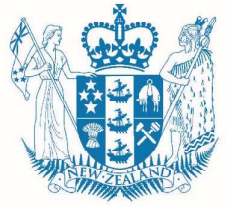


# Hon Nicola Willis

Minister of Finance  
Minister for the Public Service  
Minister for Social Investment  
Associate Minister of Climate Change



23 April 2024

S Hill  
[fyi-request-26248-0f4c253a@requests.fyi.org.nz](mailto:fyi-request-26248-0f4c253a@requests.fyi.org.nz)

Dear S Hill

Thank you for your request of 27 March 2024 made under the Official Information Act 1982 (OIA), as follows:

*Under the OIA I am requesting responses for the following as Minister of Finance in regards to CBDCs (Central Bank Digital Currencies)*

- 1. Are you aware of any work being undertaken by the Reserve Bank into CBDC's? (i.e. investigation, research, implementation)*
- 2. Are you supportive of the use of CBDCs?*
- 3. What is the government's position on the use of CBDCs?*

## Response

I will respond to each of your questions in turn.

- 1. Are you aware of any work being undertaken by the Reserve Bank into CBDC's? (i.e. investigation, research, implementation)*

I am aware that the Reserve Bank of New Zealand – Te Pūtea Matua (the RBNZ) is exploring digital cash, a form of central bank digital currency, as part of its wider Future of Money work programme. The Future of Money work programme also includes efforts on cash system redesign and private innovation. You can find out more about the work programme here: <https://www.rbnz.govt.nz/money-and-cash/future-of-money>.

The RBNZ provides me with regular briefings on its Future of Money work, including digital cash, carried out under its statutorily independent role. Most recently, I was informed of the upcoming public consultation on digital cash (see below).

I understand that the RBNZ is taking a multi-stage approach to its work on the costs, benefits, and risks of digital cash, as well as design and implementation issues, although no decision has been made on its introduction. I note that the Finance and Expenditure Committee recommended last year that the RBNZ should continue with design work on its central bank digital currency. This report is available on the Parliament website at: <https://selectcommittees.parliament.nz/Inquiry-into-the-current-and-future-nature-impact-and-risks-of-cryptocurrencies>

2. *Are you supportive of the use of CBDCs?*
3. *What is the government's position on the use of CBDCs*

The government has not formed a position on the introduction of digital cash/CBDC. Any such decision will need to be informed, among other things, by the RBNZ's exploration and design work underway, as outlined above. Given the complexity of the work, such a decision is likely to be years away.

Public engagement forms a key part of the RBNZ's work. You may be interested in the RBNZ's current consultation on digital cash. This consultation will update the public on the RBNZ's progress to date and current vision for a CBDC, as well as future processes, decision points, and engagement opportunities. It will also seek public feedback on strategic direction and high-level policy and design considerations. The consultation is open for public submissions until the end of July 2024 and is accessible at [www.rbnz.govt.nz/digitalcash](http://www.rbnz.govt.nz/digitalcash).

Additionally, the RBNZ sought public feedback on an issues paper on high level policy consideration regarding a central bank digital currency in 2021. The paper, summary of submissions, and the RBNZ's response to the submissions can also be found at <https://www.rbnz.govt.nz/money-and-cash/future-of-money>.

You have the right to seek an investigation and review of this response by the Ombudsman, in accordance with section 28(3) of the OIA. The relevant details can be found on the Ombudsman's website at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz).

Yours sincerely



Hon Nicola Willis  
**Minister of Finance**