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WORKING DOCUMENT

From:	Presidency
To:	Working Party on Financial Services and the Banking Union (Digital Euro Package) Financial Services Attachés
Subject:	Digital euro - WP meeting on 25-26 September 2025 - Presidency discussion note on Articles 21, 22, 24a, 25, 26, 29 and 40

Danish Presidency
Council of the European Union

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Presidency discussion note on Article 21, 22, 24a, 25, 26, 29 and 40

Working Party on Financial Services and the Banking Union

September 25 2025

Proposal for a regulation on the establishment of the digital euro

Meeting on 25-26 September 2025

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Introduction

Ensuring that the digital euro is designed in a way that facilitates its use by the general public is essential to promote wide uptake and to ensure that the digital euro fulfils its role as a public good, both in the coming years but also in the future.

The technical features of the digital euro, as well as the additional provisions covered by this note, have already been discussed at several Council Working Parties under previous Presidencies. Building on these discussions and the written comments submitted by Member States, the Presidency proposes drafting suggestions and explanations with the aim of addressing the remaining concerns raised by delegations.

Against this background, the Presidency invites Member States at the upcoming CWP to provide their views on the drafting suggestions presented by the Presidency to Articles 21, 22, 24a, 25, 26, 29 and 40.

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Chapter I

1.1 Article 22 – Accessibility and use

The Presidency notes that several delegations have raised concerns regarding the access to information on proxy aliases. To improve legal clarity and ensure consistency with the recitals, **the Presidency suggest amending the last sentence of Article 22 paragraph 3a, which prohibits ECB access to information on proxy aliases**. In addition, the Presidency proposes a number of editorial changes to ensure consistency and accuracy.

Furthermore, the Presidency recalls that some Member States proposed to add the possibility to **link to one or more accounts** in the last sentence of Article 22(4). The Presidency notes that several Member States raised concerns about whether Article 22(4) should allow the linking of more than one non-digital euro payment account to a digital euro account. Some delegations opposed this possibility, noting that it could complicate the user experience and increase operational burdens for PSPs. Other delegations pointed out that linking multiple accounts is already a feature offered in comparable payment services and could provide flexibility and convenience for both users and merchants.

The Presidency notes that that this provision does not concern drawing funds from multiple accounts simultaneously, but rather the possibility for users to have more than one account linked as options between which they can switch. Allowing such functionality could potentially support smoother funding and defunding processes and avoid placing the digital euro at a disadvantage compared to other widely used payment solutions.

Against this background, **the Presidency proposes to add in the last sentence of Article 22(4) the possibility of linking one or more accounts**. The Presidency further invites Member States to indicate whether they maintain their opposition to the linking of multiple accounts, or whether they see merit in the Presidency's drafting suggestion.

Drafting suggestions

PL PCY in blue
DK PCY in green

Article 22 - Accessibility and use

1. The digital euro shall:

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(a) have usage and service features that are simple and easy to handle, including for persons with disabilities, functional limitations or limited digital skills, and **elderly** ~~**older**~~ persons;

(b) be accessible for persons with disabilities by complying with the accessibility requirements laid down in Annex I of Directive 2019/882.

2. In their relationships with their payment services providers for the provision of digital euro payment services, digital euro users shall not be required to have or open non-digital euro payment accounts or accept other non-digital euro products.

3. Each digital euro payment account shall have a unique digital euro payment ~~**alias**~~ **access** ~~**account**~~ number **created by the European Central Bank upon request of the payment service provider**.

3a. Payment service providers shall allow the use of additional proxy aliases upon request of the digital euro user, in addition to the digital euro payment ~~**alias**~~ **access number. The European Central Bank may facilitate the use of proxy aliases together with the unique digital euro payment access** ~~**alias**~~ **number, without having access to information on these proxy aliases. The ECB may confer the task of facilitating the use of proxy aliases onto a provider of support services.**

4. Each digital euro payment account may be linked to one or more non-digital euro payment accounts ~~**denominated in euro**~~ that shall be designated by the digital euro user. For the purpose of Article 13(4), each digital euro payment account may be linked to one **or more** non-digital **euro** payment account~~**s denominated in euro.**~~

5. Payment service providers shall allow the use of digital euro payment account by more than one digital euro users.

~~**6. Payees that only operate in a physical environment and payees that only accept digital payments at a physical point of interaction shall accept digital euro payments in the same manner. Payees that only operate in a virtual environment and accept digital payments at a point of interaction in that environment shall accept the digital euro in the same manner. Payees that operate in both environments shall accept digital euro payments in both manners, depending on the relevant environment.**~~

~~**7**~~**6. Payment service providers that provide digital euro payment services shall make available to digital euro users mandatory payment instruments that allow them to make both online and offline digital euro payment transactions.**

~~**8**~~**7. Payment service providers that provide digital euro acquiring** ~~**acceptance**~~ **services shall enable their clients to accept digital euro payments via mandatory communication technologies. Payees subject to an acceptance obligation pursuant to**

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Article 7 shall not refuse digital euro payment transactions initiated via such communication technologies.

~~9~~8. The mandatory payment instruments and communication technologies referred to in paragraphs 7 and 8 shall be those that the European Central Bank prescribes as part of the detailed measures, rules and standards pursuant to Article 5(2). This is without prejudice to additional payment instruments and communication technologies that the ECB may make available pursuant to Article 5(2).

Question 1 to Member States:

Q1: *Do Member States agree with the Presidency's drafting proposals to Article 22?*

1.2 Articles 24a and 40 – Technological State of the Art

Several Member States have underlined the importance of ensuring that the digital euro settlement infrastructure is based on state-of-the-art technology and can adapt to future developments, in particular regarding privacy, cybersecurity, resilience and innovation.

To reflect these concerns, the Presidency suggests introducing a technology clause. The proposed drafting establishes a clear obligation for the ECB to monitor technological developments, including those enhancing privacy, data protection, security, resilience and fraud prevention. Furthermore, the ECB would be required to consider the implementation of such developments in the digital euro infrastructure, taking into account their purpose, large-scale availability, impact on safety, efficiency and innovation, possible dependencies, and any risks they may pose. This approach aims to promote continuous improvement and preparedness of the digital euro infrastructure, while avoiding obligations that could lock in specific technologies or generate disproportionate costs.

Finally, the Presidency proposes to complement Article 40(1) by adding a requirement for the ECB to report on "the development of existing and the emergence of new technologies relevant for the digital euro infrastructure". The Presidency considers that this addition will enhance transparency on how the ECB monitors technological progress and assesses its potential relevance for the digital euro.

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Drafting suggestions

Article 24a (new) - Technological State of the Art

1. The European Central Bank shall monitor technological developments, including new technologies which are in particular designed to protect privacy, enhance data protection, security, resilience, and fraud detection and prevention.

2. The European Central Bank shall consider implementing new technological developments to the digital euro infrastructure, after assessing their purpose; availability at large scale; impact on safety, efficiency and innovation; the dependencies which their adoption may entail; as well as potential risks posed by them.

Article 40 - Reports

[…]

1. The accountability arrangements of Article 15(1) and (3) of the Statute of the ESCB and of the European Central Bank shall apply to the issuance and use of the digital euro.

For that purpose, the European Central Bank shall report on the digital euro development and its use. The report shall cover the contribution of the European Central Bank in the implementation of the provisions of this Regulation, including on the following elements:

[…]

(e) the development of existing and emergence of new technologies which might be of relevance for the digital euro infrastructure.

Question 2-3 to Member States:

Q2: *Do Member States agree with the Presidency's approach to include a technology clause in a new Article 24a?*
Q3: *If so, do Member States support the Presidency's drafting of Article 24a together with the proposed amendment to Article 40?*

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1.3 Article 29 – Compliance with Union restrictive measures adopted in accordance with Article 215 TFEU

The Presidency recalls that some Member States raised questions regarding the scope of asset freeze checks and the frequency of screening obligations under Article 29.

On the first point, delegations suggested clarifying that asset freeze checks should cover not only designated persons but also accounts they control, even if not formally owned by them. The Presidency notes that this reflects existing practice under EU restrictive measures, where obligations extend to funds and resources belonging to, owned, held or controlled by designated persons. The Presidency also notes that this matter has been addressed in the context of the Instant Payments Regulation (IPR), and that the alignment of terminology with Article 5d of the IPR aims to ensure a harmonised approach.

On the second point, regarding the frequency of screening, the Presidency recalls comments from delegations on the proportionality of daily checks. The Commission services have in previous discussions on this matter explained that a daily frequency is necessary to take account of new designations, which may be published outside business days, as well as changes to customer data. This reflects the discussions already held during the negotiations on the IPR, which established a harmonised regime in this area.

Overall, the Presidency underlines that the purpose of Article 29 is to align the digital euro regime with the requirements already agreed under the IPR, so as to avoid parallel frameworks for the same type of checks. As most digital euro users would be expected to also hold commercial bank accounts subject to IPR requirements, different regimes would risk inconsistency and inefficiency. The drafting suggestions from the Polish Presidency, including the introduction of new recitals, aimed at ensuring this alignment while addressing Member States' comments.

Other than minor editorial changes, the Presidency suggest to retain the wording of Article 29.

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Drafting suggestions

ES PCY in red
BE PCY in black
PL PCY in blue
DK PCY in green

Article 29 Compliance with Union ~~**sanctions**~~ **restrictive measures** adopted in accordance with Article 215 TFEU

1. Payment ~~**S**~~**s**ervice ~~**P**~~**p**roviders ~~**executing**~~ **offering** digital euro payment **services** ~~**transactions**~~ shall verify whether any of their digital euro users are ~~**listed**~~ persons or entities **subject to targeted financial restrictive measures**. Payment service providers shall carry out such verifications immediately after the entry into force of any new ~~**or amended**~~ **targeted financial** restrictive measures ~~**adopted in accordance with Article 215 TFEU providing for asset freeze or prohibition of making funds or economic resources available**~~, ~~**or**~~ **and immediately after the entry into force of any amendments to** ~~**existing**~~ **such targeted financial restrictive measures** and at least once every calendar day.

2. During the execution of a digital euro payment transaction, the payer's payment service provider and the payee's payment service provider involved in the execution of that transaction shall not verify whether the payer or the payee whose digital euro payment accounts are used for the execution of that digital euro payment transaction are ~~**listed**~~ persons or entities **subject to targeted financial restrictive measures** in addition to carrying out verifications under paragraph 1 ~~**of this Article**~~.

The first subparagraph is without prejudice to actions taken by payment service providers in order to comply with restrictive measures, other than targeted financial restrictive measures, adopted in accordance with Article 215 TFEU, with restrictive measures that are not adopted in accordance with Article 215 TFEU, or with Union law on the prevention of money laundering and terrorist financing.

~~**3. A payment service provider that has failed to carry out the verifications referred to in paragraph 1 and executes a digital euro payment transaction causing another payment service provider involved in the execution of that digital euro payment transaction to fail to freeze assets of listed persons or entities, or to make funds or economic resources available to such persons or entities, shall compensate the financial damage caused to the other payment service provider resulting from penalties imposed on that other payment service provider under restrictive measures adopted in accordance with Article 215 TFEU providing for asset freeze or prohibition of making funds or economic resources available.**~~

Recital 63a:
(63a)**It is of critical importance that PSPs comply effectively with their obligations stemming from restrictive measures adopted by the Union in accordance with Article**

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215 TFEU in respect of a person, body or entity that is subject to an asset freeze or a prohibition on making funds or economic resources available to it, or for its benefit, either directly or indirectly (targeted financial restrictive measures). Union law, however, does not lay down rules on the procedure or tools to be used by PSPs to ensure their compliance with those obligations. PSPs thus apply various methods, based on their individual choice or on the guidance provided by the national authorities concerned. The practice of complying with obligations stemming from targeted financial restrictive measures by screening the payer and the payee involved in each credit transfer transaction, whether national or cross-border, leads to a very high number of payment transactions being flagged as potentially involving persons or entities subject to ta

Recital 63b:
(63b)**To prevent the initiation of instantly settled digital euro payment transactions from payment accounts belonging to persons or entities subject to targeted financial restrictive measures and to immediately freeze funds sent to such payment accounts, PSPs should carry out verifications of their PSUs immediately following the entry into force of a new targeted financial restrictive measure. That obligation should apply to all PSPs sending or receiving instantly settled digital euro payment transactions, thereby ensuring that all PSPs comply in an effective manner with their obligations stemming from targeted financial restrictive measures. In order to ensure consistency with Article 20 of the Regulation (EU) 2024/1624 (AMLR), which requires the screening of 'the customer or the beneficial owner(s) […] and, in the case of a customer or party to a legal arrangement who is a legal entity, whether natural or legal persons subject to targeted financial sanctions control the legal entity or have more than 50% of the**

Question 4 to Member States:

Q4: *Do Member States find it necessary to further amend Article 29 and the accompanying recitals?*

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Chapter II

2.1 Article 21 – Cross-currency payments

The Presidency notes that some Member States expressed concerns that the reference to "other currencies" could be interpreted too broadly. To provide legal clarity, **the Presidency suggests replacing "other currencies" with "their currencies"**, thereby aiming at clarifying that cooperation between the European Central Bank and national central banks of non-euro area Member States relates only to their respective national currencies, and not to any other form of money.

Furthermore, the Presidency notes that some delegations suggested reinstating "shall" in Article 21(2). The Presidency recalls that the current drafting, whereby the ECB "may" cooperate with national central banks, was intended to provide flexibility, as such cooperation may not always be relevant in practice. Retaining "may" would aim at ensuring that cooperation can take place where useful, without creating a general obligation that could prove too rigid in differing circumstances. Against this backdrop, the **Presidency suggests maintaining the current wording**, while remaining open to further views from delegations.

Drafting suggestions

Article 21 - Cross-currency payments

1. Cross-currency payments between the digital euro and other currencies shall be subject to prior **arrangements** ~~**agreements**~~ between, on the one hand, the European Central Bank and, on the other hand, the national central banks of the Member States whose currency is not the euro ~~**and the**~~ **or of** third countries.

2. The European Central Bank **may,** ~~**shall**~~ **in accordance with the Treaties,** cooperate with national central banks of Member States whose currency is not the euro to enable interoperable payments between the digital euro and ~~**other**~~ **their** currencies.

Questions 5-6 to Member States:

Q5: *Do Member States agree with the Presidency's drafting suggestion?*
Q6: *Do Member States agree with the Presidency on maintaining the "may" provision in Article 21(2)?*

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2.2 Article 25 – European Digital Identity Wallets

The Presidency recalls that somel Member States have underlined the importance of clarifying in the Regulation that the use of the European Digital Identity Wallet remains voluntary. The Presidency notes that Article 25 of the draft Regulation already refers to Article 5a of the eIDAS Regulation, which stipulates that the use of the European Digital Identity Wallet is voluntary. In line with this, the Presidency suggests clarifying in recital 57 that the use of the European Digital Identity Wallet remains voluntary for users, with an explicit reference to Article 5a(15).

Furthermore, the Presidency suggests deleting the reference to "publicly available" in recital 57. This adjustment reflects concerns raised by some Member States that the reference could be unclear, given that different types of standards exist and not all are necessarily publicly available. The deletion is therefore intended to ensure consistency and avoid unintended limitations, while preserving the reference to "commonly available standards and practices" as set out in the Commission proposal.

In addition, the Presidency proposes other editorial and changes to align terminology with the drafting of Article 28, by replacing the term "front-end solutions" with "digital euro user interface".

Drafting suggestions

BE PCY in black
DK PCY in green

Article 25 – European Digital Identity Wallets

1. **Digital euro user interfaces** ~~Front-end~~ **services** ~~**solutions**~~ shall be interoperable with or integrated in the European Digital Identity Wallets.

2. On request by digital euro users, payment service providers distributing the digital euro shall ensure that those users can rely on the functionalities of their European Digital Identity Wallets in accordance with Article ~~**65**~~a of Regulation (EU) **No 910/2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC** ~~***[please insert reference – proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 910/2014 as regards establishing a framework for a European Digital Identity – COM(2021) 281 final]***~~;~~

(57)European Digital Identity Wallets could facilitate digital transactions by enabling authentication, identification and the exchange of attributes including licenses and certificates. European Digital Identity Wallets should contribute to the effective universal

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access to and use of the digital euro. Member States should issue European Digital Identity Wallets based on common~~ly and publicly available~~ standards and practices set out in the implementing legislation. The European Digital Identity Wallet should have strong and specific safeguards to ensure data protection and privacy and high-level security certification. **Digital euro user interfaces** ~~Front-end solutions~~ to be developed by **payment service providers and** the European Central Bank should therefore duly consider the technical specifications governing the European Digital Identity Wallets. This would enable the relevant interoperability with the European Digital Identity Wallets that would allow to capitalise on these benefits. Based on user choice, interoperability with the European Digital Identity Wallet should also allow to discharge customer due diligence under Regulation (EU) **2024/1624** ~~***[please insert reference – proposal for a Regulation for Anti-Money Laundering Regulation – COM/2021/421 final)***~~. Furthermore, to achieve a coherent customer experience, intermediaries might choose to fully integrate their digital euro **user interface** ~~front-end~~ ~~**services**~~ ~~**solution**~~ into the specifications governing the European Digital Identity Wallets.

(58)**By using the functionalities offered by the European Digital Identity Wallets, ~~U~~u**sers should be able, if they so wish, to onboard **digital euro services** ~~**users**~~ and authorise payments with the digital euro by using the European Digital Identity Wallets. Payment service providers should therefore be obliged to accept the European Digital Identity Wallets for the verification of both prospective and existing customers' identities, in line with Regulation (EU) **2024/1624** ~~***[please insert reference – proposal for a Regulation for Anti-Money Laundering Regulation – COM/2021/4201 final)***~~. To facilitate the opening of digital euro accounts across the Union, payment service providers should also be able to rely on qualified attestations provided by the European Digital Identity Wallets, including for the remote performance of customer due diligence. Payment service providers should also accept the use of European Digital Identity Wallets if the payer wishes to use the wallet for payment authorisation of digital euro payment transactions. Further, **the European Digital Identity Wallets may be used** to facilitate offline proximity payments in digital euro~~**, it should be possible to use the European Digital Identity Wallets for the storage of digital euros in the payment device**~~. **In accordance with Article 5a(15) of Regulation (EU) 910/2014, the use of the European Digital Identity Wallets remains voluntary for users.**

Question 7 to Member States:

Q7: *Do Member States agree with the Presidency's suggestions to Article 25?*

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2.3 Article 26 – Interoperability

The Presidency recalls that some delegations suggested strengthening the wording of Article 26 by replacing "seek to" with "shall", thereby turning the provision into a binding obligation rather than an obligation of means.

The Presidency notes, however, that interoperability in practice depends on factors outside the direct control of the ECB, notably (i) the use of open standards by private payment solutions and (ii) the emergence of broad market consensus. It is therefore uncertain whether it would be appropriate to impose a legal obligation on the ECB to deliver an outcome that is contingent on the actions of third parties. Moreover, situations may arise where technical obstacles limit the use of digital euro standards in other contexts, or where restrictions are necessary — for example, to prevent misuse by sanctioned third-country providers.

Against this background, the Presidency does not propose amendments to Article 26 at this stage but remains open to hearing delegations' views.

Article 26 – Interoperability
The European Central Bank shall seek to ensure to the extent possible the interoperability of standards governing digital euro payment services with relevant standards governing private digital means of payment. The European Central Bank shall seek to enable, to the extent possible and where appropriate, private digital means of payment to use rules, standards and processes governing the digital euro payment services. For the purpose of the first subparagraph, interoperability may be supported inter alia by the use of open standards.

Question 8 to Member States:

Q8: *Do Member States find it necessary to amend Article 26?*