

BRIEFING ROOM

Executive Order on Ensuring Responsible Development of Digital Assets

MARCH 09, 2022 • PRESIDENTIAL ACTIONS

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Policy. Advances in digital and distributed ledger technology for financial services have led to dramatic growth in markets for digital assets, with profound implications for the protection of consumers, investors, and businesses, including data privacy and security; financial stability and systemic risk; crime; national security; the ability to exercise human rights; financial inclusion and equity; and energy demand and climate change. In November 2021, non-state issued digital assets reached a combined market capitalization of \$3 trillion, up from approximately \$14 billion in early November 2016. Monetary authorities globally are also exploring, and in some cases introducing, central bank digital currencies (CBDCs).

While many activities involving digital assets are within the scope of existing domestic laws and regulations, an area where the United States has been a global leader, growing development and adoption of digital assets and related innovations, as well as inconsistent controls to defend against certain key risks, necessitate an evolution and alignment of the United States Government approach to digital assets. The United States has an interest in

responsible financial innovation, expanding access to safe and affordable financial services, and reducing the cost of domestic and cross-border funds transfers and payments, including through the continued modernization of public payment systems. We must take strong steps to reduce the risks that digital assets could pose to consumers, investors, and business protections; financial stability and financial system integrity; combating and preventing crime and illicit finance; national security; the ability to exercise human rights; financial inclusion and equity; and climate change and pollution.

Sec. 2. Objectives. The principal policy objectives of the United States with respect to digital assets are as follows:

(a) We must protect consumers, investors, and businesses in the United States. The unique and varied features of digital assets can pose significant financial risks to consumers, investors, and businesses if appropriate protections are not in place. In the absence of sufficient oversight and standards, firms providing digital asset services may provide inadequate protections for sensitive financial data, custodial and other arrangements relating to customer assets and funds, or disclosures of risks associated with investment. Cybersecurity and market failures at major digital asset exchanges and trading platforms have resulted in billions of dollars in losses. The United States should ensure that safeguards are in place and promote the responsible development of digital assets to protect consumers, investors, and businesses; maintain privacy; and shield against arbitrary or unlawful surveillance, which can contribute to human rights abuses.

(b) We must protect United States and global financial stability and mitigate systemic risk. Some digital asset trading platforms and service providers have grown rapidly in size and complexity and may not be subject to or in compliance with appropriate regulations or supervision. Digital asset issuers, exchanges and trading platforms, and intermediaries whose

activities may increase risks to financial stability, should, as appropriate, be subject to and in compliance with regulatory and supervisory standards that govern traditional market infrastructures and financial firms, in line with the general principle of “same business, same risks, same rules.” The new and unique uses and functions that digital assets can facilitate may create additional economic and financial risks requiring an evolution to a regulatory approach that adequately addresses those risks.

(c) We must mitigate the illicit finance and national security risks posed by misuse of digital assets. Digital assets may pose significant illicit finance risks, including money laundering, cybercrime and ransomware, narcotics and human trafficking, and terrorism and proliferation financing. Digital assets may also be used as a tool to circumvent United States and foreign financial sanctions regimes and other tools and authorities. Further, while the United States has been a leader in setting international standards for the regulation and supervision of digital assets for anti-money laundering and countering the financing of terrorism (AML/CFT), poor or nonexistent implementation of those standards in some jurisdictions abroad can present significant illicit financing risks for the United States and global financial systems. Illicit actors, including the perpetrators of ransomware incidents and other cybercrime, often launder and cash out of their illicit proceeds using digital asset service providers in jurisdictions that have not yet effectively implemented the international standards set by the inter-governmental Financial Action Task Force (FATF). The continued availability of service providers in jurisdictions where international AML/CFT standards are not effectively implemented enables financial activity without illicit finance controls. Growth in decentralized financial ecosystems, peer-to-peer payment activity, and obscured blockchain ledgers without controls to mitigate illicit finance could also present additional market and national security risks in the future. The United States must

ensure appropriate controls and accountability for current and future digital assets systems to promote high standards for transparency, privacy, and security – including through regulatory, governance, and technological measures – that counter illicit activities and preserve or enhance the efficacy of our national security tools. When digital assets are abused or used in illicit ways, or undermine national security, it is in the national interest to take actions to mitigate these illicit finance and national security risks through regulation, oversight, law enforcement action, or use of other United States Government authorities.

(d) We must reinforce United States leadership in the global financial system and in technological and economic competitiveness, including through the responsible development of payment innovations and digital assets. The United States has an interest in ensuring that it remains at the forefront of responsible development and design of digital assets and the technology that underpins new forms of payments and capital flows in the international financial system, particularly in setting standards that promote: democratic values; the rule of law; privacy; the protection of consumers, investors, and businesses; and interoperability with digital platforms, legacy architecture, and international payment systems. The United States derives significant economic and national security benefits from the central role that the United States dollar and United States financial institutions and markets play in the global financial system. Continued United States leadership in the global financial system will sustain United States financial power and promote United States economic interests.

(e) We must promote access to safe and affordable financial services. Many Americans are underbanked and the costs of cross-border money transfers and payments are high. The United States has a strong interest in promoting responsible innovation that expands equitable access to financial services, particularly for those Americans underserved by the traditional

banking system, including by making investments and domestic and cross-border funds transfers and payments cheaper, faster, and safer, and by promoting greater and more cost-efficient access to financial products and services. The United States also has an interest in ensuring that the benefits of financial innovation are enjoyed equitably by all Americans and that any disparate impacts of financial innovation are mitigated.

(f) We must support technological advances that promote responsible development and use of digital assets. The technological architecture of different digital assets has substantial implications for privacy, national security, the operational security and resilience of financial systems, climate change, the ability to exercise human rights, and other national goals. The United States has an interest in ensuring that digital asset technologies and the digital payments ecosystem are developed, designed, and implemented in a responsible manner that includes privacy and security in their architecture, integrates features and controls that defend against illicit exploitation, and reduces negative climate impacts and environmental pollution, as may result from some cryptocurrency mining.

Sec. 3. Coordination. The Assistant to the President for National Security Affairs (APNSA) and the Assistant to the President for Economic Policy (APEP) shall coordinate, through the interagency process described in National Security Memorandum 2 of February 4, 2021 (Renewing the National Security Council System), the executive branch actions necessary to implement this order. The interagency process shall include, as appropriate: the Secretary of State, the Secretary of the Treasury, the Secretary of Defense, the Attorney General, the Secretary of Commerce, the Secretary of Labor, the Secretary of Energy, the Secretary of Homeland Security, the Administrator of the Environmental Protection Agency, the Director of the Office of Management and Budget, the Director of National Intelligence, the

Director of the Domestic Policy Council, the Chair of the Council of Economic Advisers, the Director of the Office of Science and Technology Policy, the Administrator of the Office of Information and Regulatory Affairs, the Director of the National Science Foundation, and the Administrator of the United States Agency for International Development. Representatives of other executive departments and agencies (agencies) and other senior officials may be invited to attend interagency meetings as appropriate, including, with due respect for their regulatory independence, representatives of the Board of Governors of the Federal Reserve System, the Consumer Financial Protection Bureau (CFPB), the Federal Trade Commission (FTC), the Securities and Exchange Commission (SEC), the Commodity Futures Trading Commission (CFTC), the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and other Federal regulatory agencies.

Sec. 4. Policy and Actions Related to United States Central Bank Digital Currencies. (a) The policy of my Administration on a United States CBDC is as follows:

(i) Sovereign money is at the core of a well-functioning financial system, macroeconomic stabilization policies, and economic growth. My Administration places the highest urgency on research and development efforts into the potential design and deployment options of a United States CBDC. These efforts should include assessments of possible benefits and risks for consumers, investors, and businesses; financial stability and systemic risk; payment systems; national security; the ability to exercise human rights; financial inclusion and equity; and the actions required to launch a United States CBDC if doing so is deemed to be in the national interest.

(ii) My Administration sees merit in showcasing United States

leadership and participation in international fora related to CBDCs and in multi-country conversations and pilot projects involving CBDCs. Any future dollar payment system should be designed in a way that is consistent with United States priorities (as outlined in section 4(a)(i) of this order) and democratic values, including privacy protections, and that ensures the global financial system has appropriate transparency, connectivity, and platform and architecture interoperability or transferability, as appropriate.

(iii) A United States CBDC may have the potential to support efficient and low-cost transactions, particularly for cross-border funds transfers and payments, and to foster greater access to the financial system, with fewer of the risks posed by private sector-administered digital assets. A United States CBDC that is interoperable with CBDCs issued by other monetary authorities could facilitate faster and lower-cost cross-border payments and potentially boost economic growth, support the continued centrality of the United States within the international financial system, and help to protect the unique role that the dollar plays in global finance. There are also, however, potential risks and downsides to consider. We should prioritize timely assessments of potential benefits and risks under various designs to ensure that the United States remains a leader in the international financial system.

(b) Within 180 days of the date of this order, the Secretary of the Treasury, in consultation with the Secretary of State, the Attorney General, the Secretary of Commerce, the Secretary of Homeland Security, the Director of the Office of Management and Budget, the Director of National Intelligence, and the heads of other relevant agencies, shall submit to the President a report on the future of money and payment systems, including the conditions that drive broad adoption of digital assets; the extent to which technological innovation may influence these outcomes; and the implications for the United States financial system, the modernization of and changes to

payment systems, economic growth, financial inclusion, and national security. This report shall be coordinated through the interagency process described in section 3 of this order. Based on the potential United States CBDC design options, this report shall include an analysis of:

(i) the potential implications of a United States CBDC, based on the possible design choices, for national interests, including implications for economic growth and stability;

(ii) the potential implications a United States CBDC might have on financial inclusion;

(iii) the potential relationship between a CBDC and private sector-administered digital assets;

(iv) the future of sovereign and privately produced money globally and implications for our financial system and democracy;

(v) the extent to which foreign CBDCs could displace existing currencies and alter the payment system in ways that could undermine United States financial centrality;

(vi) the potential implications for national security and financial crime, including an analysis of illicit financing risks, sanctions risks, other law enforcement and national security interests, and implications for human rights; and

(vii) an assessment of the effects that the growth of foreign CBDCs may have on United States interests generally.

(c) The Chairman of the Board of Governors of the Federal Reserve System (Chairman of the Federal Reserve) is encouraged to continue to research and report on the extent to which CBDCs could improve the efficiency and reduce the costs of existing and future payments systems, to continue to assess the optimal form of a United States CBDC, and to develop a strategic plan for Federal Reserve and broader United States Government action, as appropriate, that evaluates the necessary steps and requirements

for the potential implementation and launch of a United States CBDC. The Chairman of the Federal Reserve is also encouraged to evaluate the extent to which a United States CBDC, based on the potential design options, could enhance or impede the ability of monetary policy to function effectively as a critical macroeconomic stabilization tool.

(d) The Attorney General, in consultation with the Secretary of the Treasury and the Chairman of the Federal Reserve, shall:

(i) within 180 days of the date of this order, provide to the President through the APNSA and APEP an assessment of whether legislative changes would be necessary to issue a United States CBDC, should it be deemed appropriate and in the national interest; and

(ii) within 210 days of the date of this order, provide to the President through the APNSA and the APEP a corresponding legislative proposal, based on consideration of the report submitted by the Secretary of the Treasury under section 4(b) of this order and any materials developed by the Chairman of the Federal Reserve consistent with section 4(c) of this order.

Sec. 5. Measures to Protect Consumers, Investors, and Businesses. (a) The increased use of digital assets and digital asset exchanges and trading platforms may increase the risks of crimes such as fraud and theft, other statutory and regulatory violations, privacy and data breaches, unfair and abusive acts or practices, and other cyber incidents faced by consumers, investors, and businesses. The rise in use of digital assets, and differences across communities, may also present disparate financial risk to less informed market participants or exacerbate inequities. It is critical to ensure that digital assets do not pose undue risks to consumers, investors, or businesses, and to put in place protections as a part of efforts to expand access to safe and affordable financial services.

(b) Consistent with the goals stated in section 5(a) of this order:

(i) Within 180 days of the date of this order, the Secretary of the Treasury, in consultation with the Secretary of Labor and the heads of other relevant agencies, including, as appropriate, the heads of independent regulatory agencies such as the FTC, the SEC, the CFTC, Federal banking agencies, and the CFPB, shall submit to the President a report, or section of the report required by section 4 of this order, on the implications of developments and adoption of digital assets and changes in financial market and payment system infrastructures for United States consumers, investors, businesses, and for equitable economic growth. One section of the report shall address the conditions that would drive mass adoption of different types of digital assets and the risks and opportunities such growth might present to United States consumers, investors, and businesses, including a focus on how technological innovation may impact these efforts and with an eye toward those most vulnerable to disparate impacts. The report shall also include policy recommendations, including potential regulatory and legislative actions, as appropriate, to protect United States consumers, investors, and businesses, and support expanding access to safe and affordable financial services. The report shall be coordinated through the interagency process described in section 3 of this order.

(ii) Within 180 days of the date of this order, the Director of the Office of Science and Technology Policy and the Chief Technology Officer of the United States, in consultation with the Secretary of the Treasury, the Chairman of the Federal Reserve, and the heads of other relevant agencies, shall submit to the President a technical evaluation of the technological infrastructure, capacity, and expertise that would be necessary at relevant agencies to facilitate and support the introduction of a CBDC system should one be proposed. The evaluation should specifically address the technical risks of the various designs, including with respect to emerging and future

technological developments, such as quantum computing. The evaluation should also include any reflections or recommendations on how the inclusion of digital assets in Federal processes may affect the work of the United States Government and the provision of Government services, including risks and benefits to cybersecurity, customer experience, and social-safety-net programs. The evaluation shall be coordinated through the interagency process described in section 3 of this order.

(iii) Within 180 days of the date of this order, the Attorney General, in consultation with the Secretary of the Treasury and the Secretary of Homeland Security, shall submit to the President a report on the role of law enforcement agencies in detecting, investigating, and prosecuting criminal activity related to digital assets. The report shall include any recommendations on regulatory or legislative actions, as appropriate.

(iv) The Attorney General, the Chair of the FTC, and the Director of the CFPB are each encouraged to consider what, if any, effects the growth of digital assets could have on competition policy.

(v) The Chair of the FTC and the Director of the CFPB are each encouraged to consider the extent to which privacy or consumer protection measures within their respective jurisdictions may be used to protect users of digital assets and whether additional measures may be needed.

(vi) The Chair of the SEC, the Chairman of the CFTC, the Chairman of the Federal Reserve, the Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation, and the Comptroller of the Currency are each encouraged to consider the extent to which investor and market protection measures within their respective jurisdictions may be used to address the risks of digital assets and whether additional measures may be needed.

(vii) Within 180 days of the date of this order, the Director of

the Office of Science and Technology Policy, in consultation with the Secretary of the Treasury, the Secretary of Energy, the Administrator of the Environmental Protection Agency, the Chair of the Council of Economic Advisers, the Assistant to the President and National Climate Advisor, and the heads of other relevant agencies, shall submit a report to the President on the connections between distributed ledger technology and short-, medium-, and long-term economic and energy transitions; the potential for these technologies to impede or advance efforts to tackle climate change at home and abroad; and the impacts these technologies have on the environment. This report shall be coordinated through the interagency process described in section 3 of this order. The report should also address the effect of cryptocurrencies' consensus mechanisms on energy usage, including research into potential mitigating measures and alternative mechanisms of consensus and the design tradeoffs those may entail. The report should specifically address:

(A) potential uses of blockchain that could support monitoring or mitigating technologies to climate impacts, such as exchanging of liabilities for greenhouse gas emissions, water, and other natural or environmental assets; and

(B) implications for energy policy, including as it relates to grid management and reliability, energy efficiency incentives and standards, and sources of energy supply.

(viii) Within 1 year of submission of the report described in section 5(b)(vii) of this order, the Director of the Office of Science and Technology Policy, in consultation with the Secretary of the Treasury, the Secretary of Energy, the Administrator of the Environmental Protection Agency, the Chair of the Council of Economic Advisers, and the heads of other relevant agencies, shall update the report described in section 5(b)(vii) of this order, including to address any knowledge gaps identified in such

report.

Sec. 6. Actions to Promote Financial Stability, Mitigate Systemic Risk, and Strengthen Market Integrity. (a) Financial regulators — including the SEC, the CFTC, and the CFPB and Federal banking agencies — play critical roles in establishing and overseeing protections across the financial system that safeguard its integrity and promote its stability. Since 2017, the Secretary of the Treasury has convened the Financial Stability Oversight Council (FSOC) to assess the financial stability risks and regulatory gaps posed by the ongoing adoption of digital assets. The United States must assess and take steps to address risks that digital assets pose to financial stability and financial market integrity.

(b) Within 210 days of the date of this order, the Secretary of the Treasury should convene the FSOC and produce a report outlining the specific financial stability risks and regulatory gaps posed by various types of digital assets and providing recommendations to address such risks. As the Secretary of the Treasury and the FSOC deem appropriate, the report should consider the particular features of various types of digital assets and include recommendations that address the identified financial stability risks posed by these digital assets, including any proposals for additional or adjusted regulation and supervision as well as for new legislation. The report should take account of the prior analyses and assessments of the FSOC, agencies, and the President's Working Group on Financial Markets, including the ongoing work of the Federal banking agencies, as appropriate.

Sec. 7. Actions to Limit Illicit Finance and Associated National Security Risks. (a) Digital assets have facilitated sophisticated cybercrime-related financial networks and activity, including through ransomware activity. The growing use of digital assets in financial activity heightens risks of crimes

such as money laundering, terrorist and proliferation financing, fraud and theft schemes, and corruption. These illicit activities highlight the need for ongoing scrutiny of the use of digital assets, the extent to which technological innovation may impact such activities, and exploration of opportunities to mitigate these risks through regulation, supervision, public-private engagement, oversight, and law enforcement.

(b) Within 90 days of submission to the Congress of the National Strategy for Combating Terrorist and Other Illicit Financing, the Secretary of the Treasury, the Secretary of State, the Attorney General, the Secretary of Commerce, the Secretary of Homeland Security, the Director of the Office of Management and Budget, the Director of National Intelligence, and the heads of other relevant agencies may each submit to the President supplemental annexes, which may be classified or unclassified, to the Strategy offering additional views on illicit finance risks posed by digital assets, including cryptocurrencies, stablecoins, CBDCs, and trends in the use of digital assets by illicit actors.

(c) Within 120 days of submission to the Congress of the National Strategy for Combating Terrorist and Other Illicit Financing, the Secretary of the Treasury, in consultation with the Secretary of State, the Attorney General, the Secretary of Commerce, the Secretary of Homeland Security, the Director of the Office of Management and Budget, the Director of National Intelligence, and the heads of other relevant agencies shall develop a coordinated action plan based on the Strategy's conclusions for mitigating the digital-asset-related illicit finance and national security risks addressed in the updated strategy. This action plan shall be coordinated through the interagency process described in section 3 of this order. The action plan shall address the role of law enforcement and measures to increase financial services providers' compliance with AML/CFT obligations related to digital asset activities.

(d) Within 120 days following completion of all of the following reports – the National Money Laundering Risk Assessment; the National Terrorist Financing Risk Assessment; the National Proliferation Financing Risk Assessment; and the updated National Strategy for Combating Terrorist and Other Illicit Financing – the Secretary of the Treasury shall notify the relevant agencies through the interagency process described in section 3 of this order on any pending, proposed, or prospective rulemakings to address digital asset illicit finance risks. The Secretary of the Treasury shall consult with and consider the perspectives of relevant agencies in evaluating opportunities to mitigate such risks through regulation.

Sec. 8. Policy and Actions Related to Fostering International Cooperation and United States Competitiveness. (a) The policy of my Administration on fostering international cooperation and United States competitiveness with respect to digital assets and financial innovation is as follows:

(i) Technology-driven financial innovation is frequently cross-border and therefore requires international cooperation among public authorities. This cooperation is critical to maintaining high regulatory standards and a level playing field. Uneven regulation, supervision, and compliance across jurisdictions creates opportunities for arbitrage and raises risks to financial stability and the protection of consumers, investors, businesses, and markets. Inadequate AML/CFT regulation, supervision, and enforcement by other countries challenges the ability of the United States to investigate illicit digital asset transaction flows that frequently jump overseas, as is often the case in ransomware payments and other cybercrime-related money laundering. There must also be cooperation to reduce inefficiencies in international funds transfer and payment systems.

(ii) The United States Government has been active in international fora and through bilateral partnerships on many of these issues

and has a robust agenda to continue this work in the coming years. While the United States held the position of President of the FATF, the United States led the group in developing and adopting the first international standards on digital assets. The United States must continue to work with international partners on standards for the development and appropriate interoperability of digital payment architectures and CBDCs to reduce payment inefficiencies and ensure that any new funds transfer and payment systems are consistent with United States values and legal requirements.

(iii) While the United States held the position of President of the 2020 G7, the United States established the G7 Digital Payments Experts Group to discuss CBDCs, stablecoins, and other digital payment issues. The G7 report outlining a set of policy principles for CBDCs is an important contribution to establishing guidelines for jurisdictions for the exploration and potential development of CBDCs. While a CBDC would be issued by a country's central bank, the supporting infrastructure could involve both public and private participants. The G7 report highlighted that any CBDC should be grounded in the G7's long-standing public commitments to transparency, the rule of law, and sound economic governance, as well as the promotion of competition and innovation.

(iv) The United States continues to support the G20 roadmap for addressing challenges and frictions with cross-border funds transfers and payments for which work is underway, including work on improvements to existing systems for cross-border funds transfers and payments, the international dimensions of CBDC designs, and the potential of well-regulated stablecoin arrangements. The international Financial Stability Board (FSB), together with standard-setting bodies, is leading work on issues related to stablecoins, cross-border funds transfers and payments, and other international dimensions of digital assets and payments, while FATF continues its leadership in setting AML/CFT standards for digital assets.

Such international work should continue to address the full spectrum of issues and challenges raised by digital assets, including financial stability, consumer, investor, and business risks, and money laundering, terrorist financing, proliferation financing, sanctions evasion, and other illicit activities.

(v) My Administration will elevate the importance of these topics and expand engagement with our critical international partners, including through fora such as the G7, G20, FATF, and FSB. My Administration will support the ongoing international work and, where appropriate, push for additional work to drive development and implementation of holistic standards, cooperation and coordination, and information sharing. With respect to digital assets, my Administration will seek to ensure that our core democratic values are respected; consumers, investors, and businesses are protected; appropriate global financial system connectivity and platform and architecture interoperability are preserved; and the safety and soundness of the global financial system and international monetary system are maintained.

(b) In furtherance of the policy stated in section 8(a) of this order:

(i) Within 120 days of the date of this order, the Secretary of the Treasury, in consultation with the Secretary of State, the Secretary of Commerce, the Administrator of the United States Agency for International Development, and the heads of other relevant agencies, shall establish a framework for interagency international engagement with foreign counterparts and in international fora to, as appropriate, adapt, update, and enhance adoption of global principles and standards for how digital assets are used and transacted, and to promote development of digital asset and CBDC technologies consistent with our values and legal requirements. This framework shall be coordinated through the interagency process described in section 3 of this order. This framework shall include specific and

prioritized lines of effort and coordinated messaging; interagency engagement and activities with foreign partners, such as foreign assistance and capacity-building efforts and coordination of global compliance; and whole-of-government efforts to promote international principles, standards, and best practices. This framework should reflect ongoing leadership by the Secretary of the Treasury and financial regulators in relevant international financial standards bodies, and should elevate United States engagement on digital assets issues in technical standards bodies and other international fora to promote development of digital asset and CBDC technologies consistent with our values.

(ii) Within 1 year of the date of the establishment of the framework required by section 8(b)(i) of this order, the Secretary of the Treasury, in consultation with the Secretary of State, the Secretary of Commerce, the Director of the Office of Management and Budget, the Administrator of the United States Agency for International Development, and the heads of other relevant agencies as appropriate, shall submit a report to the President on priority actions taken under the framework and its effectiveness. This report shall be coordinated through the interagency process described in section 3 of this order.

(iii) Within 180 days of the date of this order, the Secretary of Commerce, in consultation with the Secretary of State, the Secretary of the Treasury, and the heads of other relevant agencies, shall establish a framework for enhancing United States economic competitiveness in, and leveraging of, digital asset technologies. This framework shall be coordinated through the interagency process described in section 3 of this order.

(iv) Within 90 days of the date of this order, the Attorney General, in consultation with the Secretary of State, the Secretary of the Treasury, and the Secretary of Homeland Security, shall submit a report to

the President on how to strengthen international law enforcement cooperation for detecting, investigating, and prosecuting criminal activity related to digital assets.

Sec. 9. Definitions. For the purposes of this order:

(a) The term “blockchain” refers to distributed ledger technologies where data is shared across a network that creates a digital ledger of verified transactions or information among network participants and the data are typically linked using cryptography to maintain the integrity of the ledger and execute other functions, including transfer of ownership or value.

(b) The term “central bank digital currency” or “CBDC” refers to a form of digital money or monetary value, denominated in the national unit of account, that is a direct liability of the central bank.

(c) The term “cryptocurrencies” refers to a digital asset, which may be a medium of exchange, for which generation or ownership records are supported through a distributed ledger technology that relies on cryptography, such as a blockchain.

(d) The term “digital assets” refers to all CBDCs, regardless of the technology used, and to other representations of value, financial assets and instruments, or claims that are used to make payments or investments, or to transmit or exchange funds or the equivalent thereof, that are issued or represented in digital form through the use of distributed ledger technology. For example, digital assets include cryptocurrencies, stablecoins, and CBDCs. Regardless of the label used, a digital asset may be, among other things, a security, a commodity, a derivative, or other financial product. Digital assets may be exchanged across digital asset trading platforms, including centralized and decentralized finance platforms, or through peer-to-peer technologies.

(e) The term “stablecoins” refers to a category of cryptocurrencies

with mechanisms that are aimed at maintaining a stable value, such as by pegging the value of the coin to a specific currency, asset, or pool of assets or by algorithmically controlling supply in response to changes in demand in order to stabilize value.

Sec. 10. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

JOSEPH R. BIDEN JR.

THE WHITE HOUSE,
March 9, 2022.