

GFT > GET STARTED 

# Central bank digital currencies



## Is your institution ready for a central bank digital currency?

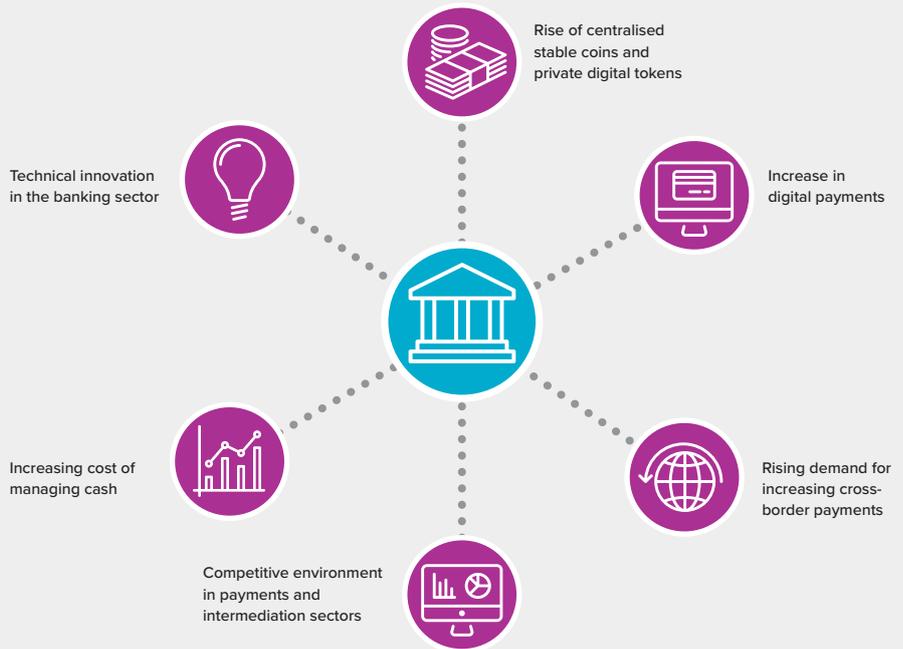


Cryptocurrencies and the underlying distributed ledger technologies offer great potential to outperform conventional banking products.

Time is of the essence for financial institutions as the market is being disrupted by very focused cryptocurrency-oriented competitors. Financial institutions that embrace early adoption of CBDCs will enjoy a **considerable first mover advantage** over challengers and win expansive margins. Adopting CBDCs will allow them to **introduce premium services** such as **immediate and cross-border settlements** to their clients.

They need to weigh up the business benefits of early adoption versus the investment requirements in order to be amongst the first wave of financial institutions bringing a CBDC to market.

## What are the key drivers of central bank digital currencies (CBDCs)?



## Our approach



GFT has created a 5-phase approach in order to assess the CBDC readiness of financial institutions and help jump-start adoption. It includes all the required distributed ledger technology (DLT) knowledge and support, and covers the end-to-end use case for wholesale and retail CBDC. Depending on the application, a centralised or decentralised ledger can be used for CBDC to enable digitally transferable assets.



## Size of engagement



### SMALL (Primary analysis) 2 – 3 weeks

- Analyse bank readiness for CBDC integration
- Creation of a high-level architecture design for CBDC integration
- Formulation of a primary plan for CBDC adoption

Through interactive workshops.

### MEDIUM (Initial assessment) 1 – 2 months

- All activities in the primary analysis
- Analyse specific system integration requirements for CBDC migration
- Establish impact of programmable money
- Establish changes to current processes
- Creation of a CBDC target operating model

Through interactive workshops and various sessions with system owners and other stakeholders.

### LARGE (CBDC integration) 12 – 18 months

- All activities in the initial assessment and primary analysis
- Pre-build analysis and kick-off workshops
- Creation of backend infrastructure to support integration of new accounts
- Design of onboarding systems to allow for new KYC framework/modules
- Build of new infrastructure (cloud, on-prem) to host the solutions
- Integration with pre-existing payment rails
- Automated testing framework
- Ongoing compliance and regulatory analysis
- Creation of mobile wallets (optional)
- Post integration support

Through workshops and development in UAT and then pushed to a production system environment once all stakeholders have approved the complete adoption.

## The benefits



- Instant market share in the digital payments industry
- Cost reductions related to the management of cash reserves and ATM maintenance
- Attractive to digital native customers
- Facilitates the automation of audits, middle-office and back-office operations through more efficient settlement processes
- Introduction of new premium services related to corporate customers and end-clients via programmable money.

## GFT value proposition



- Create a tailored solution that fits your business needs and specific system integration requirements
- An easy way to kick-start your CBDC discussion and adopt innovative technology in your institution
- Short time-to-market capitalising on GFT blockchain and technological expertise, with clear up-front investments
- Tier-one bank level security and compliance standards are utilised

by GFT for traditional and DLT development

- Minimal DLT knowledge required by you for offering either account-based or value and token-based CBDC in wholesale and retail
- Regulatory requirements are taken into account, leveraging GFT expertise and experience in blockchain projects for financial institutions around the world.

## Expertise



GFT recognised as experts in DLT and crypto

# Gartner

Gartner Market Guide for Blockchain Services 2018 and 2019

  
From *insight* to *action*.

Major Contenders (Star Performers) in Everest Blockchain Services PEAK Matrix Assessment (2019)

**“We are pleased to have GFT involved as they bring expertise, tenacity and tooling to this emerging technology. The use of GFT enables us to maximise the chances of gaining the best results”**

Richard Crook, Head of Innovation Engineering, RBS



## Our technology partners



consensys

c.rda



Digital Asset

## DLT success stories



Trusted by the world's leading financial institutions:  
Deutsche Bank | Deutsche Börse Group  
HSBC | Asian exchange | Standard Chartered

## GFT capability in DLT and crypto



### Experience

Over five years working on DLT implementations with over 20 client projects completed.

### Domain expertise

Broad knowledge of all DLT platforms and associated products/tools.

### Innovation

Large-scale projects in the crypto space (regulated and institutional crypto).

### Judgement

Extensive knowledge of the banking sector and integration with legacy systems.

### Agility

Technical and commercial flexibility.

### Dedicated DLT resources

- In-house DLT implementation experts
- 100+ DLT technical delivery resources
- Proven DLT implementation experience.



## Contact details



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## About GFT



GFT Technologies SE is a global technology partner focused on digital transformation in the financial sector. Founded in 1987, we have over 6,000 specialists in 15 countries.

> [gft.com](https://www.gft.com)