

Digital Euro – What do we already know?

Digital Euro – Cash meets technology

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Why do we need a digital euro?

*Ensuring
availability of
central bank
money*



*Increased
resilience*



*Life and
payments
simplified*



Monetary anchor



Strategic autonomy



Economic efficiency



How far have we come?

Investigation phase (Oct. 2021 – Oct. 2023)

- Collaboration with different market and institutional stakeholders
- **Result**
 - **High-level design of a digital euro** and related user and technical specifications
 - **Prototype** of a digital euro



Conclusion

"It is possible to develop a digital euro that would serve the needs of end-users and meet the requirements of the Eurosystem."



How far have we come?

Preparation phase - Part 1 (Nov. 2023 – Oct. 2025)

- Laying the foundations for a potential digital euro
- **Focus on**
 - Finalising the digital euro **scheme rulebook**
 - **Selecting providers** who could develop the service platform and infrastructure
- **Testing and experimentation** will also be conducted

A decision to enter the preparation phase does not imply the issuance of a digital euro!



What would it look like?

Key features

- Public money – "**digital cash**"
- **Central bank money for digital retail payments**
- **Legal tender status**
- One solution for all payments – **excellent UX**
 - Person-to-person payments, e-commerce, payments in physical stores and government payments
 - Payment app or a physical card
- **Resilience**
 - Payments without the need for an internet connection



What would it look like?

Key features

- **Privacy** by design
 - Fundamental human right
 - Minimal set of personal data collected
 - "Cash-like" levels of privacy for offline payments
- **Preserving financial stability**
 - Holding limits (means of payments, not an investment tool)
- **Free** for basic use by consumers
 - As cash is today



Benefits for ...

Consumers

- A new option to pay, giving more **choice**
- An instant payment solution **for every occasion, anytime**
 - Accepted throughout the entire euro area, 24/7, offline
- Preserving **cash-like features**
 - The digital euro could go where cash does not reach
 - Preserving valued cash-like features
- **Leaving no one behind**
 - A guarantee that the digital euro would be accessible to everyone



Benefits for ...

Merchants

- **Standardisation** of payment acceptance
- Legal tender: Stronger **negotiating power and lower costs**
- **Instant receipt** of funds



Intermediaries

- A key role in **distribution** / keeping end-user relations
- Immediate reach throughout the euro area
- A **platform for innovation**



The way forward

After two years of the preparation phase (October 2025) the Governing Council will decide whether to move forward with the digital euro project

The decision to issue a digital euro will depend on the result of the legislative process

Regulation on the establishment of a digital euro to give powers to the ECB/Eurosystem to issue a digital euro



Thank you!

