## Index

Aadhaar, 135, 149	Artificial intelligence (AI), 8, 12,
Account based CBDC, 248	28–29, 220, 303, 317
Account Information Service Providers (AISPs), 89, 154	augmented voice recognition scheme, 179
Account Information Services (AIS),	ethical use of, 50, 126, 128 ethics, 48, 71, 123
Account takeover frauds (ATO frauds), 53	and implications on monetary and financial stability, 65
Activity-based regulation with entity-	principles, 127
based regulation, 91–93	regulatory approaches, 127–128
Activity–based approach, 92	regulatory measures, 128
Agent banking, 136–137	Asset-referenced tokens (ARTs), 110
Alipay, 17, 28, 43, 60–61, 85, 91	Assets backing stablecoins, 111–112
Amazon, 28	Atomic transactions, 249–250
Anti-money laundering (AML), 11,	Australian CBDC pilot, 282
134, 175, 211, 273	Authentication process, 180,
Anti-money laundering/counter	231–232
financing of terrorism	Authoritative sources, 185
(AML/CFT), 116, 310	Authorization, 184
Apple, 28	Authorized push payment frauds
Application programming interface	(APP frauds), 53
standards (API standards),	Automated market maker (AMMs),
8, 11, 29, 88–89, 162, 231,	34, 249–250
238–239, 297, 311	54, 247 250
Architectural designs of digital ID	Backend processing, 207–209
systems, 185–196	Banco Central do Brasil (BCB),
Architectural models, 161, 163, 168,	155–156, 221
185–186	Bank for International Settlements
centralized models, 163–164,	(BIS), 14, 215, 241–242,
168–169	310
decentralized models, 165–166, 169,	Bank of Canada, 317
171	Bank of England (BoE), 110,
distributed models, 166, 168, 171,	298, 300
173	use of data to support policy
lessons learnt from architectural	objectives, 301
models of digital	Bank of International Settlements
infrastructures, 168–173	(BIS), 93, 115
Architectural paradigms, modern	Innovation Hub, 249, 310, 315
computing, 161–163	Banking hubs, 136
r 6,	<i>5</i> ,

Banks, tokenized deposits as	cross border, 256–261
transferable liabilities of	DLT and roles in, 244–245
issuing, 116–117	evolution of technology and money,
Banks' super apps, 30, 33, 43-44, 69,	243–244
85, 88, 91	initiatives, 295
lessons learnt from different	as new digital form of money,
flavours of open banking,	245–247
90–91	stages, 247
model, 37	types of DLT platforms, 245
open banking, 89–90	wholesale, 247–256
PSD2, 89	Central Bank Money, 278
Banque de France's conceptual models	Central Bank of Nigeria (CBN), 235,
of wholesale CBDC	271
provision on DLT, 255	Central banking, 2
Bearer instruments, observations in	Central banks, 1, 108–109, 202, 205,
case of deposit tokens as,	220, 249, 270, 294, 296–297,
116	299, 301, 307
BigTech, 9, 16, 18, 28	AI ethics, 71
EU Digital Markets Act, 87–88	capabilities upgrade, 74–77
firms, 2, 28–29, 32, 36, 85, 87–88, 92	collaboration, 75–76
social media firms, 126	customers' data rights,
specific measures to address shadow	70–71
banking in China's, 94	cybersecurity, 71–72
super apps, 30, 32–33, 36, 43–44, 49,	in development of digital ID
60, 69, 85, 88, 91	schemes, 196–197
Biometric authentication, 8, 11	in digital payment landscape,
Bitcoin, 14, 34, 104–105, 107, 168, 219	219–221
Blockchain technology, 244	in faster payments, 209–211
Business issues of Retail CBDC, 285	financial exclusion, 72
Business models, 42, 69	future of innovation at, 319
challenges related to emerging,	governance with regards to
41–47	innovation promotion,
competition and collaboration in,	318–319
36–38	implications of central bank
in financial services, 97	mandates on innovation
Buy-now-pay-later (BNPL), 28	promotion, 318
G 1333	innovation, 76–77
Capabilities upgrade, 293, 295, 297,	iterations of central banking over
304	centuries, 67
Card payments, 202–203	key remits, 59–67
Catalyst for change, 220–221	law-based tools, 78
Central Bank Act, 78	modifications of central banks' laws
Central bank digital currency (CBDC),	with regards to innovation
2, 13–14, 34–35, 74, 111,	promotion, 318–319
168, 220–221, 241–242, 309	monetary sovereignty, 70
concepts, 242–247	possible areas of action, 68

promotion of open digital	Cloud service provider, 131-132
infrastructures, 72–74	Collaboration, 75–76
rationale for central banks to	in business models, 36–38
engage in innovation work,	Collaborator, embracing roles of, 297
308–309	Commercial Bank Money, 278
regulatory updates, 68–72	Commercial banks, 275, 295
resilience, 74–75	Commercial Data Interchange (CDI),
responses to emerging challenges,	164
67–77	Committee on Payment and Settlement
roles, 77	Systems, 208
shadow banking, 69	Committee on Payments and Market
singleness of money, 70	Infrastructures (CPMI), 216
tools in three areas of actions, 77–78	CPMI-IOSCO guidance on cyber
trust-based tools, 78	resilience for financial
walled gardens, 69	market infrastructures,
Central security depositories (CSDs),	130–131
34	Competition
Centralized crypto-asset services, 35	in business models, 36–38
Centralized models(see also	open banking as platform for, 227
Decentralized models),	Competition and Markets Authority
163–164, 194, 231	(CMA), 71, 88–89, 231–232
advantages, 168–169	Competitive environment, 29–38
of digital ID, 186	competition and collaboration in
of digital infrastructures, 168–169	business models, 36–38
disadvantages, 169	implications of new business
of open banking, 235	models, 35–36
Centralized payment infrastructure,	new business models at core of
169	emerging financial
Centralized payment system, 169	landscape, 29–35
Chief Executive Officer (CEO), 115	open banking and impacts on
China Construction Bank, 274	virtual banking and banks'
China's BigTech Super Apps, specific	super apps, 37
measures to address walled	Composability of financial services and
gardens in, 86	new business models, 29
Clearing, 208	Comprehensive ban on cryptoasset
Closed-loop digital infrastructures,	activities, 104–105
145	Confidentiality, Integrity and
Closed-loop payments, 202-204	Availability Triad (CIA
Cloud and financial services	Triad), 51
transformation at WeBank,	Consultation on Stablecoin Regulatory
10	Approach (CSRA), 108–109
Cloud computing, 8–10	Consumer Data Right legislation
platforms, 28–29	(CDR legislation), 232
Cloud concentration risk, 132	Consumer Financial Protection Bureau
Cloud in financial services, key issues	(CFPB), 310
related to use of, 132	Contestable market, 85, 87, 92

Coordinator, embracing roles of, 297	Cryptocurrency, 219
Corporate Digital ID, 180	Cultural contexts, 154
Counter financing of terrorism (CFT),	Currency act, 104-105
134, 175, 211, 273	Customer due diligence (CDD), 134,
Counterparty risks, reduction in,	182
249–250	Customers, 31
COVID-19 pandemic, 31	data rights, 48-50, 70-71, 123, 126
Credit cards, 203	EU's Digital Markets Act, PSD2
payments, 202–203	and Open Banking
Cross border CBDC, 256–261	Initiatives, 126
compatible CBDC systems,	EU's GDPR, 124–126
249–250	and implications on monetary and
dealing with policy trilemma, 262	financial stability, 64–65
governance, 249–250	rights, 125
integrating multiple CBDCs in	Cyber resilience for financial market
single mCBDC system,	infrastructures, CPMI-
249–250	IOSCO guidance on,
laws and regulations, 249–250	130–131
linking multiple CBDC systems,	Cybercrimes, 51
249–250	against customers, 53
liquidity provision, 249–250	Cybersecurity, 48, 50, 52, 71–72, 129,
possible implementation	134, 284
approaches, 260–261	CPMI-IOSCO guidance on cyber
potential benefits of, 257–259	resilience for financial
potential challenges for, 259	market infrastructures,
technical, 249–250	130–131
Cross-border faster payments, 2	EU's DORA, 131–132
Cross-border payments, 152, 215, 219	and implications on monetary and
correspondent banking, 216–217	financial stability, 65–66
fast payment systems linkages,	incidents, 52
218–219	landscape, 51
FinTech cross-border payments,	NIST cybersecurity framework,
219	129–130
Cross-border sandboxes, 311	operational resilience, 133-134
Cross-sector sandboxes, 311	•
Cryptoassets, 103–105, 168	Data analytics, 299–301
comprehensive ban on cryptoasset	Data breach and notification, 125
activities, 104–105	Data collection transformation,
leaving use of cryptoassets as means	298–299
of payments outside	Data Empowerment and Protection
regulatory space, 104–105	Architecture (DEPA), 149
as legal tender, 104–105	Data governance, 124–125
as means of payments, 104–105	Data management, 299–301
as means of payments in	lifecycle, 298–301
jurisdiction, 104–105	Data privacy, 125–126
regulations in European Union, 110	Data Privacy Act, 78
5 - F	•

Data protection laws, 49, 124	Digital finance, 12
Data Protection Officer (DPO),	Digital financial landscape, 2–3, 7, 27,
125	67, 69–70, 83, 85, 183
Data residency, 132	challenges inherent in digital
Data sandboxes (see Digital	financial services, 48-54
sandboxes)	challenges related to emerging
Data sharing, 73-74, 144, 146, 154	business models, 41–47
different flavours of, 230-237	changing competitive environment,
incentives, 233	29–38
infrastructures, 225	changing demand and supply of
layer, 164, 166, 168	financial services, 27–29
open banking, 225–227	cybersecurity threat landscape, 51
from open banking to open finance	fraud, 53
and smart data, 237–238	ID and financial inclusion, 54
Data storage, 299–301	monetary sovereignty, 45-46
Data strategy, 299–301	new technologies, 8-14
'De-risking' process, 256–257	new types of players, 15–21
Debit cards, 203	new types of products, 21-24
payments, 202–203	open digital infrastructures in
Decentralization, 166	financial services as helper to
Decentralized autonomous	address challenges in, 144
organizations (DAOs), 35,	singleness of money, 46-47
62	stablecoins, shadow banking and
Decentralized exchange (DEX), 34	singleness of money, 47
Decentralized finance (DeFi), 23, 30,	walled gardens, 44–45
33, 35, 38	Digital financial services, 28, 53
Decentralized models, 165–166, 231	challenges inherent in, 48–54
advantages, 170	customers' data rights, 49-50
of digital infrastructures, 169–171	cybersecurity, 50–52
disadvantages, 170–171	ensuring access to digital financial
of open banking, 233–234	services through digital ID,
Decentralized programmability,	134–135
245–246, 250, 282–283, 285	ethical use of AI, 50
Deferred net settlement, 208	example steps in usage and
Delivery versus payments (DvP), 222,	provision of, 147
245, 249–250, 253	financial exclusion, 52–54
Demand, 28	Digital government services, 185
Deposit-takers, 115	Digital ID, 2, 73, 135, 143–144,
Descriptive approach, 231–232	178–179
Diem Association, 62	access and use of services, 184
Digital banking ecosystems, 32	application, 182–184
Digital banknotes, retail CBDC as,	architectural designs of, 185-196
276–277	architectural models, 185–186
Digital banks, 28	architectural models and
Digital disruption, 1, 7, 294–295, 307	implications on use cases in
Digital economy, 129	financial services, 193-194

architectural models' trade-offs,	owner and operator of payment
194–196	infrastructures, 221
authorization, 184	regulatory oversight, 219–220
basic concepts about ID and,	retail payments, 202–211
175–180	RTGS renewal, 214–215
centralized model, 194	RTGS system, 213–214
challenges, 198	systems, 170
components of digital ID system, 185	wholesale, large-value payments, 213–215
ensuring access to digital financial	Digital retail payments, 202–203
services through, 134–135	Digital sandboxes, 311
federated model, 195-196	Digital services competition, 35–36
in financial services, 180-185	Digital transformation, 297–304
financial services, 193–194	augmenting staff with data, tools
foundational ID, national ID and	and skills, 298
functional ID, 176-177	data storage, management and
ID lifecycle in financial services, 181	analytics, 299–301
individual digital ID vs. corporate	digital literacy and new skills,
digital ID, 180	303–304
key enabler of digital ID schemes,	improving data management
196–198	lifecycle, 298–301
layer, 163, 166, 168	transformation of data collection,
management and maintenance,	298–299
185	Digital world, 62, 65
onboarding, 183–184	Digital-only, branchless banks (see
open-market model, 195	Virtual banks)
physical ID vs. digitized ID vs.	Digitalization, 178, 214, 294, 303
digital ID, 178–179	of central banks, 297
registration and Issuance, 181–182	of financial services, 66–67, 135
role of central banks in development	Digitally transformed incumbent
of digital ID schemes,	banks, 19–20
196–197	Digitized ID, 178–179
self-sovereign model, 196	Disintermediation, 269–270
Digital infrastructures, 143–144 lessons learnt from architectural	Distributed architecture, 171
models of, 168–173	Distributed denial of service (DDoS), 51
Digital literacy and new skills, 303–304	Distributed ledger technology (DLT),
Digital Markets Act, 296	8, 13–14, 30, 33–34, 42, 62,
Digital onboarding, 147, 193	242, 246, 308
Digital payments, 73, 151–152	Banque de France's conceptual
catalyst for change, 220–221	models of wholesale CBDC
central banks in digital payment	provision on, 255
landscape, 219–221	and roles in CBDC, 244–245
cross-border payments, 215–219	self-sovereign ID with, 191
infrastructures, 143–144, 202	Distributed models, 166, 168, 231, 255
layer, 164, 166, 168	advantages, 171–172
<b>→</b>	

of digital infrastructures, 171–173	customers' rights, 125
disadvantages, 172–173	data breach and notification, 125
of open banking, 236–237	data governance, 124-125
technical frameworks and	definition of personal data, 124
standards, 167	penalties for non-compliance,
trust framework, 237	125–126
Domestic faster payments, 2	responsibility of financial services
1 3	providers, 124
E-commerce, 31, 36	European Central Bank (ECB), 300,
E-money, 204	303
schemes, 166	European Investment Bank, 34
E-money tokens (EMTs), 110	European Union (EU), 85–87
E-Wallets, 204	AI Act, 126
payments, 49–50	cryptoassets and stablecoins
Eastern Caribbean Central Bank	regulations in, 110
(ECCB), 276	Digital ID Wallet, 192
Ecosystems, 36	European Union's Markets in
Electronic Chinese Yuan (e-CNY),	Cryptoassets Regulation
246, 317–318	(MiCA), 110
programmability use case, 283	European Union's regulatory
wallets, 279	approach, The, 84
Embedded finance, 30-31, 36	European Union's revised Payment
Emerging financial landscape, new	Services Directive (PSD2),
business models at core of,	88–89
29–35	Exchange trade funds (EFTs), 47
Emerging new technologies, 1	External innovation promotion,
Entity-based regulation, augmenting	310–316
activity-based regulation	Externalities, 308
with, 91–93	
Entity-based approach, 91, 93	Face-to-face payments, 203
Estonia Digital ID, 179	Facebook platform, 45
Ether, 104–105, 107, 168	Facilitators (see Innovation hubs)
Ethereum blockchain, 14	Faster payments, 202-204, 206-207,
EU Digital Markets Act (EU DMA),	209, 211
69, 84, 87–88, 92, 126	central banks in, 209-211
EU Digital Services Act (EU DSA), 84	open banking payments via, 206
EU Payment Services Directive (PSD),	as retail digital payment
89	infrastructure, 205
EU's Digital Operational Resilience	systems linkages, 218–219
(DORA), 129, 131–132, 137	Federal Deposit Insurance
key issues related to use of cloud in	Corporation scheme (FDIC
financial services, 132	scheme), 47
EU's General Data Protection	Federal Reserve, 272
Regulation (GDPR), 49,	Novel Activities Supervision
123–124, 126	Program, 110
consent, 125	Federated ID system, 187–188

Federated model, 166, 195–196 of digital ID, 188–189	layers and functionalities of open digital infrastructures for,
FedNow, 155	144–147
Financial crisis (2008–2009), 94	open digital infrastructures for,
Financial exclusion, 48, 52, 54, 72, 134,	149–156
137	open digital infrastructures in,
ensuring access to digital financial	143–147
services through Digital ID,	providers, 9, 36, 51, 124-125, 131,
134–135	175, 182
ensuring physical access to financial	regulations, 83–85
services, 135–137	white label ATMs, 136
and implications on monetary and	Financial Services Commission (FSC),
financial stability, 66–67	233
Financial inclusion, 54, 180	Financial stability, 1, 59, 67, 297
open banking as platform for, 227	customers' data rights and
open digital infrastructures for, 149	implications on, 64–65
Financial institutions, 125	cybersecurity and implications on,
stability, 297	65–66
Financial Institutions Act, 78	ethical use of AI and implications
Financial market infrastructures	on, 65
(FMIs), 129	financial exclusion and implications
CPMI-IOSCO guidance on cyber	on, 66–67
resilience for, 130–131	shadow banking and implications
Financial products, 1	on financial stability, 61
Financial regulators, 91	singleness of money and
Financial sector, 1	implications on, 63–64
Financial services, 52–53, 71–72, 138,	walled gardens and implications on,
184, 193–194	60–61
to address challenges in digital	Financial Stability Board (FSB), 216
financial landscape, 144	Financial Stability Oversight Council
agent banking, 136–137	(FSOC), 93
banking hubs, 136	Findex Survey Team, 180
changing demand and supply of,	FinTech, 9, 11, 15–16, 28
27–29	cross-border payments, 219
composability of, 29	ecosystems, 76–77
digital ID architectural models and	firms, 2, 31, 92, 219
implications on use cases in,	Foreign exchange (FX), 215
193–194	Foundational ID system, 176-177, 183
digital ID in, 180-185	Fraud, 52–53
ensuring physical access to, 135–137	Fully offline, 279
example steps in usage and	Functional ID, 176–177
provision of digital financial	
services, 147	Gatekeepers, 87
ID lifecycle in, 181	General Data Protection Regulations
key issues related to use of cloud in,	(GDPR), 70–71
132	General Sales Tax (GST), 282

Global banks, 113 Global digital regulatory reporting	promotion and risk mitigation, 309–317
initiatives, 300	rationale for central banks to
Goals-based regulations, better	engage in innovation work,
balance between rules-based	308–309
and, 295–297	Innovation hubs, 310
Google, 28	Innovation offices units (see
Governance, 249–250, 285–286	Innovation hubs)
Government agencies, 181–182	Innovative products at lower costs,
Government-to-person payments (G2P	28–29
payments), 152	Insurance, 23–24
r - 5	Integration model, 255
Hackathons, 310, 316	Interbank payments, 249–250
Helvetia Project, 252	Intermittent offline, 279
High inflationary pressures, 60	Internal capabilities, 3
HM Revenue and Customs (HMRC),	Internal innovation promotion,
228	316–317
Hong Kong Monetary Authority	International financial organizations,
(HKMA), 164	93
Hybrid DLT platforms, 245	International Monetary Fund (IMF),
Y Y	14, 93, 104–105
Identity (ID), 54, 175	Interoperability, 85, 87, 162, 284–285
basic concepts, 175–180	benefits of, 162–163
and financial inclusion, 180	model, 255
lifecycle in financial services, 181	Inthanon-LionRock Project, 249
Identity Providers (IdPs), 185	Investment, 22–23
Implementation level, 231	JAM Trinity, 149
centralized models, 235	Jasper-Ubin Project, 249
decentralized models, 233–234	JPMorgan, 113–114
distributed models, 236-237	Jurisdictions, 62, 88, 104–105, 129,
open banking, 232–237	134, 149, 202
Incumbent banks, 36	cryptoassets to be used as means of
Independent Evaluation Office (IEO),	payments in, 104–105
299–301	P.1., 2.2.2. 2.2., 2.2. 2.2.2
India Protection Bill (2021), 124	Kaspi Bank, 43-44
India Stack, 149	Kiva protocol, 191
India's Aadhaar, 177	Know-your-customer (KYC), 54,
Individual digital ID, 180	72–73, 113, 134, 144, 146,
Information and communication	180, 220, 274
technology (ICT), 129	,
Innovation, 76–77, 307	Large-value payments, 213–215
central bank governance with	Law-based tools, 78
regards to innovation	'Le Lab', 317
promotion, 318–319	Legal contexts, 155–156
labs, 317	Legal issues of Retail CBDC, 285–286
open banking as platform for, 227	Legal power, 78
open ounking as platform for, 227	Logar power, 70

Monetary sovereignty, 42, 45–46, 70, 103, 107
adopting cryptoasset as legal tender,
104–105
comprehensive ban on cryptoasset
activities, 104–105
cryptoassets as means of payments,
104–105
cryptoassets to be used as means of
payments in jurisdiction,
104–105
and implications on monetary
stability, 62–63
leaving use of cryptoassets as means
of payments outside
regulatory space,
104–105
specific ban on cryptoassets for use
as means of payments,
104–105
Monetary stability, 1, 59, 67
customers' data rights and
implications on, 64–65
cybersecurity and implications on,
65–66
ethical use of AI and implications
on, 65
financial exclusion and implications
on, 66–67
monetary sovereignty and
implications on,
62–63
singleness of money and
implications on, 63–64
walled gardens and implications on,
60–61
Money
CBDC as new digital form of,
245–247
evolution of, 243-244
singleness of, 46–47, 107, 116
Multi-currency CBDC system
(mCBDC system),
249–250
Multi-factor authentication (MFA),
184

Multi-jurisdiction sandboxes (see Cross-border sandboxes)	Non-compliance, penalties for, 125–126
Multiple CBDCs	Non-financial firms, 31
in single mCBDC system, 249–250	Tion maneral mins, 51
systems, 249–250	Office for Digital Identities and
MYBank, 13, 18–19	Attributed (ODIA), 135
WII Dank, 13, 10–19	Offline CBDC Payments, 279
Namery hanking 116	
Narrow banking, 116	Omnibus Accounts Policy, 253
National Digital ID scheme (NDID	Onboarding, 147, 183–184
scheme), 182, 189	'One Mission, One Bank', 299–301
National Digital Identity (NDI), 187	One-time-passwords (OTP), 184
National ID, 176–177	Online payment market, 86
Near-Field Communication (NFC), 279	Open banking, 69, 73–74, 89–90, 154, 225, 227
NetsUnion Clearing Corporation,	API, 12
86	commonalities, 230
Network effects, 42	data sharing, 226
New business models	differences, 230–231
Banks' Super App, 33	different flavours of, 230-237
BigTech Super App, 32–33	and impacts on virtual banking and
composability of, 29	banks' super apps, 37
at core of emerging financial	implementation level, 232–237
landscape, 29–35	initiatives, 49, 88–89, 126
DeFi and Tokenisation, 33–35	legislation level, 231–232
embedded finance, 31	lessons learnt from different
implications of, 35–36	flavours of, 90–91
virtual banking, 31–32	to open finance and smart data,
New technologies, 8–14	237–238
impact of, 13–14	payment initiation, 227
new technologies-based	payments via faster payments,
programmable payments,	206
246	as platform for competition,
New types of players, 15–21	innovation and financial
impact of, 21	inclusion, 227
New types of products, 21–24	use cases, 228
impact of, 24	Open Banking Implementation Entity
Nigerian Inter-Bank Settlement System	(OBIE), 88–89
(NIBBS), 235	Open digital infrastructures, 3, 77,
NIST Cybersecurity Framework,	161–162
129–130, 137	Brazil's PIX and open finance, 156
NIST Cybersecurity Framework 2.0,	CBDC, 74
137	data sharing, 73–74
Non systemic stablecoins, 111	different cultural contexts, 154
Non-banks, 91	different legal and regulatory
participation in faster payments,	contexts, 155–156
212	digital ID, 73

digital payments, 73 for financial inclusion, 149	Payments System Regulators (PSR),
in financial services, 143–147	Payments versus payment mechanisms
as helper to address challenges in	(PvP mechanisms), 262
digital financial landscape,	PayNow, 152
144	Peer-to-peer payments 24/7, 251
layers and functionalities of,	Peer-to-peer settlement, 245
144–147	People's Bank of China (PBoC), 43, 86,
in practice, 149-156	246–247, 271, 317–318
promotion of, 72–74	Personal data, 49
starting pain points, 149–152	definition of, 124
Thailand's PromptPay and QR	Personal identification numbers
Code Standard, 152	(PINs), 203
United Kingdom's open banking	Physical banknote, 310–316
and open finance, 154	Physical ID, 178–179
Open finance, 69, 73-74, 154, 156	PIX, 155–156
infrastructures, 155-156	Point-of-sale machines (POS
open banking to, 237–238	machines), 203
Open market model, 166	Policy implementation, 78
Open retail digital payments	Policy objectives, Bank of England's
infrastructures, 73	use of data to support,
Open-market ID system, 187	301
Open-market model, 195	Policy sandboxes, 310–311
Open-loop digital infrastructures,	Policy trilemma
145	dealing with, 262
Operational resilience,	project mBridge and dealing with,
133–134	262
Ownership of entities, 78	Post-transaction, 147
	Pre-DLT programmable payments,
Payment infrastructures, owner and	246
operator of, 221	Pre-Paid Cards, 204
Payment initiation, 227	Prescriptive approach,
Payment Initiation Service Providers	231–232
(PISPs), 89	Privacy, 195
Payment Initiation Services (PIS), 89	tradeoff between scalability and, 249–250
Payment Service Providers, 154,	Private DLT platforms, 245
275	Product-testing sandboxes, 310
Payment Services Directive (PSD),	Programmable money, 246
231–232	Programmable payments, 246
Payment Services Directive Two	PromptPay, 151–152
(PSD2), 126, 231–232	PromptPay-PayNow, 153
Payment Systems Act, 78	Proof of concept (PoC), 315
Payment versus payment ((PvP), 215, 249–250, 253, 265	Prudential Regulation Authority (PRA), 115, 133, 304
Payments, 22, 147, 193	Pseudonymity, 195

Public DLT platforms, 245	card payments vs. closed-loop
Public goods, 309	payments vs. faster
Public key infrastructure (PKI), 187	payments, 202–203
	clearing, 208
Quick Response (QR), 86, 311	closed-loop payments, 204
Code Standard, 152	faster payments, 204, 206–207, 209, 211
Real time settlement, 208	faster payments as retail digital
Real-time gross settlement (RTGS),	payment infrastructure, 205
147, 202, 213–214, 309	ownership, access, competition and
renewals, 214-215, 222	adoption considerations, 211
system, 169	roles of central banks in faster
Regulations, 78, 285–286	payments, 209–211
Regulatory approaches, 104	settlement, 208
Regulatory compliance (RegTech),	Return on equity (ROE), 28
295	Reusability, 195
Regulatory contexts, 155–156	Risk mitigation, 309–317
Regulatory space	Rosalind Project, 282–283
incorporating stablecoins into,	Rules-based regulations, better
109–113	balance between goals-based
leaving use of cryptoassets as means	regulations and, 295–297
of payments outside,	
104–105	Sandboxes, 316–317
Regulatory technology (RegTech),	operations, 312
76–77, 311	Savings, 22–23
Relying Parties (RPs), 185	Scalability, 173
Reserve Bank of Australia, 317	tradeoff between privacy and,
Resilience, 74–75	249–250
mindset, 295	Self-sovereign digital ID system, 190
stability-at-all-cost, need to shift	Self-sovereign model, 196
towards, 294	Self-sovereign ID
Retail CBDC, 269	with DLT, 191
as 'digital banknotes', 276–277	system, 189–190
current stages of, 270–273	Settlement, 208
decentralized programmability,	Shadow banking, 42, 47, 69, 91, 93
282–283	augmenting activity-based
future of, 284–286	regulation with entity-based
key characteristics of retail CBDC	regulation, 91–93
projects, 273–283	and implications on financial
managed privacy for, 281	stability, 61
as two-tier architecture, 274–276	specific measures to address shadow
wallet size limits for, 277–279	banking in China's BigTech
Retail digital payment infrastructure,	Super Apps, 94
faster payments as, 205	Shared ledgers, 114
Retail payments, 202–211	Silicon Valley Bank (SVB), 47, 60
card payments, 203	Singapore's Singpass, 187

Single bank ledgers, 114	Staged offline, 279
Single mCBDC system, integrating	Sterling Fnality Payment System,
multiple CBDCs in,	253
249–250	Supervision, 78
Single Supervisory Mechanism (SSM), 299–301	Supervisory technology (SupTech), 76–77, 295, 311
Single-currency stablecoins, 46	Supply, 28–29
Singleness of money, 42, 46–47, 70,	Sveriges Riksbank, 317
107, 116	Synthetic CBDCs, 111–112, 253
cryptoassets and stablecoins	Systemic stablecoins, 111
regulations in European	•
Union, 110	Target2-Securities (T2S), 255
ensuring singleness of money	Tax payment, 228
through regulatory updates,	Technical issues of Retail CBDC,
108–116	284–285
and implications on monetary	Technology
stability and financial	evolution of, 243–244
stability, 63–64	paradigms, 161
incorporating stablecoins into	TechSprints, 310
regulatory space, 104–105	Thailand's Personal Data Protection
stablecoins, 108-109	Act (2022), 124
United Kingdom's framework for	Thematic sandboxes, 311
deposit-takers on, 115	Third-party providers (TPPs), 89
SIX Digital Exchange (SDX), 252	Third-party risk management,
Small and medium enterprise (SME),	132
33	Token-based CBDC, 248
financing, 228	Tokenization, 30, 33, 35, 38,
Smart contracts, 8, 245, 249–250	108
Smart data, 73–74	Tokenized assets, 23, 35
open banking to, 237–238	Tokenized cash, 34–35
Smartphones, 8–9	Tokenized deposits, 42, 70, 103,
Social engineering, 51	107–108, 113, 115
Society for Worldwide Interbank	possible variations of tokenized
Telecommunications system	deposit initiatives, 114
(SWIFT system), 217	as transferable liabilities of issuing
SWIFT and upgrades, 217	banks, 116–117
South African Reserve Bank, 317	United Kingdom's framework for
Special economic zone (SEZ), 109	deposit-takers on, 115
Stabilization mechanisms, 104–107	Tradeoff between privacy and
Stablecoins, 13–14, 46–47, 69–70, 103,	scalability, 249–250
108–109	Traditional banks, 38–39
regulations in European Union, 110	Transaction, 147
into regulatory space, 104–105	Trust Framework, 185
tokenized deposits, 113–115	Trust-based tools, 78
United Kingdom's framework for	Trusted data sharing infrastructures,
deposit-takers on, 115	144

Two-factor authentication (2FA), Virtual banks, 9, 18–19, 28–29 Visa, 62, 204 Two-tier architecture, retail CBDC as, 274-276 Walled gardens, 42, 44-45, 69, 85, 91 Banks' Super Apps, 88-91 BigTech Super Apps, 85-88 UK faster payment system, 154 and implications on monetary and UK Financial Conduct Authority financial stability, 60-61 (FCA), 93, 110, 133, 298–299, 310 specific measures to address walled Innovation Hub, 310 gardens in China's BigTech UK Labour Government, 154 Super Apps, 86 Wallet size limits for retail CBDC, Unified ledger, 115 Unified Payments Interface (UPI), 277-279 149 WeBank, 10, 18–19 Unique Identification Authority of WeChat Pay, 17, 43, 60, 85 India (UIDAI), 177 White label ATMs, 136 United Kingdom's framework for Wholesale CBDC, 247–256 deposit-takers on Banque de France's three stablecoins, tokenized conceptual models of deposits and ensuring wholesale CBDC provision singleness of money, 115 on DLT, 255 challenges, 251 United States, 29 Universal ledgers, 114 characteristics, 249-250 Unspent transaction output (UTXO), decentralized programmability, 249-250 277 US Federal Reserve's Novel Activities liquidity provision, 249–250 Supervision Program (NAS peer-to-peer payments 24/7, 251 Program), 108-109 possible implementation models, US National Institute of Standards and 254-256 Technology (NIST)'s potential use cases for, 251–253 reduction in counterparty risks, 265 Cybersecurity Framework, stages of wholesale CBDC projects, Users, 185 248-249 tradeoff between privacy and scalability, 249-250 Variable recurring payments (VRPs), Wholesale payments, 213, 215, 248 228 Virtual banking, 30-32 World Bank, 14, 180, 205 ecosystem model, 37 model, 33, 36 XRP, 219