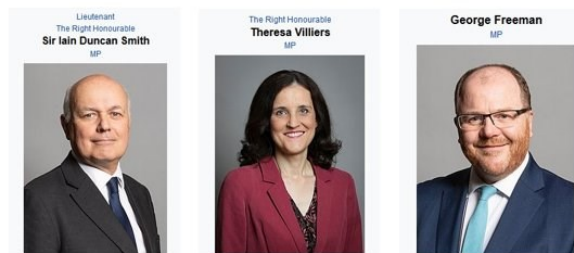




The CityUnited Project reacts positively to the report from the Government's Taskforce on innovation, growth, and regulation in a post-Brexit United Kingdom

Press release from the CityUnited Project
18 June 2021

The CityUnited Project has welcomed the new Government blueprint for post-Brexit regulatory freedom to support UK innovation and growth.



The CityUnited Project welcomes the [report by the Government's Taskforce on Innovation, Growth and Regulatory Reform](#) (TIGRR). Reporting directly to the Prime Minister, the Taskforce led by the Rt Hon Sir Iain Duncan Smith MP (Chair), the Rt Hon Theresa Villiers MP, and George Freeman MP, issued their recommendations to the Prime Minister in a formal report released on Wednesday 16 Jun 2021.

The [response from the Prime Minister](#) was fast and positive. In a letter to the Taskforce, Prime Minister Boris Johnson said:

"I asked you to re-imagine, quickly and creatively, the UK's approach to regulation and make best use of our recently rediscovered freedoms. You have more than delivered on that charge, responding with substantive plans that will really put a TIGRR in the tank of British business."



"...Finally, I want to reassure you that far from being the end of the process, your work on TIGRR is only the beginning of our drive to realise the promises of Brexit. I have asked Lord Frost to drive this critical work forward, creating a new Brexit Opportunities Unit at the heart of government to engage across society, academia, and industry, generating new ideas and acting as a counterweight to Whitehall orthodoxy."

"Your report shows what a fully sovereign United Kingdom can achieve given sufficient ambition and vision on the part of its government. I look forward to drawing on your work in the months and years ahead as we build back better than ever before."

The CityUnited Project's plan based on the CUP-supported Aurora proposals for a Central Bank Digital Currency was recommended in the official report

The CityUnited Project was one of the organisations invited by Sir Iain Duncan Smith and his colleagues to submit evidence. The CityUnited Project's Advisory Board includes:



- Sir Bernard Jenkin MP (Chairman)
- The Rt Hon David Jones MP
- The Rt Hon The Lord Lamont of Lerwick PC
- The Rt Hon The Lord Hannan of Kingsclere
- Anne Marie Morris MP
- David Campbell Bannerman (former MEP)
- The Rt Hon The Lord Flight of Worcester

As part of the evidence submitted, attention was given to the [CUP's April report on the Aurora proposals](#) on the need for the immediate development of a Central Bank Digital Currency (CBDC), or 'E-Pound', which included a total of 24 recommendations on this and other important subjects for the City and the UK's financial services industry. A short summary [can be read here](#).

The CityUnited Project's support for the 'hybrid model' of a wholesale rollout followed by a retail rollout of a CBDC were welcomed by the Government's Taskforce. Indeed the CityUnited Project was the only think-tank's evidence to be proposed by the Committee in its final report to Government as a recommendation.

Here is what the TIGGR report said:-

*"There are various models for retail CBDCs that the UK could look to adopt, but **in our view, the UK should consider a hybrid model like the one proposed in the CityUnited Project's proposal whereby the CBDC is a claim on the central bank, with intermediaries onboard to handle the retail payments.***

"The involvement of payment services providers would allow for innovation and speed, which would allow the UK to be the first to introduce such a hybrid retail model. Interoperability between the CBDC and other forms of money is essential, if we hope to encourage widespread consumer adoption."

Commenting, The CityUnited Project's Chairman, Professor Daniel Hodson, said:

"The CityUnited Project welcomes the far-reaching and visionary TIGGR report, which sets out a compelling regulatory framework for post-Brexit prosperity.

Whilst its findings have been endorsed by the Government, the challenge will now be to ensure their speedy implementation and thus maximise their benefits.

*"CUP submitted 24 recommendations. Its leading call was for **a wholesale-based Sterling Central Bank Digital Currency** and this was specifically mentioned and backed by the Taskforce, clearly supporting the massive geopolitical, economic, regulatory and social benefits of the earliest possible rollout.*

"All CUP's recommendations are embraced by the overriding regulatory principles set out by the Taskforce and particularly the challenge to Britain to take the lead in establishing Common Law based international regulatory standards. The CUP agrees that such top priority initiatives should build on the opportunities provided by its world-beating fintech industry and be

outcomes-based and principles-based, as well as being sensitive to innovation, competition and proportionality.

“In short the TIGRR report represents a prospectus for global Britain's future prosperity and security. But a core theme running throughout the document is the need for speed. Everything else is in place. Now the Government must act swiftly and decisively.”



About Professor Daniel Hodson:

Chairman, The CityUnited Project, formerly CEO of LIFFE, Deputy CEO of Nationwide Building Society, a director of the London Clearing House, Chairman of the Association of Corporate Treasurers and Gresham Professor of Commerce.

About The City United Project

Against the background of so much negativity, the launch of [‘The CityUnited Project’](https://www.cityunitedproject.com/) in mid-February 2021 might appear well-timed to many people in the Square Mile and beyond.

As the CityUnited’s Chairman Daniel Hodson put it:

“The post-Brexit City and the UK financial services industry stand at the gateway of their greatest era of prosperity and global leadership.”

Daniel is available for interview.

The CityUnited Project: <https://www.cityunitedproject.com/>

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