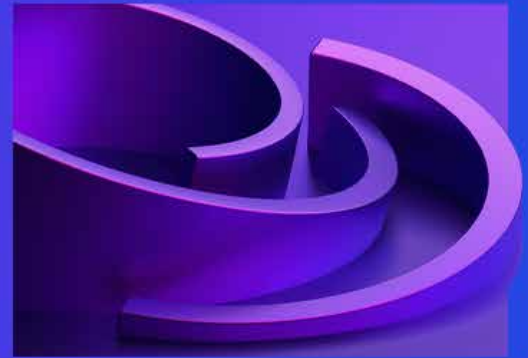




A to Z of CBDCs in Europe and Asia: Understanding central bank digital currencies

KPMG Banking & Capital Markets webcast

Webcast highlights



On 18 April 2023, KPMG International held an informative session on central bank digital currencies (CBDCs). During this session, KPMG in Germany's Sven Korschowski and KPMG in Singapore's Debarshi Bandyopadhyay provided insights on the fundamentals of CBDCs, their current state in Europe and Asia, and their potential impact on the future of digital payments. Following the presentation, there was a panel of industry professionals who shared their views on the latest trends and opportunities related to CBDCs in the EMA and ASPAC regions.

Key takeaways

General consensus from panelists and KPMG presenters is that CBDCs are well underway, with 114 countries worldwide currently developing them.¹ Central banks, government initiatives and projects vary as follows:

- The digital euro focuses on person-to-person, consumer to business, and payments to and from the government.
- Singapore's initiatives focus more on cross-border atomic settlements and international settlements.
- The likelihood of one single CBDC emerging in the short term as dominant appears to be low, according to the panelists, but the emergence of multiple interoperable systems and infrastructures, with a focus on regulatory clarity and international cooperation, seems a lot more likely.
- The push may be coming from central banks, but commercial banks play a key role in rolling out CBDCs for mass adoption. Commercial banks are readying themselves from an international perspective to be CBDC-compatible by exploring the use of blockchain infrastructure, as well as considering hybrid alternatives to CBDCs, such as bank-issued stablecoins or tokenized sight deposits.

¹ Source: Central Bank Digital Currency Tracker - Atlantic Council

² Real-world use cases might comprise, for example, logistics (tracking & tracking), chemistry or delivery versus payment (DVP).

We asked attendees

Do you think blockchain will play a critical part in the future infrastructure for banking?

91%
Yes

What aspects of blockchain are you most curious about?

67%
Real world use-cases with blockchain²

In which areas do you think CBDCs will be most impactful?

79%
Treasury and payments



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