

# Update on the work of the digital euro scheme's Rulebook Development Group

7 June 2023

The digital euro scheme's Rulebook Development Group (RDG) has made progress with drafting a rulebook based on the design choices endorsed by the Governing Council of the European Central Bank (ECB).<sup>1</sup> The ultimate goal of the Group's work is to define the roles and contributions of the different actors so that the desired digital euro functionalities and user experience can be coherently created by those different actors, while allowing for innovation and competition. The work of the RDG is subject to the final design decisions of the ECB's Governing Council and the pending legislative proposal from the European Commission.

This document summarises the progress made by the RDG and outlines the next steps, while providing additional background information on the Group's mandate.

## Update on progress

Since the [Group's first meeting](#) on 15 February 2023, six key building blocks have been identified in order to structure the sections of the digital euro rulebook: (i) a functional and operational model (end-to-end flows, core requirements for supervised intermediaries, minimum user experience standards, etc.); (ii) an adherence model (scheme eligibility criteria, obligations of participants, etc.); (iii) technical scheme requirements (IT infrastructure, application programming interface implementation, technical standards, etc.); (iv) risk management; (v) scheme management (scheme governance, change management processes, etc.); and (vi) scheme generics (defined terms, change history, scope of the digital euro scheme, etc.). The proposed blocks cover all sections of the digital euro rulebook and will be aligned with the design decisions approved by the ECB's Governing Council.

The digital euro rulebook will be developed in two separate phases. The first phase of that work, which started in January 2023, is due to conclude in the fourth quarter of this year. Subject to endorsement by the Eurosystem, the first draft is currently due to be sent out for public consultation in the first quarter of 2024.

The RDG's work started with an initial focus on the demand side of the market (consumer associations, merchant associations and treasurers), with a view to ensuring that the proposed digital euro use cases and user journeys are attractive to

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<sup>1</sup> As outlined in the three publicly available progress reports published in [September 2022](#), [December 2022](#) and [April 2023](#).

users (citizens, merchants and corporates). This key issue has now been addressed, as confirmed by the representatives of the demand side in the RDG.

In parallel, the RDG is pursuing further engagement with market participants via dedicated workstreams. So far, calls for expressions of interest have been sent out for the following workstreams: (i) the [scheme compatibility workstream](#), which is aimed at leveraging existing standards and scheme solutions to the maximum possible extent; (ii) the [identification and authentication workstream](#), which aims to propose identification and authentication requirements for a digital euro; and (iii) the [infrastructure-related requirements workstream](#), which aims to propose technical and non-functional requirements covering relationships between intermediaries and end users. The workstream on scheme compatibility has already completed its first cluster of tasks, and the other two workstreams will be launched in June.

## Next steps

Work on the technical scheme requirements for the rulebook has continued in the second quarter of 2023, with a focus on completing drafting on the functional model and making progress with the infrastructure-related requirements. Work on the adherence model (scheme eligibility criteria, obligations of participants, etc.) will start once the legislative framework for a digital euro has been presented by the European Commission, which is expected to happen by the end of June 2023.

Meanwhile, the authorisation and identification workstream and the infrastructure-related requirements workstream will start in due course.

Subject to the Governing Council deciding in autumn 2023 to proceed with the next stage of the digital euro project, the second phase of the rulebook work will focus on the preparation of a second draft. This updated draft is expected to cover all six building blocks of the rulebook in a more detailed manner, in line with the approved design choices and the legislative framework. The second draft will also be sent out for public consultation.

## Background information

The digital euro scheme's RDG, which was established in January 2023, has a [mandate](#) to develop a digital euro rulebook in line with the design decisions endorsed by the Governing Council of the ECB. The rulebook will consist of a set of rules, practices and standards that support the harmonised distribution of digital euro via supervised intermediaries across the euro area. The RDG, which is composed of [24 professionals](#) representing consumers, retailers and intermediaries, establishes dedicated workstreams focusing on specific sections of the rulebook that require particular expertise.

The RDG will provide periodic updates on its progress, which will be published on the ECB's website.