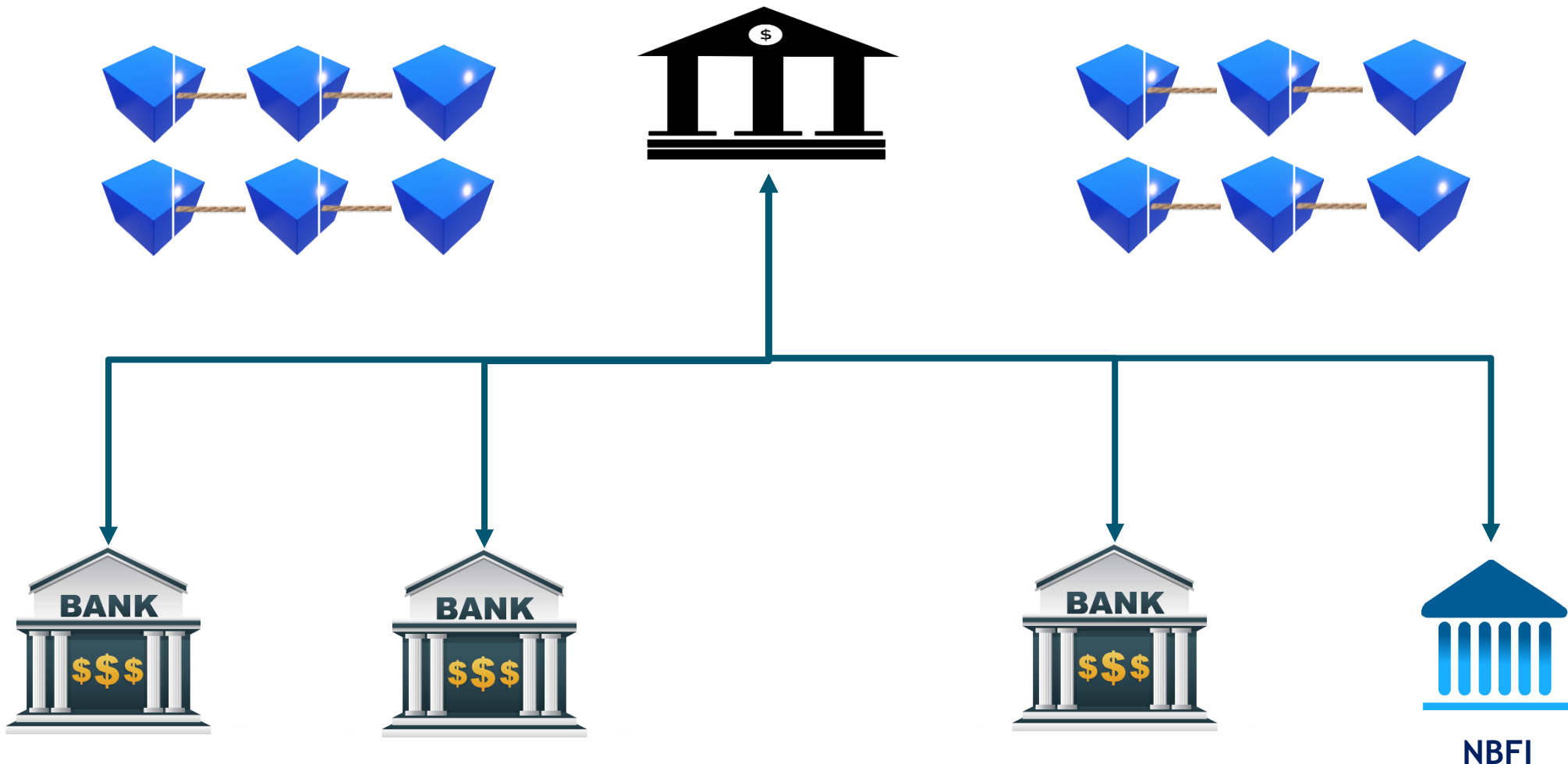
General Purpose- Token/Account Based - Centralized CBDC

Foreigners   **Banks/NBFIs**   **Merchants**   **Individuals**   **Enterprises**

General Purpose- Token Based – Decentralized/Tiered CBDC
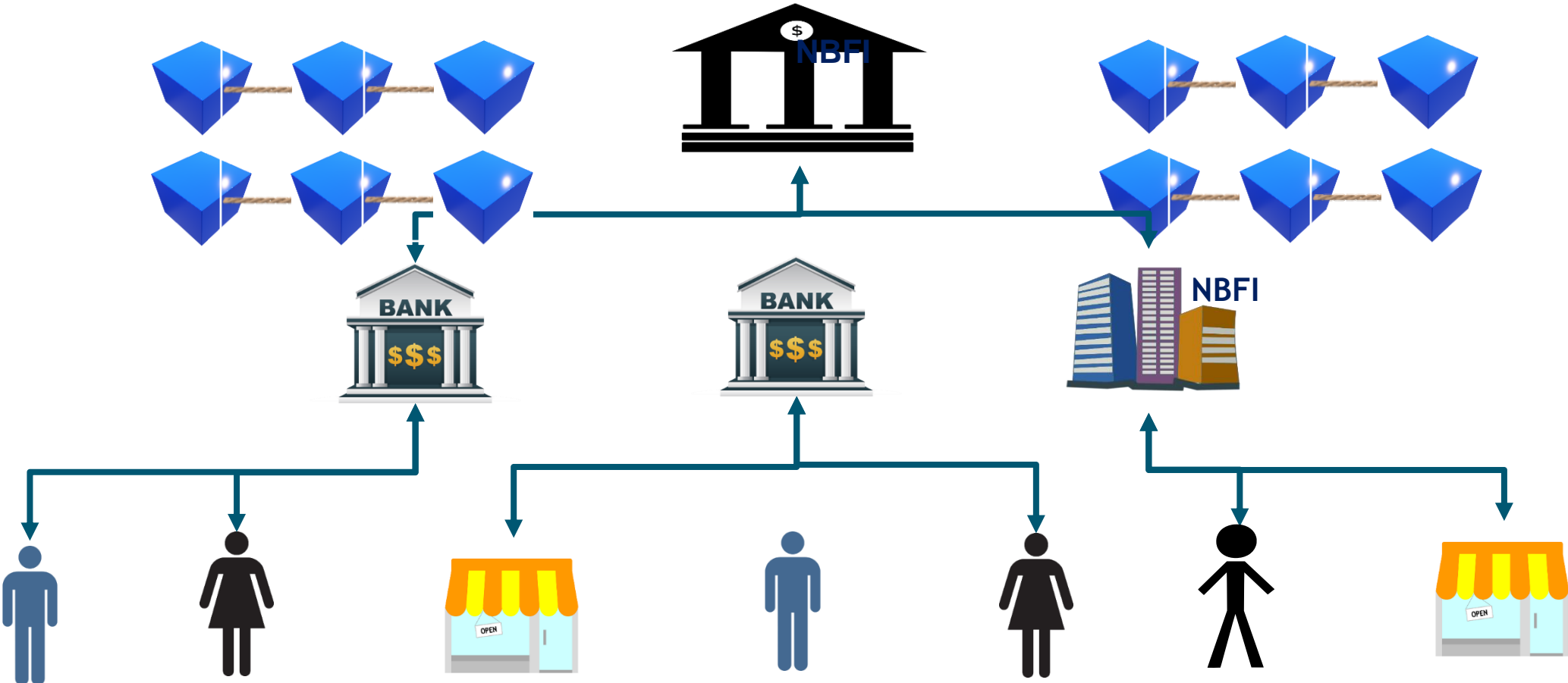
Merchants

Individuals

Enterprises

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CBDC & Financial Inclusion

- **CBDC could provide a way for universal access to a digital means of payment**

- **The payment behavior and the attractiveness of the product.**

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Thank You

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