

MINUTES

4th MEETING OF THE DIGITAL EURO SCHEME RULEBOOK DEVELOPMENT GROUP (RDG)

11 May 2023, 09:00 – 16:00 (CET)

Welcome note by the Chair and review of agenda

The Chair inaugurated the 4th meeting of the Rulebook Development Group (RDG) and introduced the participants. The Chair then presented the foreseen agenda, which was confirmed by the participants.

Review of Minutes from previous meeting

The Chair referred to the draft minutes from the previous RDG meeting and opened the floor for reactions. Some participants requested to make some edits, which the ECB team took note of and agreed to propose an updated version.

Update on recent design decisions

The ECB team presented an update on the latest design decisions endorsed by the Eurosystem regarding Financial Inclusion and opened the floor for reactions. Consumer associations confirmed that the presentation captures well their requests. Some representants from the supply side also confirmed that the presentation brought important clarifications, such as the creation of a public entity that would cater for some services that would have been highly challenging to offer with a balanced business model. A number of questions were also asked (e.g., definition of “eligible persons”, minimum age considerations...). Some of the questions were clarified directly by the ECB team, while for some other questions the ECB team indicated that a subsequent work on “Public Approach” could be conducted to bring further clarifications.

The ECB team then presented an update on latest design decisions endorsed by the Eurosystem on the topic of “cards” and opened the floor for reactions. A number of questions were asked by participants, including whether the digital euro card would be a “card scheme” or a simple identifier / form factor, based on same rails than other digital euro use cases. The ECB confirmed the latter, and the consumer associations pointed out that what matters for financial inclusion is to enable physical card as a form factor, while the rails / technicalities used in the back do not matter. The ECB also mentioned that the “contact card” use case was being investigated by the digital euro team, as well as options for tokenization.

Topic specific deep-dives

As an answer to the RDG's request for clarifications on some design decisions (request made in the previous RDG), the ECB team presented a selection of slides previously shared with the ERPB and the MAG in order to bring up to speed RDG participants on three topics: role of intermediaries (in particular non-credit institutions), merchant considerations and digital euro portability. The ECB team also indicated that answers to questions related to the offline use cases had been written in the draft "FAQ" document shared with the RDG – but this specific document was not discussed during the session. After presenting the selection of slides, the ECB team opened the floor for reactions.

RDG participants asked a number of questions. Some of the questions were commented directly by the ECB team during the session (e.g., clarifications on allowed number of accounts per merchant, foreseen timing for converting digital euro into commercial bank money on merchant side (e.g., instant vs intraday), minimum data required to be transferred during portability processes...). A number of questions also emerged related to situations where the "liquidity providing" intermediary and the digital euro "access intermediary" are different entities. The ECB team took note of these questions and offered to organise a separate deep-dive session to cover them. Some questions were also raised related to the presented "collection model" for merchants, which the ECB team indicated could also be addressed in a separate deep-dive session. Other questions related to different workblocks and/or workstreams were noted and referred to discussion at a later point in time (e.g., questions on identifiers, to be addressed in workstream A1, questions on latency to be addressed in workstream C1, questions on liabilities to be addressed in the adherence model...). Finally, one RDG member also asked to edit one of the (already-published) slide related to roles and actors. The ECB team took note of the request, for internal reflection within the digital euro team.

User Journeys

The ECB team presented a status update on the user journey document, indicated that an updated latest version had been made available and inviting RDG members for a last round of comments and proposing to focus the review on the new journeys included in batch #3 for some RDG members who indicated challenges in reviewing the whole document in detail again. The ECB team then opened the floor for reactions.

The demand side (consumer and merchant associations) shared that they now broadly consider the user journey document as meeting their requests, pending a couple of remaining edits to be made for it to be finalized. The supply side mentioned that a better understanding of rights and obligations for participants is needed before providing an opinion on whether the foreseen user journey document meets their request. The ECB team took note of the point and reminded that workblock B (adherence model) will focus on this topic.

E2E flows

The ECB team provided a status update on the E2E flows document and opened the floor for reactions. RDG participants made comments mostly related to some of the deep-dive topics discussed earlier in the meeting (e.g., understanding of flows in situations where different types of intermediaries are involved), thereby confirming the need for a deep-dive session on the topic. RDG participants were then invited to provide comments on the new batch of E2E flows ahead of the next RDG meeting, with a focus on performance (e.g., latency, resilience) to the extent possible.

Workblock C - Technical Scheme Requirements

The ECB team introduced the high-level architecture foreseen for the digital euro, setting the scene for workstream C1, and opened the floor for reactions. Some of the questions asked by RDG participants were commented directly by the ECB team (e.g., clarifications on some of the acronyms included in the

presentation such as 'NSP'). Some other questions were related to other work areas and/or workstreams (e.g., reuse of certain standards and infrastructure (workstream F1), liabilities (adherence model), fraud & risk management...). The ECB took note of these points, for consideration in the respective work areas.

Datasets

The ECB team presented the foreseen approach for drafting datasets associated with E2E flows and opened the floor for reactions. Some RDG members invited the ECB to look at existing standards as a starting point for identifying datasets, which the ECB took note of. Some RDG members also warned that reviewing datasets in detail could be a challenge before September (given the nature and detailed work needed), which ECB team took note of. Consumer association representatives also pointed out that privacy-enhancing objectives should be considered when drafting datasets.

Workstream F1 – Scheme compatibility

The ECB team presented a status update on the progress of workstream F1 and opened the floor for reactions. Some RDG members emphasized that the potential interplay with SCT Inst should be further explored. The ECB team took note and proposed to orientate the following work of workstream F1 in that direction. A report on the first findings of workstream F1 will be presented in the next RDG meeting in June.

Way forward, two-month granular planning

The ECB team presented the foreseen planning for the next two months and opened the floor for reactions. Some RDG participants reminded that it is a challenge for them to provide feedback on all the content delivered by the RDG and asked whether both the RDG work and the subsequent possible implementation could be prioritised. The ECB team answered that the breadth of scope covered by the feedback should reflect the design decisions endorsed by the Eurosystem regarding the digital euro in terms of use cases and services covered, but that nevertheless the depth of feedback provided could be focused on elements considered as essential by RDG members for the consideration of the ECB. It was also confirmed that material for next workstream kick offs (A1 and C1) will be shared with the RDG before the launch of the workstreams, for which the call for applications have been published on the ECB website.

ANNEX 1. Participants to 4th MEETING OF THE DIGITAL EURO SCHEME RULEBOOK DEVELOPMENT GROUP (RDG) on 11 May 2023

Representatives from the European retail payments market

Consumers – AGE: Anne Sophie Parent (*remote*)
Consumers – BEUC: Anna Martin
Corporate Treasurers – VDT: Regina Deisemann (*remote*)
Merchants – Eurocommerce: Axel Schaefer
Merchants – Ecommerce Europe: Roberto Liscia (*remote*)
Credit Institutions – ESBG: Pedro Martinez
Credit Institutions – EBF: Rita Camporeale
Credit Institutions – EACB: Vincent Maissin
Payment Institutions – EPIF: Hartwig Gerhartinger
Payment Institutions – ETPPA: Ralf Ohlhausen
European Payments Council: Manfred Richels
Electronic Money Institutions: Thaer Sabri
Acquirers – EDPIA: Alessandro Agnoletti

Representatives from the European Commission as Observer

László Butt (*remote*)

Representatives from the Eurosystem

Banco de Espana: Justo Arenillas (*remote*)
Bank of Finland: Maria Huhtaniska-Montiel
Banque de France: Paul Desprairies
Banca d'Italia: Riccardo Cerruti (*remote*)
Banco de Portugal: Rui Pimentel (*remote*)
Deutsche Bundesbank: Alexander Merkel
Eesti Pank: Anu Keller (*remote*)
Oesterreichische Nationalbank: Eva Kiss (*remote*)
European Central Bank:
 Evelien Witlox (digital euro programme manager)
 Christian Schäfer (chair digital euro scheme rulebook development group)
 Maria Teresa Arraez Gonzalez (*remote*)
 Marcus Härtel

Giulia Di Rienzo
Sebastian Siepen
Thomas Janik (*remote*)
Marco de Jong
Paul Le Manh