



EUROPEAN CENTRAL BANK

EUROSYSTEM

Central bank money for the digital era

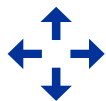
International Banking Federation
(IBFed)
Board Meeting

25 June 2026



Piero Cipollone
Member of the Executive Board of the ECB

The transformation of payments



The nature of payments is changing, requiring a **forward-looking** approach to support the development of an **integrated, innovative and competitive European payments market**

Driven by:



Digitalisation of payments



Emergence of **new technologies**, such as distributed ledger technology (DLT)




Heightened focus on **reducing dependencies** and **strengthening resilience**


Eurosystem comprehensive payments strategy: our strategic aims

Provide a steer to:

 Ensure an **integrated, future-oriented** payments **landscape**

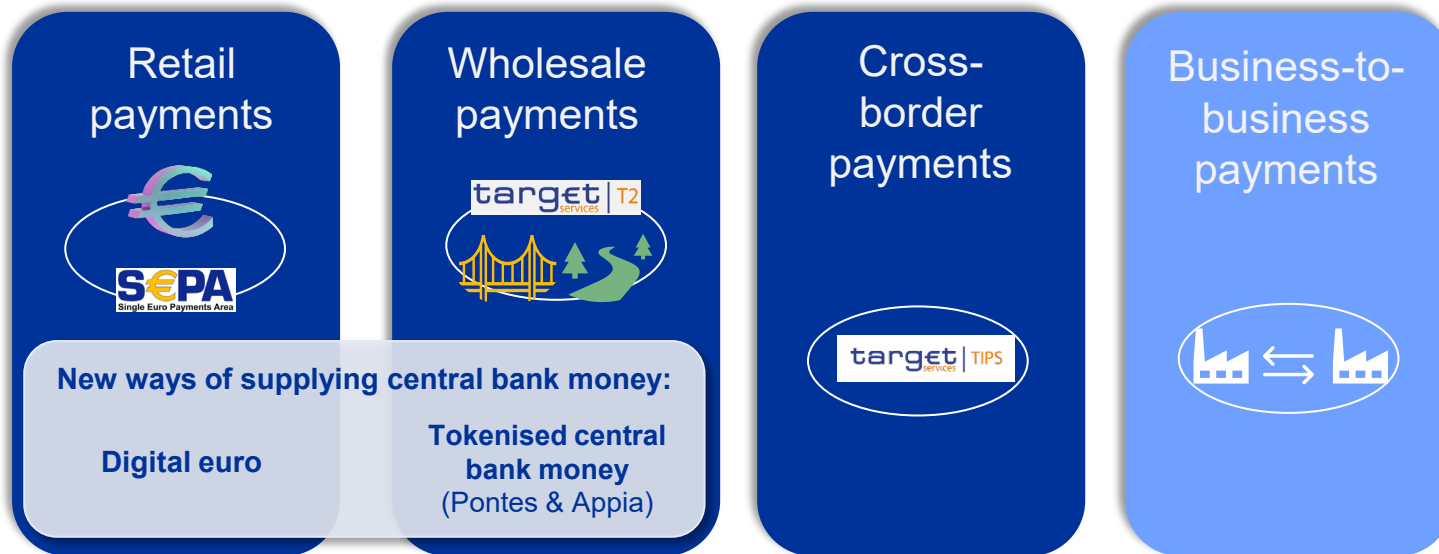
 **Align** policies and initiatives under a **holistic vision**

 Ensure **effectiveness** of **monetary policy** and **financial stability**

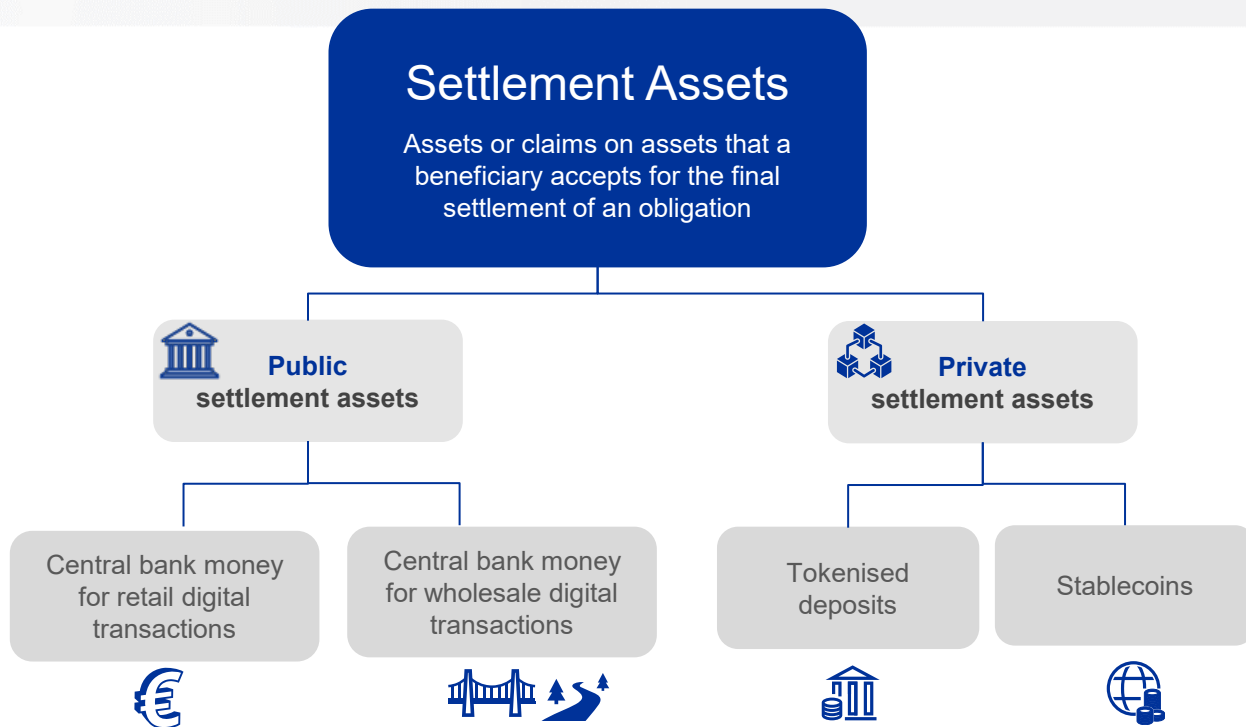
 **Safeguard** continuity and **smooth operation** of the **payment system**



Eurosystem comprehensive payments strategy: modernising central bank money

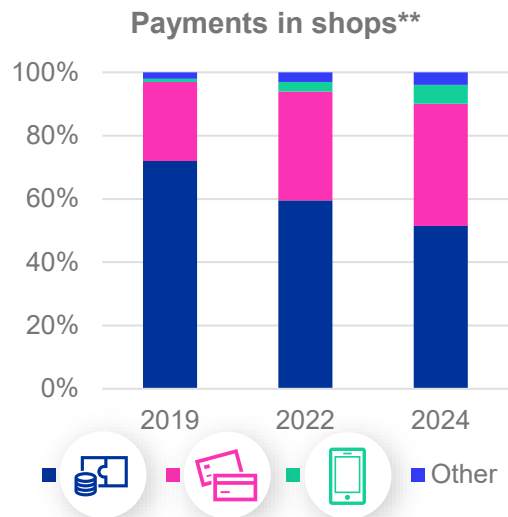


Taxonomy of the digital settlement asset landscape



Digital euro: a digital form of cash for retail payments

Digital payments on the rise*



The digital euro: a digital form of cash

Would complement cash



Would offer freedom of choice between cash and digital payments



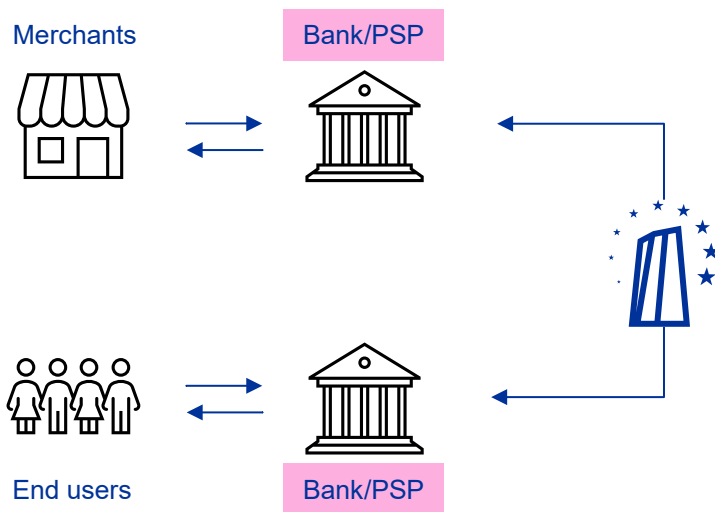
Available across the euro area, online and offline



* Study on the payment habits of consumers in the euro area (SPACE), ECB, December 2024.

** As a proportion of all day-to-day payments in the euro area, in numbers

EU-licensed payment service providers (PSPs) will be at the core of digital euro distribution



- **Critical role for banks:** banks will play a key role in digital euro distribution.
- **Preserving customer relationships:** customers will be able to access the digital euro through their trusted banking partners.
- **Robust safeguards:** holding limits, no remuneration, (de)funding features and no holdings for businesses.
- **Fair compensation:** banks will be compensated for their efforts in distributing digital euro.
- **Synergies:** 1) standardised acceptance network; and 2) co-badging.



Financial stability and **competitiveness** as key pillars of the digital euro

Digital euro: a public infrastructure for digital payments



Digital euro

- Establishes a European acceptance infrastructure with [standards open to private solutions](#)
- Offers a [platform for innovation](#) based on which private providers can build value-added services



Domestic and regional solutions

Domestic solutions adopt digital euro standards and [achieve pan-European reach without heavy investment](#)

Digital euro: where we stand

Investigation phase

Oct 2021 – Oct 2023

Concept definition, technical exploration and design proposal

Preparation phase

Nov 2023 – Oct 2025

Preparation through testing and experimentation

Current phase

Nov 2025 - ongoing

Continued preparation follows a **flexible and modular approach**.

Focus on:

- **Advancing** technical readiness
- **Deepening** market engagement
- **Supporting** the legislative process

The **digital euro pilot** will run for 12 months, starting in the **second half of 2027**.

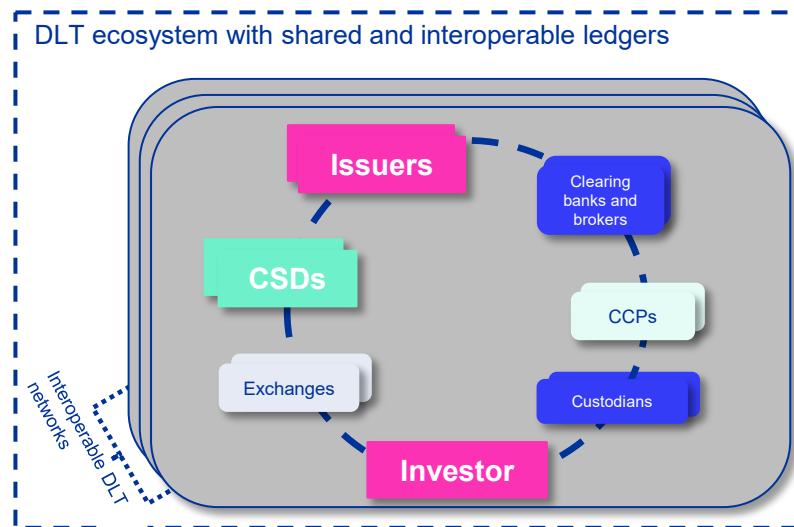
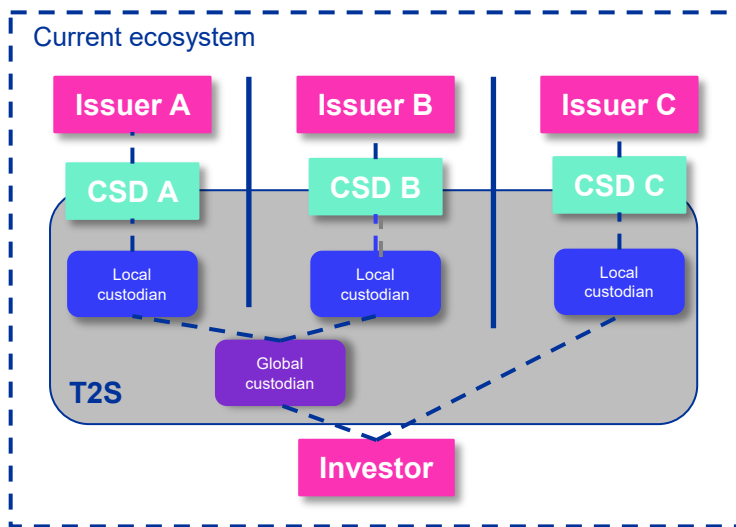
The ECB **aims to be ready for a potential first issuance** of the digital euro during **2029**. Preparing for the digital euro pilot does not pre-empt any decision to issue the digital euro. The ECB will only take a decision on whether to issue the digital euro once the EU co-legislators adopt the digital euro Regulation.

Tokenisation can deliver efficiency and innovation



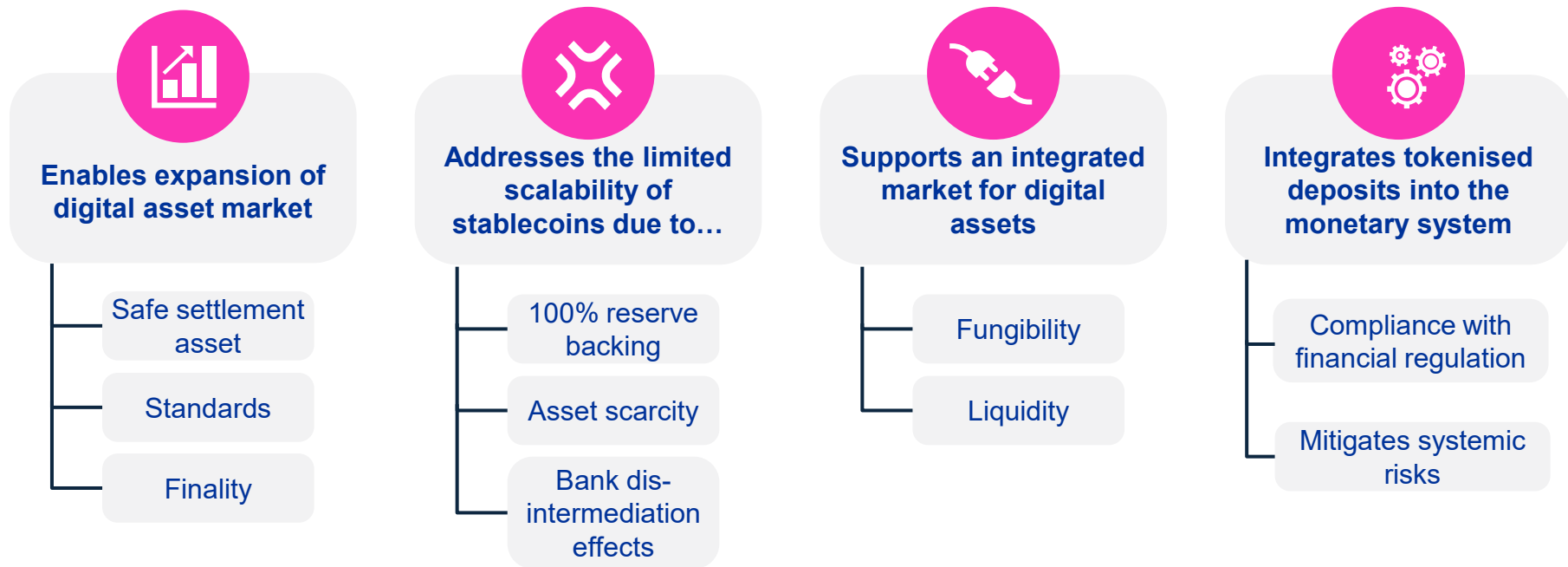
Current capital markets are highly complex and fragmented, mainly due to:

- Separate, independent ledgers for bookkeeping across market participants
- Fragmented regulatory framework for custody, asset servicing and tax-related processes
- Non-interoperable technological ecosystems in each country, creating siloed pools of asset liquidity



Eurosystem policy response: tokenised central bank money

Central bank money as the **risk-free settlement anchor** alongside private settlement assets



A tokenised euro for wholesale transactions: Pontes & Appia



Pontes provides the bridge between DLT platforms and TARGET Services, so that DLT transactions can be settled in central bank money

Launch in September 2026, followed by enhancements



Pontes & Appia will deliver on the Eurosystem's commitment to safe, efficient settlement in central bank money



Appia supports the development of a future-ready, innovative and integrated tokenised ecosystem in a public-private partnership

Analysis, standardisation, longer-term design – vision to be documented in a Blueprint in 2028

Cross-border interlinking: our initiatives in line with G20 objectives



GLOBAL CROSS-BORDER PAYMENTS

The ECB is committed to improving cross-border payments globally by:

- exploring interlinking TIPS with fast payments systems outside Europe through bilateral links (e.g. India, Switzerland and Brazil) and multilateral networks (Nexus)
- participating in [Project Agorá](#), a public-private collaboration led by the Bank for International Settlements (BIS), to test a multi-currency shared platform



MULTI-CURRENCY SETTLEMENT

Leveraging the multi-currency feature of the Eurosystem's instant payments settlement service (TIPS) to settle funds end to end instantly in central bank money, in TIPS hosted currencies.



- [The Eurosystem's comprehensive payments strategy](#)

Digital euro:

- [Dedicated webpage](#)
- [FAQs](#)
- [Latest progress report](#)
- [Fit in the payment ecosystem](#)
- [Key findings on innovation potential](#)
- [User research report by Ipsos](#)

Settlement of DLT-based transactions:

- [Tokenisation and DLT](#)
- [Pontes](#)
- [Appia](#)
- [Focus session on the Appia roadmap](#)
- [Focus session on Pontes](#)

Cross-border payments

- [Dedicated webpage](#)

Thank you