V. Administrivia

- Changelog
- Parking Lot

All pages

- Cover Letter
- I. Front Matter
  - a. Cover Page
  - b. Legal Responsibility
  - c. Summary of Changes
  - d. Abstract
  - e. Copyright Notice
  - f. Contents
  - g. About Content Providers
  - h. Preface
- II. Main Document
  - 1.0 Introduction
  - 2.0 Methodology
  - 3.0 White Paper Analysis
  - 4.0 Common Elements
    - 4.1 Stakeholders
    - 4.2 Currency Models
      - 4.2.1 Digital Cash Model
      - 4.2.2 Digital Account Model
    - 4.3 Stablecoins
    - 4.4 National Privacy Considerations
    - 4.5 National Security Considerations
      - 4.5.1 Human Trafficking
      - 4.5.2 Drug Trafficking
      - 4.5.3 Corruption
      - 4.5.4 Money Laundering
    - 4.6 International Considerations
      - 4.6.1 Data Residency
      - 4.6.2 Data Localization
      - 4.6.3 Data Sovereignty
    - 4.7 Dual Payment Networks
  - 5.0 Questions and Responses
    - 5.1 Benefits, Risks, and Policy Considerations
      - Question: 01. What additional potential benefits, policy considerations, or risks of a CBDC may exist that have not been raised in this paper?
        - sub-Q1: Benefits
- sub-Q2: Policies
- sub-Q3: Risks

- **Question:** 02. Could some or all of the potential benefits of a CBDC be better achieved in a different way?
- **Question:** 03. Could a CBDC affect financial inclusion? Would the net effect be positive or negative for inclusion?
- **Question:** 04. How might a U.S. CBDC affect the Federal Reserve’s ability to effectively implement monetary policy in the pursuit of its maximum-employment and price-stability goals?
- **Question:** 05. How could a CBDC affect financial stability? Would the net effect be positive or negative for stability?
- **Question:** 06. Could a CBDC adversely affect the financial sector? How might a CBDC affect the financial sector differently from stablecoins or other nonbank money?
- **Question:** 07. What tools could be considered to mitigate any adverse impact of CBDC on the financial sector? Would some of these tools diminish the potential benefits of a CBDC?
- **Question:** 08. If cash usage declines, is it important to preserve the general public’s access to a form of central bank money that can be used widely for payments?
- **Question:** 09. How might domestic and cross-border digital payments evolve in the absence of a U.S. CBDC?
- **Question:** 10. How should decisions by other large economy nations to issue CBDCs influence the decision whether the United States should do so?
- **Question:** 11. Are there additional ways to manage potential risks associated with CBDC that were not raised in this paper?
  - 1. Risk of a Software Crisis
  - 2. Risk of Lack of Stakeholder Buy-In
  - 3. Risk Due to Poor Community of Interest (CoI) Governance
  - 4. Risk Due to lack of Broad, Wide-Ranging Security Planning
  - 5. Risk of Data being hacked due to weak Security Infrastructure
  - 6. Risk of Meta-Data being hacked due to weak Security Infrastructure
  - 7. Risk of Business Processes Being Hacked
  - 8. Risk of competing Currency Models for the CBDC
- **Question:** 12. How could a CBDC provide privacy to consumers without providing complete anonymity and facilitating illicit financial activity?
- **Question:** 13. How could a CBDC be designed to foster operational and cyber resiliency? What operational or cyber risks might be unavoidable?
  - 1. How could a CBDC be designed to foster operational and cyber resiliency?
  - 2. What operational or cyber risks might be unavoidable?
- **Question:** 14. Should a CBDC be legal tender?
  
### 5.2 Design

- **Question:** 15. Should a CBDC pay interest? If so, why and how? If not, why not?
- **Question:** 16. Should the amount of CBDC held by a single end user be subject to quantity limits?
- **Question:** 17. What types of firms should serve as intermediaries for CBDC? What
should be the role and regulatory structure for these intermediaries?

- Question: 18. Should a CBDC have “offline” capabilities? If so, how might that be achieved?
- Question: 19. Should a CBDC be designed to maximize ease of use and acceptance at the point of sale? If so, how?
- Question: 20. How could a CBDC be designed to achieve transferability across multiple payment platforms? Would new technology or technical standards be needed?
- Question: 21. How might future technological innovations affect design and policy choices related to CBDC?
- Question: 22. Are there additional design principles that should be considered? Are there tradeoffs around any of the identified design principles, especially in trying to achieve the potential benefits of a CBDC?

- 6.0 Recommendations
  - 6.01 Elaborate the Newly Known Risks
  - 6.02 Move from Desirements to Requirements
  - 6.03 Establish a Consortium
  - 6.04 Formally Define Stakeholders
  - 6.05 Formally Define Non-Functional Requirements
  - 6.06 Formally Define Functional Requirements
  - 6.07 Refine Applicable Laws and Regulations
  - 6.08 Instill Confidence in the CBDC
  - 6.09 Baked-in Security
  - 6.10 Adopt a Model-Based Systems Engineering (MBSE) Approach
  - 6.11 Perform Research Development Test & Evaluation (RDT&E)
    - 6.11.1 Consensus Algorithms
    - 6.11.2 Artificial Intelligence (AI)
    - 6.11.3 Ontologies
    - 6.11.4 Smart Contracts
    - 6.11.5 Complex Data Models
    - 6.11.6 Understanding Gas Implications
    - 6.11.7 Simulation, Training and Testing Environment
    - 6.11.8 Build Reference Implementation (RI)
  - 6.12 Defining the Appropriate Standards or Specifications

- III. Appendices
  - Appendix A: Acronyms
  - Appendix B: Glossary
    - Central Bank Digital Currency (CBDC)
    - Central Bank Money
    - Commercial Bank Money
    - Consumer Privacy
    - Financial Crimes
    - Identity-verified
    - Intermediated Model
    - Nonbank Money
    - Privacy-Protected
    - Real-Time Payments (RTP)
    - Transferable
Appendix C: Other Transaction Authority (OTA)
Appendix D: Model-Based Systems Engineering (MBSE)

V. Administrivia
- Change Log
- Parking Lot