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# Project Jasper and CBDC

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Conference on Central Bank Digital Currencies  
National Bank of the Ukraine

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THE VIEWS EXPRESSED IN THIS PRESENTATION ARE MY OWN AND  
NOT NECESSARILY THOSE OF THE BANK OF CANADA.



# Motivation for Jasper

- To realise the promised benefits of DLT, do we need central bank cash on ledger?
  - › Cost savings/efficiencies
  - › Improved Resilience

# Phase 1 and 2 Lessons: Wholesale Payments

- Unlikely to be net benefits using DLT over a centralised system for the *sole* purpose of interbank payments
- Benefits more likely to come from enabling efficiencies in the broader FIs and FMIs via simplified processes (e.g. back office reconciliation)
- LSM implementation is complex – inherently centralised functions in decentralised systems is tricky

## Phase 3: Securities Settlement

- To investigate securities settlement DvP using central bank cash on a DLT

## Phase 3 Key Lessons Learned

- DLT operational cost savings for participants still uncertain when only post-trade settlement is on ledger
- Small extensions or rebuilds of current systems using DLT is unlikely to show significant improvement
- May only be through a complete revisioning of the financial system that DLT can deliver significant costs savings and improved functionality

# Phase 4a: Cross-border Payments

- Partnership with Monetary Authority of Singapore and the Bank of England to examine cross-border payments: Jasper meets Ubin
  - › What are the pain points in current system?
    - › Lack of standardization
    - › Mismatch in operating hours
    - › Reliance on multiple intermediaries
    - › Regulation
    - › Legacy systems

## Phase 4b: Cross-border Payments - interoperability

- Partnership with Monetary Authority of Singapore to examine technical aspects of synchronized cross-border payments using DLT and HTLC
  - › Atomic payments across Quorum and Corda ledgers

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are arranged in a way that they appear to converge towards the top of the frame. The sky is a clear, bright blue with scattered white clouds. The overall composition is dynamic and emphasizes the height and modernity of the architecture.

# Retail Central Bank Digital Currency