

## **PRESS RELEASE**

Paris, 20 June 2023

### **Euro Banking Association explores the impact of the digital euro on banks**

**The aim of the report is to help banks and other supervised intermediaries prepare their organisation for the potential introduction of the digital euro**

The Euro Banking Association (EBA) today released “The Digital Euro – A guide for banks and other supervised intermediaries”. The report is based on the assumption that the European payments ecosystem has to prepare for a digital euro and focuses on the impact a digital euro is likely to have on banks. Specifically, it explores how a digital euro could affect their role in the retail payments market, which strategic options banks and other supervised intermediaries have and how a digital euro could change the European payments industry as a whole.

The report summarises the findings of the EBA’s Digital Currencies & Smart Payments Working Group, which conducted five discussion meetings in 2022 and 2023 with selected experts from its member community and several guest speakers from the banking and fintech community.

“Banks and other supervised intermediaries should proactively investigate the impact that the introduction of the digital euro will have on their business if they have not done so already. They should focus on mitigating risks and actively collaborating with other participants in the market to identify and benefit from potential network effects,” said **Andrea Meier**, Chair of the EBA’s Digital Currencies & Smart Payments Working Group. “We recommend that banks and other supervised intermediaries define a strategy for the digital euro in the near future.”

The report provides an overview of the status quo of the investigation phase regarding the digital euro, highlighting the major design choices made by the European Central Bank (ECB) and the Eurosystem as of March 2023. It focuses on the newly emerging ecosystem of the digital euro and summarises the use cases prioritised by the ECB in preparation for a potential launch, describes the tasks and explains the views of the ECB on distribution of responsibilities between the customer-facing intermediaries and the Eurosystem, including an analysis of the type of intermediaries participating in the ecosystem. The report then extrapolates possible options for banks and other supervised intermediaries on how to deal with the digital euro in the future. The report explores the three options “ensure compliance”, “absorb and adapt”, and “expand business” by

zooming in on banks' motivation, advised actions, and risks for each option before concluding with guidance on how the banking industry as a whole can move forward in the discussions surrounding the digital euro.

[Download a summary](#) of “The Digital Euro – A guide for banks and other supervised intermediaries”.

### **About the EBA Digital Currencies & Smart Payments Working Group**

The Digital Currencies & Smart Payments Working Group of the Euro Banking Association (EBA) has explored new, innovative payment developments since its inception in 2016 under the name of Cryptocurrencies, Smart Payments, and Stablecoin Working Group. In 2022, the focus of the working group shifted to exploring use cases and strategic options that the introduction of a digital euro may offer for the banking industry.

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### **About the Euro Banking Association (EBA)**

The Euro Banking Association (EBA) is a practitioners' body for banks and other service providers supporting a pan-European vision for payments.

The mission of the EBA is to foster dialogue and experience exchange amongst payments industry practitioners towards a pan-European vision for payments. We pursue our mission through involving member organisations and relevant stakeholders in thought leadership on innovation, helping our members to understand and implement regulation and by supporting the development of market practices.

The EBA has more than 160 members from the European Union and across the world.

For additional information about the Euro Banking Association, please visit [www.abe-eba.eu](http://www.abe-eba.eu) or follow us on [LinkedIn](#) and [Twitter](#).