



EUROPEAN CENTRAL BANK

EUROSYSTEM

# Digital euro

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Worldline Financial Services  
Client User Group

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# Where we stand and what lies ahead

## Investigation phase

Oct 2021 – Oct 2023

Concept definition,  
technical exploration  
and design proposal

## Previous phase

Nov 2023 – Oct 2025

Preparation through  
testing and  
experimentation

## Current phase

Since Nov 2025

Ongoing preparations based on a **flexible**  
and **modular approach**.

Focused on:

1. **Advancing technical readiness**
2. **Deepening market engagement**
3. **Supporting the legislative process**

A **pilot exercise** to be launched in  
**second half of 2027**.

**We aim to be ready for a potential first issuance of the digital euro during 2029.**  
**This is based on a working assumption that the EU co-legislators will adopt the Regulation on the establishment of the digital euro in the course of 2026.**

# Intensive ongoing stakeholder engagement

Digital euro project conducted more than year-long FitE\* market consultation in ERPB\*\*

*Oct 2024 – Dec 2025: Three key themes, eight dedicated technical sessions, two-day in-person workshops, and Publication of Fit in the Ecosystem report Oct. 2025:*

## Competitiveness

How could digital euro improve EU players' strategic relevance vs international card schemes?

## Synergies

Fostering maximum reuse of current systems and integration into existing infrastructures

## Business model

What are the cost mitigation measures and revenue generation opportunities from the digital euro?



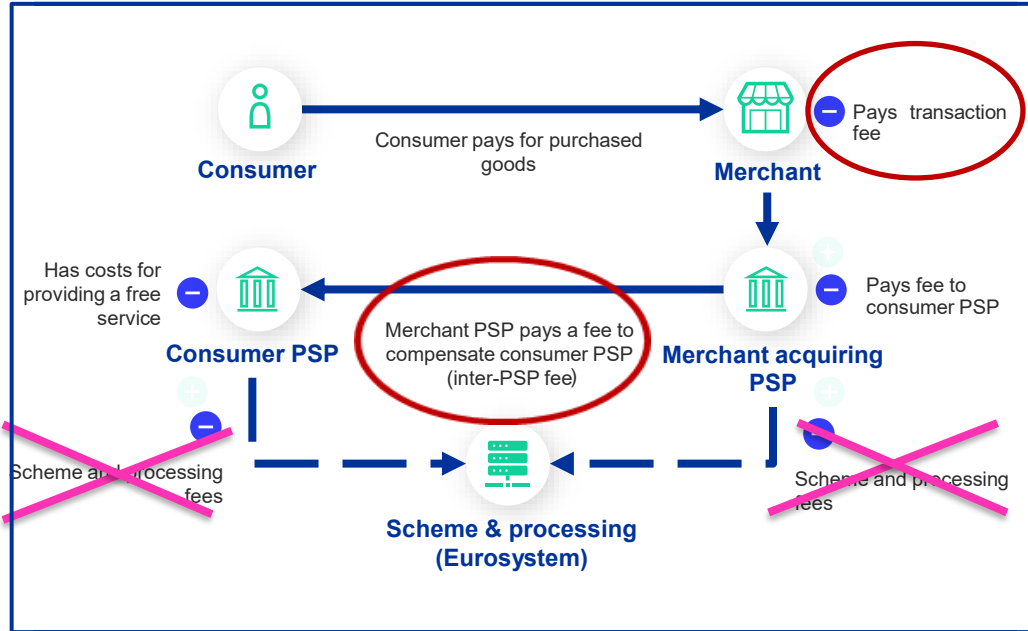
## Follow-up actions in 2026:

**Further extensive work on remaining areas being carried out in workstream:**

1. **In-person all-day workshop conducted on 4<sup>th</sup> March 2026:**  
Simplification, cost minimisation, and co-badging
  - *Foreseen follow-up: technical deep-dives on co-badging and other topics*
2. Analysing fraud risk management
3. Clarifying offline solution

\* FitE = Fit in the payments ecosystem  
\*\* ERPB = Euro Retail Payments Board

# Digital euro compensation model



Three key elements:

- 1 Issuing and acquiring banks do not pay **scheme and processing fees**
- 2 **Merchant service charge** is capped
- 3 **Inter-PSP fee** is capped

# Synergies 1: digital euro to be integrated into existing solutions through co-badging

- The digital euro can co-exist with and complement private solutions.
- It will be possible to **integrate the digital euro into existing digital and physical payment solutions**.
  - This will eliminate the need to pay international card scheme fees for euro area cross-border transactions, fostering independence from such schemes.

Generic example



## Virtual wallets

The digital euro can feature alongside private solutions, helping consumers make informed choices; fallback where private schemes are not (yet) accepted.

- User experience, branding requirements detailed in the digital euro rulebook.

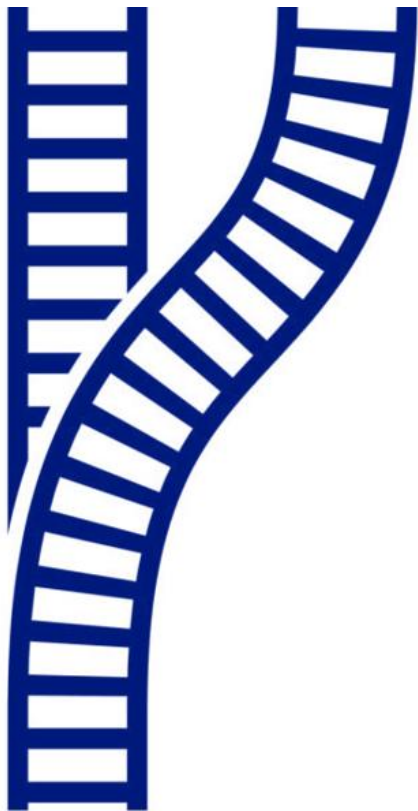
## Co-badging with physical cards

Domestic card schemes could benefit from a pan-euro area acceptance network, while the digital euro would leverage trusted brands.

Generic example



## Synergies 2: private solutions can leverage standardised euro area acceptance network to roll out at scale without having to invest heavily in their own network



### Digital euro

Establishes a European acceptance infrastructure with standards open to private solutions



### Domestic solutions

Domestic solutions adopt digital euro standards and achieve pan-European reach without heavy investment

# The Eurosystem pilot aims to fine-tune the digital euro's design and ensure its technical readiness

## Digital euro pilot

- A **12-month** pilot, starting in the second half of 2027, conducted in a controlled **Eurosystem environment** involving real-world transactions.
- A **limited number of PSPs**, merchants and Eurosystem staff will participate. **PSP selection** will start in the first quarter of 2026.
- Four **use cases** will be tested.
- The Eurosystem will **gather and apply feedback continuously** throughout the pilot to **further optimise the digital euro**.

## Objectives of the pilot



Test readiness  
before scaling up



Improve digital  
euro value  
proposition



Improve go-to-  
market strategy



Prepare for  
subsequent market  
roll-out

# Benefits of the pilot for banks and PSPs



## Early readiness advantage

- Prepare systems, processes and teams before large-scale roll-out
- Gain hands-on experience with onboarding, settlement, liquidity, incidents, refunds

## Clarity on future costs and resources

- Get a realistic view of infrastructure, support and compliance needs
- Improve planning of future investments and staffing

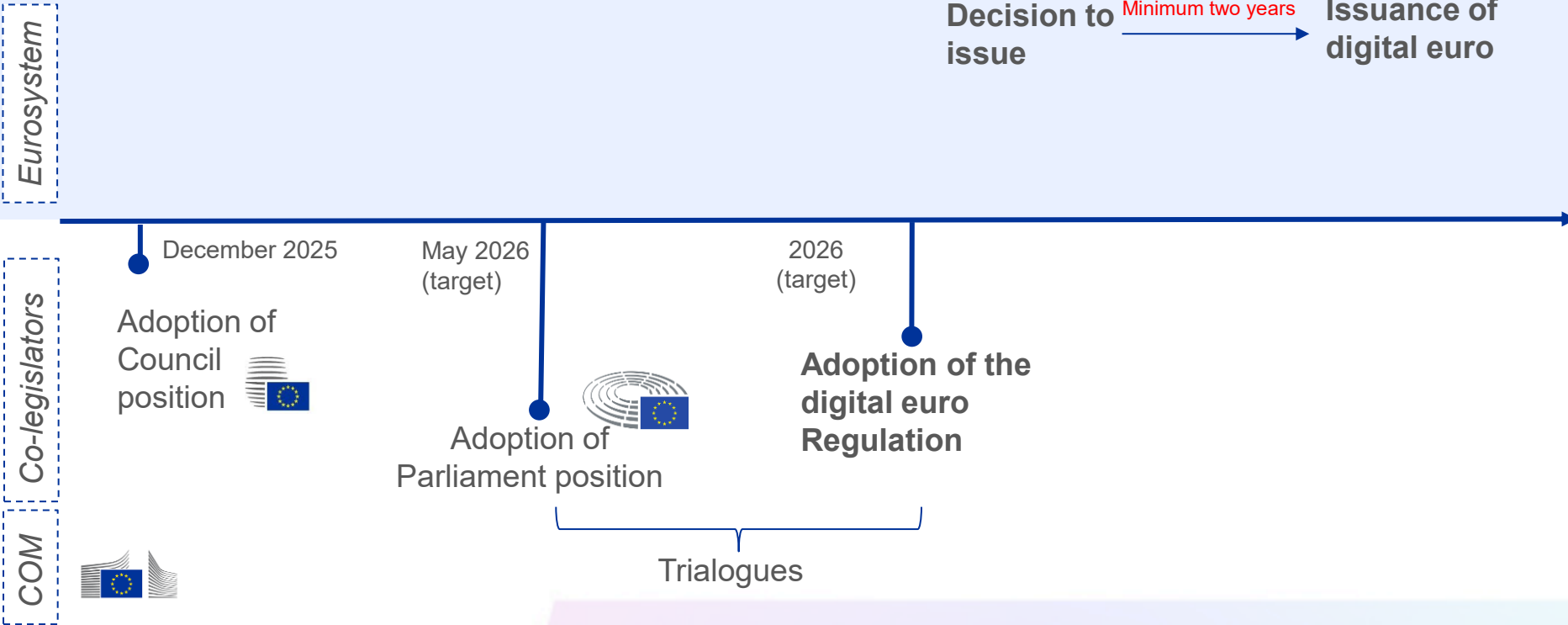
## Dedicated Eurosystem support

- Receive tailored assistance on use-case validation, technical incidents, integration
- Benefit from personalised communication and expert guidance
- Access early insights into the evolving digital euro ecosystem

## Influence the future of digital payments

- Provide structured feedback on the digital euro design process
- Help shape design discussions and potential adjustments to existing decisions

# Status of the digital euro legislative process



## EU Council's position on the digital euro Regulation

*The Council of the European Union adopted its position on the digital euro on 19 December 2025. This marked a key milestone in the legislative process and is a strong statement of support from Member States for the main pillars of the digital euro as contained in the European Commission's proposal, i.e. legal tender status, offline and online use, mandatory distribution by banks, weighted average fee caps and free basic services for consumers*

### Key changes by the Council that align with banking sector views

- **Compensation:** for a transitional period of at least five years, fee caps would be set at a level comparable to the average fees for payments made with debit cards that can be used both at PoS and eCOM
- **Open funding:** Optional rather than mandatory. Availability would depend on bilateral contracts, which could include compensation.
- **Cash services:** cash conversion would only be obligatory to provide for PSPs that provide cash services for comparable means of payment and only need to be provided in the same manner as the PSP provides them for comparable means of payment.
- **Multiple accounts and joint accounts:** PSPs would provide this to consumers on a voluntary basis.
- **User interfaces:** increases prominence of banks' interfaces for accessing the digital euro.
- **Access to mobile devices:** introduces more stringent rules for phone manufacturers to give PSPs access to the software and hardware in mobile devices for providing (offline) digital euro.

# Thank you

You can reach us at  
[digitaleuro@ecb.europa.eu](mailto:digitaleuro@ecb.europa.eu)

## Additional supporting materials:

- [Progress on the preparation phase of a digital euro – closing report](#)
- Updated digital euro [FAQ](#)
- ERPB Fit of the digital euro in the payment ecosystem workstream [Report](#)
- Eurosystem [view](#) on recent assessments of digital euro investment costs for the euro area banking sector
- ECB [Technical Analysis](#) on the financial stability impact of the digital euro
- [Latest update](#) on the work of the digital euro scheme's Rulebook Development Group
- Digital euro innovation platform [Report](#)