

Question: 12. How could a CBDC provide privacy to consumers without providing complete anonymity and facilitating illicit financial activity?

[Return to CBDC Benefits, Risks, and Policy Considerations](#)

Question

[Return to Top](#)

How could a CBDC provide privacy to consumers without providing complete anonymity and facilitating illicit financial activity?

Answer

[Return to Top](#)

Note: See the answers to the sections:

- [45_privacy](#)
- [q04.](#)

The simplest way to achieve this would rely on the existing intermediary financial institutions to continue to do what they already do in terms of [Privacy](#), [National Security](#), and [International Security](#) BUT with the addition of the ability to use a real-time U.S. CBDC transfer mechanism instead of only the existing [Automated Clearing House \(ACH\) Network](#). This allows the existing mechanisms that are part of the existing intermediaries structure to remain in place for Privacy and Security. This of course assumes the existing mechanism on Privacy and Security is acceptable.

Examples

[Return to Top](#)

For a list of desiderments, see [Dual Payment Networks - Examples](#)

Discussion of Examples

[Return to Top](#)

For a list of discussion of the desirements, see [Dual Payment Networks - Discussion of Examples](#)

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Last update: **2022/05/16 18:11**

