



Central Bank Digital Currencies: Implications for Monetary and Financial Stability

Call for Papers – Deadline for Extended Abstracts: May 1, 2017

Conference, November 20-21, 2017 – Bank of England, London, UK

Background

A Central Bank Digital Currency (CBDC) would offer universal, electronic, 24x7, sterling-denominated and potentially interest-bearing access to the Bank of England's balance sheet. The introduction of a CBDC could give households and firms the ability to store value and make electronic payments using central bank money. This may provide central banks with new ways to manage monetary policy and financial stability, but it also poses new risks.

The Bank of England is undertaking a [multi-year research programme](#) to assess the benefits, costs, opportunities and risks of introducing a CBDC. As a central bank, we are concerned with the impact of a CBDC on our primary objectives for monetary stability and financial stability. This work is a contribution towards the core research theme 5 ("Response to Fundamental Change") of the BoE's [One Bank Research Agenda](#).

Against this background, we are organising a conference on *Central Bank Digital Currencies: Implications for Monetary and Financial Stability*, on November 20-21, 2017 at the Bank of England in London, UK. The conference will be hosted by Victoria Cleland, Chief Cashier and Ben Broadbent, Deputy Governor for Monetary Policy, and will bring together researchers from academia, central banks, and other non-academic research institutions.

Topics

We are particularly interested in the following topics, but will also consider papers that deal with related issues that are not specifically mentioned below. Please contact us if you

would like to discuss the relevance of your research.

- How would the introduction of CBDC impact monetary stability? Through which transmission channels do these effects emerge? What design would a CBDC need to have to enhance monetary stability and would this design interact with financial stability?
- What impact would CBDC have on financial stability? Could a CBDC be used to enhance financial stability and act as a countercyclical tool?
- What impact would CBDC have on the liquidity, funding and credit provision of commercial banks?
- What can various economic models (e.g. DSGE, agent-based models or stock-flow consistent models) tell us about the likely impact of CBDC on the wider economy?
- What legal, regulatory or competition issues need to be considered when designing a CBDC?
- How might a CBDC be designed technically? Which features of emerging technologies (e.g. DLT) might be beneficial in implementing a CBDC specifically, and what challenges and risks do these new technologies present?

Submission and Dates

Extended abstracts (2-4 pages) should be submitted by **1st May 2017** to cbdconference@bankofengland.co.uk.

- June 1st, 2017: participant selection
- October 20, 2017: submission of papers
- November 20-21, 2017: conference