

Central Bank Digital Currency (CBDC) Masterclass

INTRODUCTION

- The growth, volatility and instability of unregulated cryptocurrencies have captured the interest of many critics, particularly due to the enthusiasm over a new technology, known as Blockchain, to resolve some economic development limitations and power decentralized payment systems. Central Banks have been under pressure to respond to the dramatic advances of cryptocurrencies and improve the effectiveness of legacy payment systems. Therefore, they have embarked on experimental projects to study the potential for issuing Central Bank Digital Currencies. This interest has grown in response to changes in payments, finance and technology, as well as the disruption caused by Covid-19 pandemic. As a result, an increasing number of countries and central banks are assessing CBDCs and will put them into practice.
- This training course provides a complete overview of the topic of CBDCs for finance and banking professionals, including an overview of central banks thinking and the possible allegations of introducing a CBDC. A switch from public fiat towards private electronic money challenges the initial definition of money, the access to legal tender, the role of central banks, the financial intermediation model and the transmission of monetary policy.

This training course will highlight:

- The current monetary and financial ecosystem status
- The transition toward digital currency
- The relation between Blockchain and CBDC technological aspect
- The conceptual design of central bank digital currency
- Advantages, challenges and risks of CBDC
- Multiple use cases of CBDC projects implemented by central banks worldwide

OBJECTIVES

By the end of this training seminar, you will be able to:

- Determine the needs and conditions that made the transition toward a regulated digital currency a must
- Understand the main technology that will have the most influence on the global monetary, financial and banking systems
- Define different types of central bank digital currency from design guidelines to implementation and interoperability
- Determine the advantages and challenges of implementing a central bank digital currencies from both technical and economic point of views
- Differentiate between the multiple CBDC projects implemented globally in terms of technology and monetary aspect

TRAINING METHODOLOGY

- This training course will be a combination of brief presentations, round table discussions and brainstorming group sessions. Participants will have a chance to look closer at how to embed banking and technology, to work together on developing central bank digital currencies. Finally, participants will compete to create a new CBDC based on the guidelines discussed during the workshop.

ORGANISATIONAL IMPACT

- What are the implications of cryptocurrencies on the banking sector and how regulatory authorities, banks and central banks should defend their positioning?
- How commercial banks can cooperate with central banks toward a successful regulated digital currency?
- Have a complete understanding about the new trends within the global monetary system
- How to embrace newly emerging technologies like Blockchain in order to upgrade the whole monetary ecosystem?
- How does financial innovation affect the conduct and the implementation of monetary policy?

PERSONAL IMPACT

On the personal level, the impact of this workshop on the attendees can be briefed as follows:

- Getting deep knowledge related to digital currencies in general and CBDC more specifically
- Understanding of the whole digitalization of money and difference between regulated digital currencies and cryptocurrencies
- Be able to identify Blockchain technology and to understand its direct impact on banking sector
- Have a clear idea about designing, implementing and maintaining a central bank digital currency

WHO SHOULD ATTEND?

- This course is specifically designed for senior executives and managers of any banking or financial institution or related regulatory authorities. Participants will acquire a robust understanding and hands-on practice of the current innovations in the sector especially those related to central bank digital currency.

This training course is suitable to a wide range of professionals but will especially benefit:

- Executives and C-level employees
- VP's and head of departments
- Regulatory authorities directors
- Digital banking and Innovation teams
- Central banks executives

Course Outline

The Road to Central Bank Digital Currency

- What is Money?
- Transition toward a cashless society
- Economics of money
- Financial exclusion
- Monetary and financial challenges
- Crypto currencies and assets

Blockchain: The Revolutionary Technology

- Distributed Ledger Technology
- What is Blockchain?
- Blockchain benefits
- Types of Blockchain
- Interactive workshop: The Blockchain game
- Blockchain and the financial system
- Investment in Blockchain

Concepts of Central Bank Digital Currency

- What is CBDC?
- CBDC models
- Design consideration and protocols
- Implications for the monetary system
- Disintermediation of banks
- CBDC governance
- Interactive workshop: Design a new CBDC!

CBDC: Pros, Cons, Challenges & Risks

- Advantages of CBDC
- Disadvantages of CBDC
- Commercial banks and CBDC: a system redesign?
- Challenges of interoperability
- Security and privacy
- Compliance and risk management
- Technical challenges

Global CBDC Projects and International Landscape

- China: Digital yuan
- Bahamas: Sand Dollar
- Sweden: E-krona
- Saudi Arabia/UAE: ABER
- ECB/France: Digital Euro
- Discussing multiple central bank CBDC research reports