

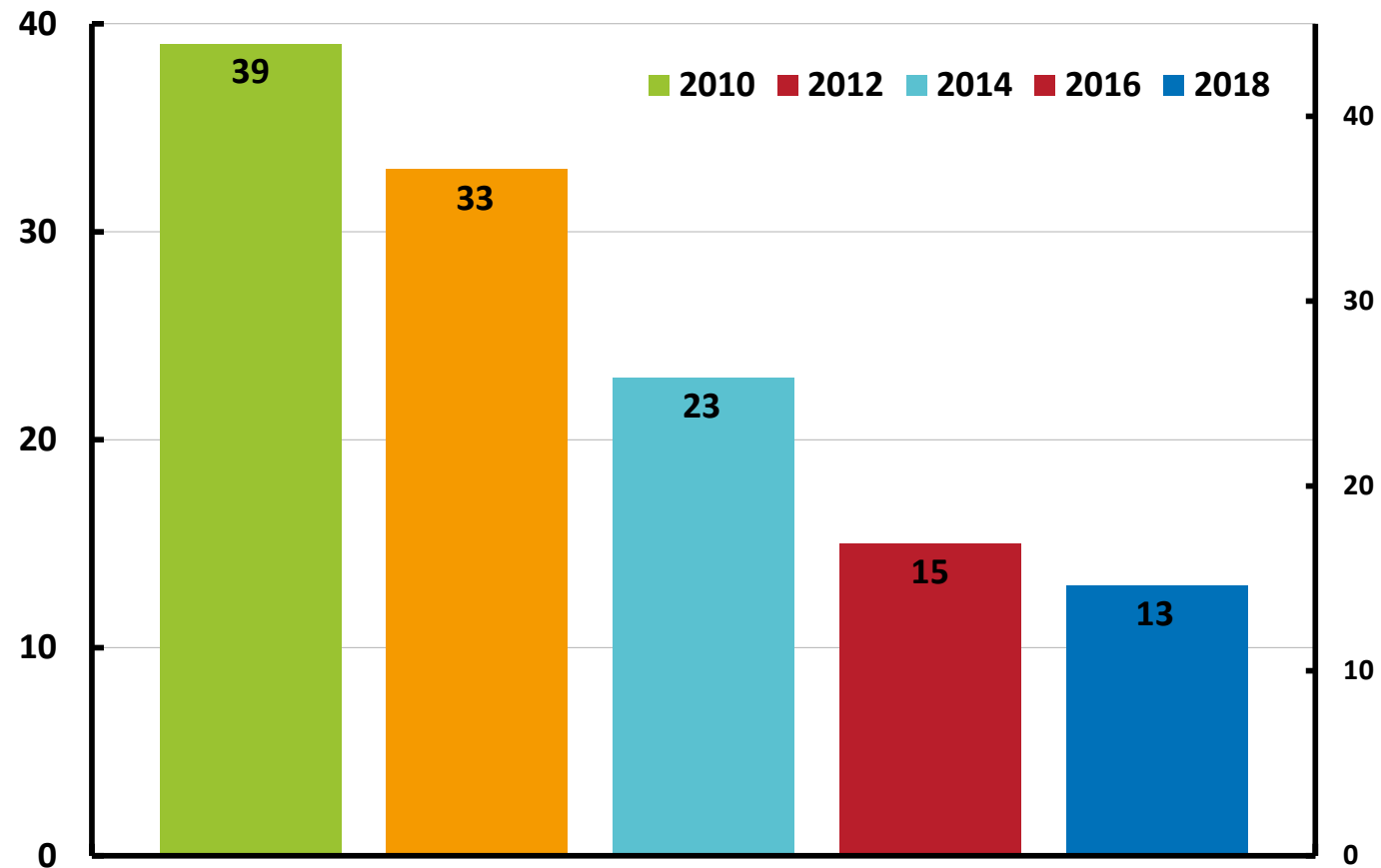
The e-krona and the payments of the future

Framtidens betalningar
Dagens industri,
6 November 2018

Stefan Ingves

Governor of Sveriges
Riksbank

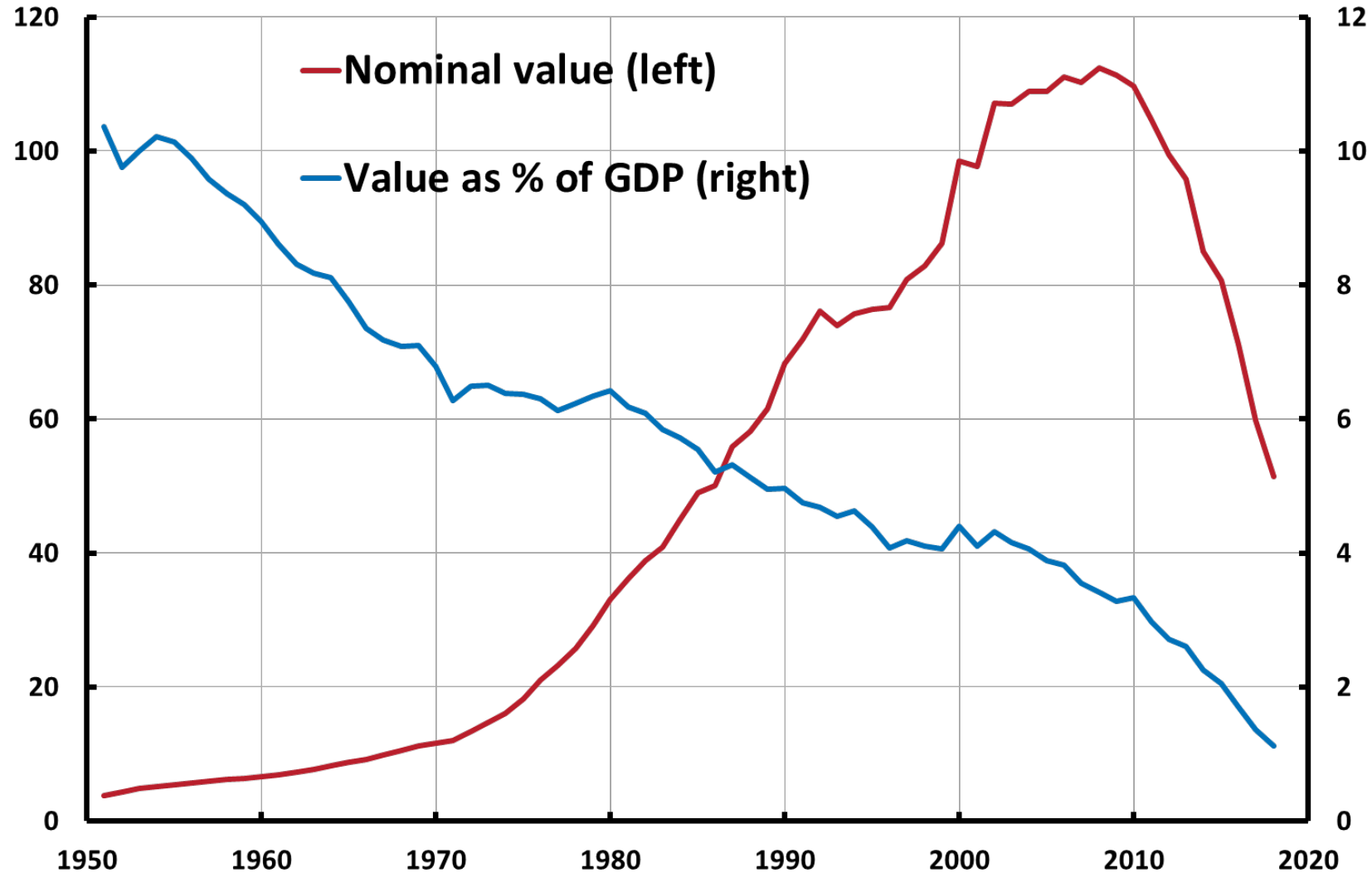
Fewer and fewer people are paying in cash



Note. Questionnaire responses. Percentage who paid for their most recent purchase in cash.

Source: The Riksbank

Demand for cash is declining



Note. SEK billion (annual average). Cash in circulation/GDP.

Source: Statistics Sweden and the Riksbank.

Several factors are pushing developments towards a cashless society



New technology and
innovation



New consumption patterns



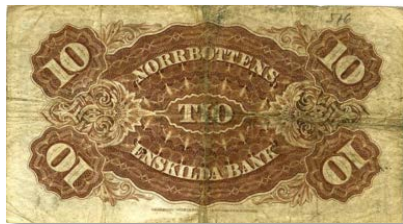
Demographics

Money has been adjusted to technology and needs throughout history

Government money



Private money



Government currency

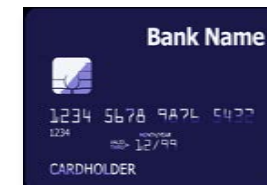


Private electronic money

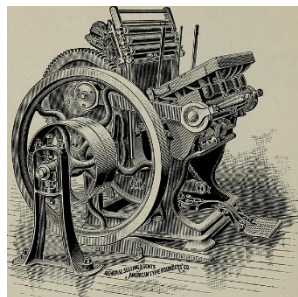


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Government electronic currency



Digitalisation affects everyone – central bank digital currencies are being analysed in many countries



What happens if the Riksbank does not react to the developments?

- Risk that fundamental trust in Swedish monetary system will decline
- Groups who cannot manage digital technology risk financial exclusion
- The robustness of the payment system will decline
- Developments governed only by private profit motives



The e-krona makes the payment system more stable and inclusive

- Continued state presence
- Increased resilience, preparedness and competition
- Payment services for vulnerable groups



Limited effects of an e-krona in normal times

- On the Riksbank's balance sheet
- ...implementation of monetary policy
- ...and financial stability



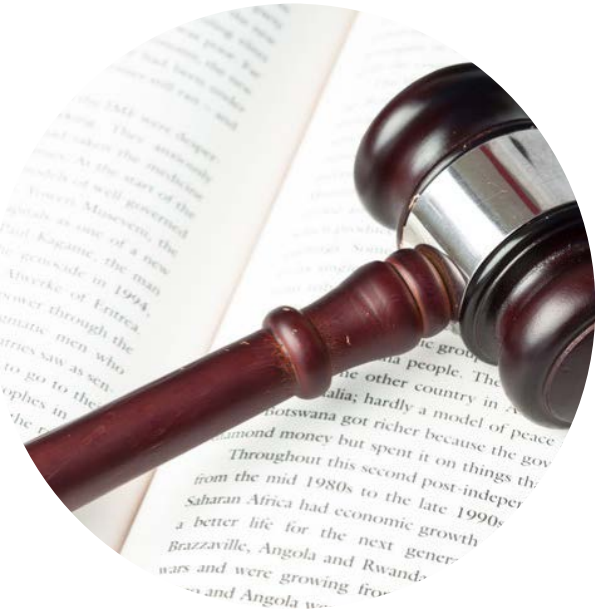
Next step in the work on the e-krona



E-krona pilot

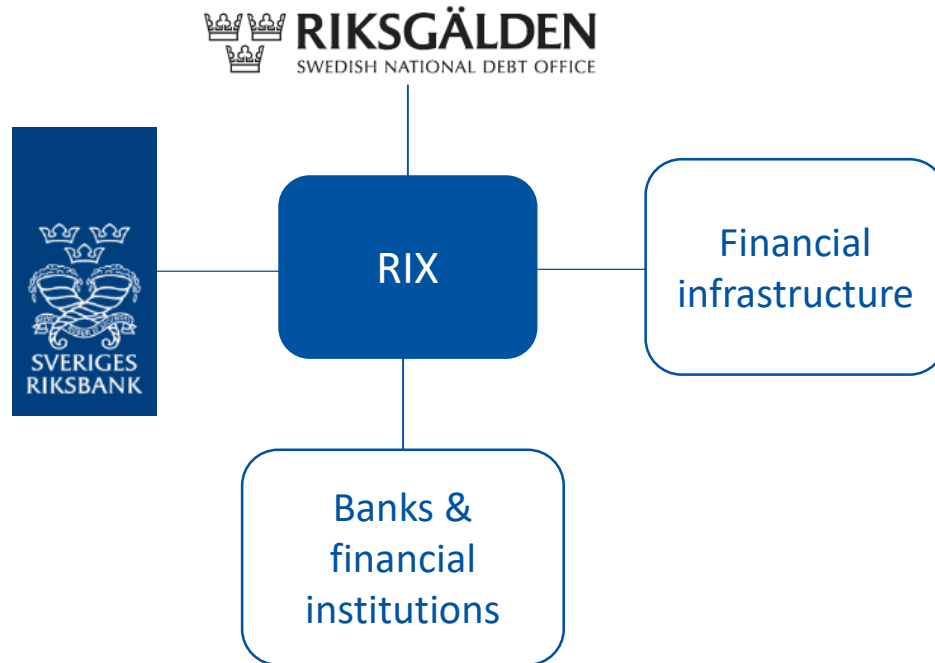


Continued analysis &
dialogue with authorities



Proposals for
legislative amendments

A changing payment market – with or without an e-krona



The Riksbank's payment services should develop with the modern economy



- Develop a pilot version of an e-krona
- Enable instant payments 24/7 in central bank money
- Develop a Swedish stance on the digitalisation of the payment market

Thank you!