

ECONOMICS OF PAYMENTS X CONFERENCE

Opening of the conference

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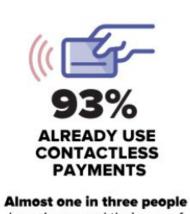


COVID-19 has accelerated change in use of payment methods in Finland





however still use cash in specific circumstances.



have increased their use of contactless payments during the pandemic.



card payments.

28% HAVE INCREASED THEIR ONLINE SHOPPING $\theta_{i}^{*} = \arg m_{0}$



Multi-channel retailing is here to stay.

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Source: Bank of Finland



Cornerstones for electronic payments

Open and efficient infrastructure

Serve the needs of users

Safe and reliable for all

Data usability

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 $\theta = \arg m_{\theta}$



The ECB's new monetary policy strategy

- The old inflation target of "below but close to 2%" was often interpreted as a ceiling, an upper limit.
 - This reduced the scope for appropriate economic stimulus particularly during periods of zero lower bound when more persistent stimulus measures are necessary.
- The ECB's new target is symmetric 2% inflation over the medium term.
- Negative and positive deviations from this target are considered as equally undesirable.
 - The new strategy allows transitory periods in which inflation is above the 2% target.
- The new target also improves the possibilities to pursue sustainable growth and full employment, without prejudice to the price stability objective.





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Digital Euro

 Digital euro would be a central bank liability made available in digital form for use in retail payments

Complementing cash and wholesale central bank deposits Synergies with industry

Project launch Investigation phase Decision: launch Realisation phase Decision: issuance, live preparations...

 $\theta = \arg m$

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*See ECB's Digital Euro Hub, Report on Digital Euro