



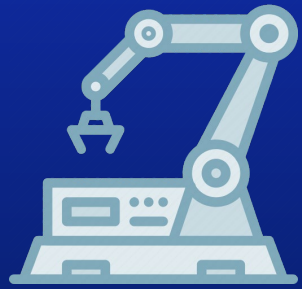
CENTRAL BANK DIGITAL CURRENCY Policy and Design

Presentation by Governor Harvesh Seegolam

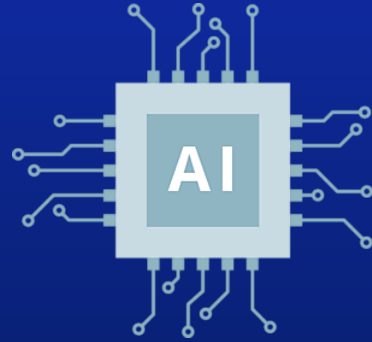
AFRICAN CAUCUS

5 August 2021

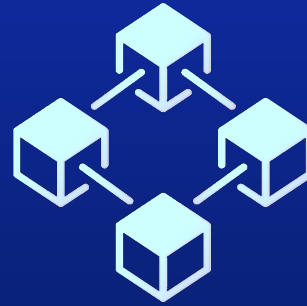
Our payment landscape is changing



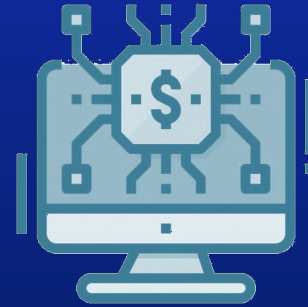
Robotics



Artificial Intelligence



Blockchain



Fintech



Internet of things

Mauritius: challenges and desired outcomes

Cash management cost

Resilience

Informal economy

Monetary sovereignty

**DESIRED
OUTCOMES**

Reduce cash in circulation through a cash-like CBDC

Provide a cash-like alternative to the informal sector

Foster innovation and payment automation

Enhance the monetary transmission mechanism

Preserve the sovereignty of the Mauritian rupee

The Bank of Mauritius approach



Building bridges with key enablers



Mauritius is the 1st country in the world to have benefitted from IMF assistance for design of a CBDC

Central Banks



International institutions



Use cases of a CBDC



Distribution of retirement and social benefits by Government



Smart contract for payment automation and rejection of transactions that do not meet criteria



An ideal substitute for cash in the informal sector for quick peer to peer transactions



Trace illicit transactions and prevent them from happening



Remove lower entry barrier and allow Fintech to offer innovative products

Expectations and design principles



Digital Rupee

- Fast, efficient, secure and robust payment tool
- Catalyst for an innovative and competitive payment ecosystem



From a Bank's perspective:

- Resilient
- Secure
- Available 24/7
- Scalable

This requires an ecosystem which is:

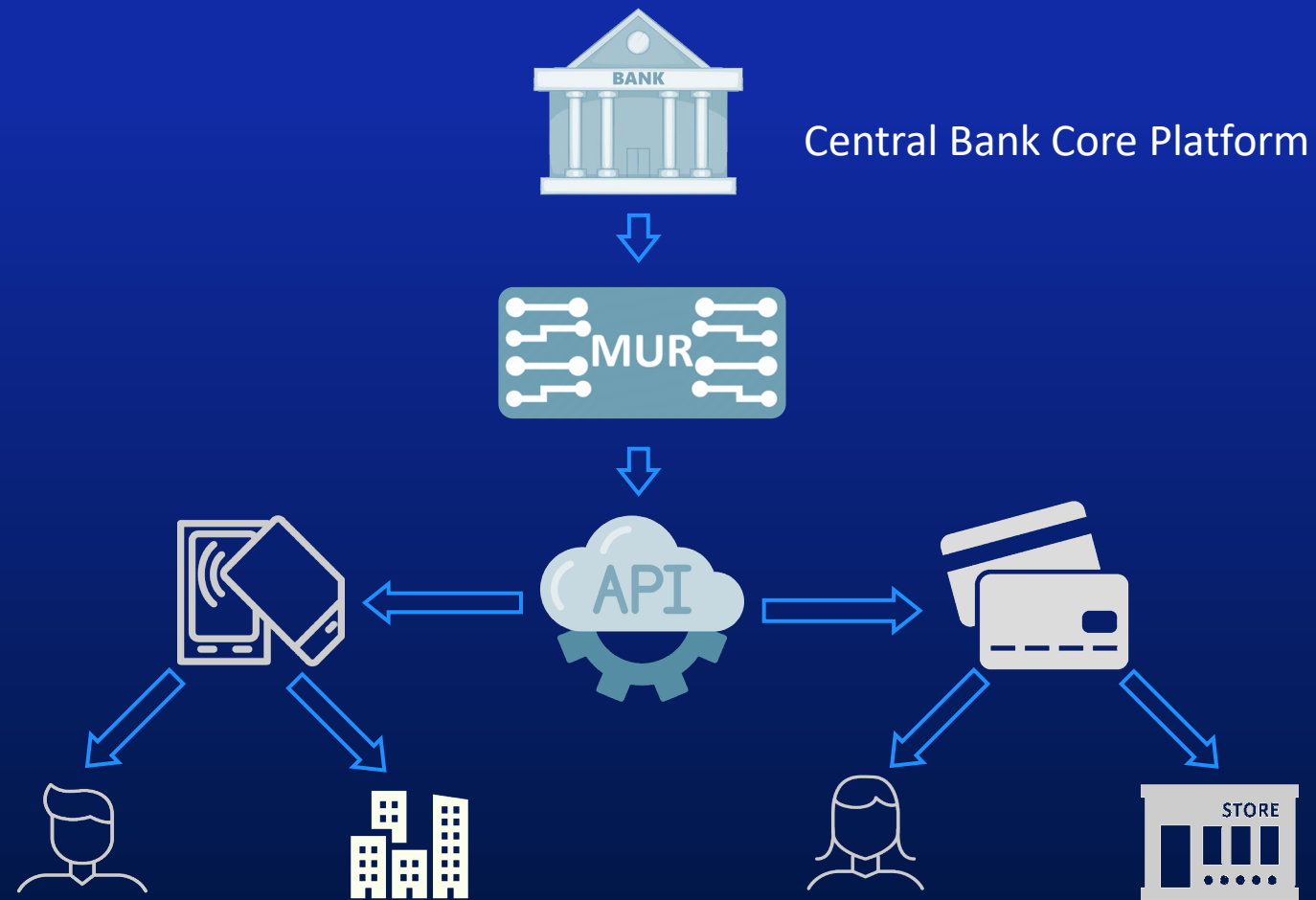
- Scalable and adaptive
- Open to innovation
- Interoperable



From a user perspective:

- Fast
- Secure
- Inclusive
- Cost efficient
- User friendly
- Transparent
- Private

Proposed approach



Foreseeable Challenges



Robustness of
new technologies



Cybersecurity



Monetary policy
v/s
Remuneration



AML/CFT
v/s
Privacy

Next steps



Discussion with
stakeholders

Survey

Public
consultation

Publish
feasibility study

Pilot launch

The background is a solid blue color. It features several faint, light-colored circular gauges and arrows. One large gauge on the left has a scale from 140 to 260 in increments of 10. Other gauges are scattered around, some with arrows indicating clockwise or counter-clockwise rotation. The overall aesthetic is technical and clean.

THANK YOU!

Questions welcome...