Question: 20. TBD How could a CBDC be designed to achieve transferability across multiple payment platforms? Would new technology or technical standards be needed?

Return to CBDC Benefits, Risks, and Policy Considerations

Question

Return to Top

- **How could a CBDC be designed to achieve transferability across multiple payment platforms?**
- **Would new technology or technical standards be needed?**

Answer

Return to Top

By using a system designed roughly as outlined in section 70_dualnets, much of the current infrastructure would remain in place and to **achieve transferability across multiple payment platforms** would be very little different than the current system.

Table 1 provides the system components of a very simplified, theoretic ACH / CBDC network. Figure 1 graphically shows a theoretical, very simplified, dual ACH-CBDC Network Concept. A newly developed Application Programming Interface (API) and a specialized bridge going between the existing ACH Network and the new U.S. CBDC network would allow the existing platforms to work fairly seamlessly.

The existing Intermediaries would have time to adopt and adapt to the new API and use a “stubbed out” bridge as a first step toward the support of the U.S. CBDC in the future. The API and “stubbed out” bridge would connect to the existing ACH Network. As the CBDC network comes online, the existing Intermediaries would be able to join. This would allow a phased roadmap for the transition. New Intermediaries would start using the new API and the new U.S. CBDC network when it becomes available.

Table 1: Theoretical components of a Dual ACH / CBDC System

- Development of a U.S. CBDC is probably based on Stablecoin Model.
- Use of an energy-efficient Consensus Algorithm
- Development of a **bridge** between the existing Automated Clearing House (ACH) Network and the new U.S. CBDC Network

- Development of a new standardized Application Programming Interface (API) to connect the outside world to the newly enhanced combined ACH Network and CBDC Network for the existing intermediaries to use for transfers

> **Note:** The API could be in the form of Web Services, Remote Procedure Calls (RPC), Common Object Request Broker Architecture (CORBA), Data Distribution Service (DDS) or other interprocess communication mechanisms defined using ISO/OMG Interface Definition Language (IDL), standardized Web Services Interface Language (WSDL), etc.

Figure 1: Theoretical Very Simplified Dual ACH-CBDC Network Concept.

Examples

Return to Top

The “desirements” specified in White Paper and identified by the OMG's White Paper Analysis as **achieving transferability across multiple payment platforms** are listed in Table 2.

Table 2: Examples of **achieving transferability across multiple payment platforms** identified during the White Paper Analysis conducted by the OMG

Category	Desirements
Benefits	
Policies and Considerations	
Risks	
Design	

> **Note: B** = Benefit, **P** = Policy, **R** = Requirement, **D** = Design.

Discussion of Examples

Return to Top

Table 3 provides discussion points for each of the “desirements” identified by the OMG's White Paper Analysis which apply to **achieving transferability across multiple payment platforms**.

Table 3:

Desirement No.	Desirement Text	Comment
B0003	**1**	Complement, rather than replace, current forms of money and methods for providing financial services

Desirement No.	Desirement Text	Comment
B0008	**3**	Provide entrepreneurs a platform on which to create new financial products and services
B0009	**3**	Provide faster and cheaper payments (including cross-border payments)

~~DISCUSSION:on|Outstanding Issues~~ ~~DISCUSSION:off~~