Council of the European Union
General Secretariat

PUBLIC

Interinstitutional files:
2023/0212 (COD)

Brussels, 22 November 2025

WK 15971/2025 INIT

LIMITE

EF
ECOFIN
UEM
CONSOM
CODEC

This is a paper intended for a specific community of recipients. Handling and further distribution are under the sole responsibility of community members.

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 28 November 2025 - Presidency discussion note on the procedures for setting the overall ceiling and the holding limits

Danish Presidency
Council of the European Union

PUBLIC

Presidency discussion note on the procedures for setting the overall ceiling and the holding limits

Working Party on Financial Services and the Banking Union

Date: 28 November 2025

Proposal for a regulation on the establishment of the digital euro

Meeting on 28 November 2025

PUBLIC

1. Introduction

The Presidency recalls that the ceiling for setting the digital euro holding limit was most recently discussed at the CWP meeting on 30 October 2025. **Member States broadly supported the draft legal provisions designed to reflect the conceptual framework for setting the ceiling for the digital euro holding limit**, endorsed at the Eurogroup meeting in inclusive format on 19 September 2025. At the same time, several Member States considered that certain elements of the drafting required further strengthening, in particular with regard to the procedure for amending the ceiling. In addition, a number of Member States requested that the prevailing assumption of a **zero holding limit for legal persons and self-employed natural persons should be explicitly reflected in the Regulation**.

Furthermore, several delegations requested **clarification on how refunds should interact with the holding limits**. Member States underlined that refunds constitute a regular part of commercial practice and may occur at a later stage than the original payment, and should therefore not inadvertently trigger a breach of the holding limit before the funds become available to the user.

This note aims at addressing these points and presents targeted amendments to the drafting concerning the ceiling for setting the holding limits.

PUBLIC

2. Holding limits for legal persons and reservation of funds

2.1 Incorporation of legal persons into the framework for setting the ceiling for digital euro holding limits

The Presidency recalls that the conceptual framework for setting and amending the ceiling for the digital euro holding limit, endorsed at the Eurogroup meeting on 19 September 2025, did not envisage a **distinction between the holding limit for, on the one hand, natural persons and, on the other hand, legal persons**. However, the Presidency notes that several Member States called for codifying the working assumption of a zero holding limit or at least of differentiated holding limits for legal persons in the Regulation.

The Presidency considers that **differentiated holding limits for natural persons and legal persons may be appropriate** in view of the different patterns of liquidity management of these persons and potentially different implications for financial stability. Furthermore, the Presidency considers that **if a natural person has a self-employed activity, this should not generate any right to higher holding limits** (consistent with the working assumption of a zero holding limit for legal persons). Legal persons typically manage substantially larger liquid balances, which can be rapidly redistributed across accounts, business units or legal entities in the course of ordinary operations or corporate reorganisations. Allowing the systematic or prolonged use of the digital euro for **treasury liquidity management (uses for which cash is not typically employed) could create uncertainty about aggregate digital euro holdings** and have implications for the implementation of monetary policy, including by potentially increasing the demand for collateralised credit from the Eurosystem. If similar adjustments were to occur simultaneously across multiple firms, the resulting flows could further amplify aggregate effects.

In this context**, the Presidency considers that low holding limits for legal persons could contribute to safeguarding financial stability**. In order to reflect these considerations, while ensuring consistency with the framework endorsed by the Eurogroup, the Presidency propose several adjustments to the recitals and the operative provisions. **First, the Presidency proposes to introduce new recitals 33aa and 33ab**, which set out the considerations supporting differentiated holding limits and explain why a zero holding limit for legal persons would nonetheless allow them to comply with their mandatory acceptance obligations under the digital euro's legal tender regime. **Second, the Presidency proposes to operationalise this approach by clarifying in Article 16 that different holding limits may be set for natural persons and for legal persons**. In addition, the Presidency proposes to clarify in Article 16a(1) that, where the ECB sets different holding limits, **the Council may, where appropriate, establish separate ceilings for those persons**, following the same procedure that applies to the general ceiling.

This would in practice mean that the procedure for setting the ceiling remains aligned with the process endorsed by the Eurogroup, while ensuring that the Council retains the same

PUBLIC

powers when acting on the basis of the recommendation submitted to it by the ECB, in agreement with the Commission.

2.2 Reservation of funds

The Presidency recalls that several Member States have requested clarification on the treatment of temporarily reserved funds in the context of conditional payment transactions for the purposes of enforcing holding limits. The Presidency considers that reserved funds which are locked pending the fulfilment of a condition are, during that period, neither available to the payer nor to the payee. Accordingly, such funds should not be taken into account for either party when assessing compliance with the applicable holding limits.

This approach reflects the functional nature of conditional payments: **the funds are placed in a temporary state of unavailability until the condition is resolved, at which point the funds are either returning to the payer or released as payment to the payee**.

Against this background, the Presidency proposes to clarify the treatment of reserved funds in the context of conditional payments**. First, the Presidency proposes to introduce a sentence in recital 32a to specify that only funds that are available to the digital euro user should be taken into account when determining compliance with the holding limit**, and that funds reserved in the context of conditional payments, being temporarily unavailable to both payer and payee, should not be considered for either party until the condition is resolved. In addition, the Presidency proposes to amend Article 16(4) to make clear that holding limits apply only to funds available to the digital euro user.

Second, the Presidency proposes to amend recital 33b so that **the technical report** to be prepared by the ECB pursuant to Article 16a(2) **should, once empirical data becomes available, include an indication of the amounts of digital euro that are reserved** in the context of conditional payments. **Third, the Presidency proposes to adjust recital 56 to clarify that the Eurosystem may provide settlement infrastructure functionalities enabling the reservation of funds** for the future execution of conditional payments, and that payment service providers should offer and configure the corresponding services to support such reservation of funds.

Finally, the Presidency proposes to adjust Annex IIa(g) to reflect that batch pay-out functionalities should operate in a manner consistent with the applicable holding limits.

Questions 1-2 to Member States:

Q1. *Do Member States agree with the Presidency's drafting proposal to reflect the procedure for setting the holding limit ceiling for legal and self-employed persons in recitals 33aa and 33ab, as well as in Article 16 and Article 16a(1)?*

PUBLIC

Q2. *Do Member States agree with the Presidency's proposals on the treatment of reserved funds as reflected in recitals 32a, 33a, 33b and 56, and in Article 16(4) and Annex IIa(g)?*

3. Additional adjustments

3.1 Procedures for setting and amending the ceiling to holding limits for natural and legal persons

Several delegations have requested further clarification regarding the **procedure to be followed where the Council does not adopt a Council Implementing Decision (CID) on the holding limit ceilings within six months** following the ECB's recommendation. In particular, Member States have sought confirmation that the Council retains the possibility to adopt a CID after the expiry of the six-month period. The Presidency recalls the confirmation provided at the CWP meeting on 30 October 2025, that it is the intention that the Council maintain its right to adopt a CID even after expiry of six months. To that end, **the Presidency proposes to reflect this point expressly in Article 16a(3).**

Furthermore, one delegation has suggested amending recital 32 to specify that **the ECB's assessment of the holding limits should take into account only the business models of deposit-taking institutions rather than those of all financial institutions**, given that the purpose of the assessment is to evaluate deposit outflows and not other types of financial liabilities. The Presidency considers that this suggestion address points raised by several Member States at the CWP meeting in October and **therefore proposes to reflect it in the corresponding recital**.

3.2 Digital euro as a store of value and means of payment

Several Member States have suggested that the drafting should more clearly underline that the digital euro is primarily intended to function as a payment instrument and not as a store of value. **One Member State has also proposed an amendment to recital 32 to emphasise the role of the digital euro as a means of payment complementing existing payment instruments**. The Presidency notes these contributions and proposes to reflect the underlying considerations in the recitals, while maintaining consistency with the framework endorsed by the Eurogroup.

3.3 Enforcement of holding limits across multiple [and joint] accounts

Several Member States have inquired about the **enforcement of the holding limits in situations where a digital euro user holds multiple accounts**. The Presidency recalls the intervention by the ECB at the CWP meeting on 17 October 2025, during which the ECB clarified that, in practice, users will have a default configuration whereby the full holding limit applicable at any given time is assigned to the first account, while any additional accounts will have a default holding limit of zero. Users may manually request adjustments to the limits applied to each account, provided that the sum of those limits does not exceed

PUBLIC

the overall holding limit. **Consequently, the holding limit is not dynamically enforced across multiple accounts.**

Question 3 to Member States:

Q3. *Do Member States agree with the Presidency's proposals for clarifying the procedures for setting and amending the ceiling to holding limits for natural and legal persons?*

Drafting suggestions

New DK PCY proposal = green

Accompanying recitals

(31) Pursuant to its powers under the Treaties and in line with the provisions of this Regulation, the European Central Bank should ~~**be able**~~ **to develop instruments that** ~~**set**~~ limit~~**s on**~~ the use of the digital euro as a store of value. ~~**The effective use of the digital euro as a legal tender means of payment should be preserved through limits inter-PSP or merchant fees.**~~

(31a) *(recital not related to the holding limits)*

(32) **The digital euro should have all the characteristics of an official currency, with a special emphasis on its effective use as a means of payment, alongside other existing means of payment. However, A**~~**a**~~n unrestricted use of digital euro as a store of value could endanger financial stability in the euro area, with adverse effects on credit provision to the economy by credit institutions. This ~~**may**~~require**s** that the European Central Bank, with a view to ensuring the stability of the financial system **and the effective implementation of monetary policy**, ~~**and in line with the principle of proportionality**~~, introduces **instruments that** limit~~**s on**~~ the digital euro's use as a store of value. The policy tools that could be used for this purpose **should** include, but would not be restricted to, quantitative limits to individual digital euro holdings and limits to **the** conversion of other categories of funds to digital euro in a specified timeframe. When deciding on the**se instruments and their** parameters ~~**and use of the instruments referred to in paragraph 1**~~, the European Central Bank should respect the **framework defined in this Regulation,** ~~**such as**~~ **and should act in line with the principle of proportionality. It should also respect the** principle of an open market economy with free competition, in accordance with Article 127(1). **Furthermore, when setting the quantitative limits to individual holdings the European Central Bank should take into account the evolving architecture of the financial system and the various business models of the** ~~**financial**~~ **deposit-taking entities operating across the euro area.**

(32a) For the purpose of enforcing any **limits** on the use of the digital euro as **a store of value,** payment service providers **distributing** the digital euro should verify**, when**

PUBLIC

onboarding digital euro users or during ex-post checks where appropriate, whether their prospective or existing **digital euro** customers already hold digital euro payment accounts. **Since digital euro users may hold digital euro payment accounts in different Member States and in view of the need to ensure the efficient functioning of the digital euro across the euro area, the Eurosystem may support payment service providers in performing the task of enforcing these limits, including by establishing a single access point of digital euro user identifiers and the related digital euro holding limits**. **Only funds available to the digital euro user should be taken into consideration when determining whether the holding limit has been exceeded. Funds which are reserved in the context of a conditional payments, and thus neither available to payer or payee until the condition is resolved, should not be considered for either payer or payee.**

(33) Limits should not be used to substitute for early intervention or other supervisory measures. Neither should such limits be imposed to address situations of individual credit institutions which competent resolution authorities or other relevant authorities would normally deal with by using tools and powers at their disposal, including suspensions of payment, moratoria, measures available under Directive 2013/36/EU, Directive 2014/59/EU or Regulation (EU) No 806/2014, or other similar measures which are aimed at restoring the viability, resolving the institution concerned or otherwise remedying the situation of financial distress.

(33a) There should be ~~an~~ overall ceiling ~~which~~ for the holding limits ~~should be~~ set by the European Central Bank. The overall ceiling should aim at safeguarding the financial stability of the euro area while allowing an effective use of the digital euro and an effective implementation of the ~~European Union's~~ single monetary policy. The overall ceiling should be set at a level that avoids interference with the European Central Bank's exclusive power to authorise the issuance of the digital euro. However, the Council should be able to be set different ceilings for legal and natural persons.

(33aa) The calibration of holding limits should take account of the different characteristics of natural persons and legal persons, in particular from a financial stability perspective. While the behaviour of natural persons is generally subject to statistically predictable patterns, the aggregate behaviour and the number of legal persons is more uncertain and subject to corporate reorganisation decisions. For instance, a single natural person may establish multiple legal persons. This poses challenges as regards the predictability of the impact of holding limits and hence their calibration. Contrary to natural persons, an effective use by legal persons of the digital euro as a legal tender means of payment does not necessarily require legal persons to have permanent holdings, since they typically process outgoing payments during their business hours. In this context, it should be possible, where appropriate, to set holding limit applicable to legal persons at a level that does not entail permanent holdings, including the possibility to set a zero holding limit, without at the same time preventing legal persons from discharging their mandatory acceptance obligations. For these

PUBLIC

reasons, it should be possible to differentiate individual holding limits for the digital euro between accounts of natural persons and legal persons.

(33ab) As a general rule, the possibility for legal persons to hold digital euros should therefore be limited so as to avoid risks to financial stability in the euro area. Legal persons are more likely have access to greater financial resources and can swiftly mobilise or concentrate significant amounts of liquid funds, whether as part of corporate reorganisations, liquidity management, or other business activities. Such patterns may result in large, unpredictable flows of funds, which could amplify systemic risks and complicate the calibration of monetary policy instruments. For these reasons, it may be appropriate to apply stricter holding limits to legal persons than to natural persons, in order to safeguard financial stability. Furthermore, the holding limit for legal persons should be set in a manner that is proportional to business activity. A zero holding limit would allow a legal person to automatically defund its digital euro balances with a pre-established regularity (for example, at the end of each business day, parallel to the emptying of cash registries). This aspect should also be taken into account when setting the ceiling for the holding limits for legal persons.

(33b) In the interest of predictability and preparedness for the first issuance of the digital euro, the European Central Bank should, following a discussion in the European Council and no later than two years in advance, publicly announce the envisaged date of the first issuance of the digital euro. No later than 12 months before the announced date of the first issuance, the European Central Bank should publish a technical report on the limits for the use of the digital euro as a store of value. That report should provide an indication of the amounts of digital euro reserved once there is empirical evidence

(33c) In order to ensure uniform conditions for the implementation of this Regulation, and in view of the importance for the financial stability in the euro area, of the decision on setting the overall ceiling for the holding limits, implementing powers should be conferred on the Council. Given the exclusive competence of the European Central Bank to authorise the issue of the euro, its expertise, and its mandate to maintain price stability, while also contributing to the stability of the financial system, the Council should act on the basis of a recommendation of the European Central Bank, to be submitted in agreement with the Commission. The Council should act by a qualified majority of votes in accordance with Article 238(3)(b) TFEU and should be able to adopt the recommendation unamended or with amendments.

(33d) In view of the important function of the overall ceiling for the setting of the holding limits, the Council should adopt its implementing decision no later than six months from the submission of the recommendation. If a Council implementing decision has not been adopted at the end of that period, the European Central Bank should be able to set the holding limits so as to comply with the level set out in ~~accordance with~~ its recommendation. The expiry of the six-month deadline should not

PUBLIC

constitute an implied rejection of the recommendation by the Council and the Council should be able to act upon that recommendation even after the expiry of that deadline.

(33e) The overall ceiling should be reviewed at least every two years, in order to ensure that it continues to contribute to the financial stability of the euro area. To that end, it is appropriate to limit the temporal scope of application of the Council implementing decision to two years. At least six months before the end of application of the Council implementing decision, the ECB should publish a new technical report and submit to the Council, in agreement with the Commission, a recommendation for a Council implementing decision on the overall ceiling. The Council should be in a position to adopt its implementing decision within six months from the submission of the recommendation of the European Central Bank. To that end, the Council should act by qualified majority in accordance with Article 238(3)(b) TFEU, including when it amends the ECB recommendation. In order to avoid a legal gap as regards the overall ceiling, it should be foreseen that if the Council has not acted before the end of application of the Council implementing decision, the period of application of that implementing decision should be tacitly extended ~~by~~ for two years.

(33f) Whenever the Council adopts its implementing decision, the holding limits should, where applicable, be revised without delay in order to respect the overall ceiling thus set.

(56) To facilitate the use of digital euro and the provision of innovative services, the Eurosystem should support the provision of conditional digital euro payment transactions. First, some types of conditional payment services could be supported through detailed measures, rules and standards that could help payment service providers to develop and operate interoperable applications that execute conditional logic. That could include a set of technical tools such as application programming interfaces. Second, the Eurosystem could provide additional functionalities in the digital euro settlement infrastructure, necessary for the provision of conditional payment services to digital euro users. That **should encompass** ~~could facilitate~~ the reservation of funds in the settlement infrastructure for future execution of some conditional payments. **Payment service providers should likewise offer their customers the services necessary to facilitate the reservation of funds.** Payment service providers should **furthermore** adapt the business logic for conditional digital euro payment transactions in accordance with the standards and application programming interfaces which the Eurosystem may adopt to facilitate such transactions.

Article 15
Principles

PUBLIC

1. With a view to **contributing to the stability of the financial system~~, while at the same time enabling natural and legal persons to access and use digital euro,~~ and** to defining and implementing monetary policy **~~and to contributing to the stability of the financial system,~~ while enabling natural and legal persons to access and use the digital euro,** the use of the digital euro as a store of value **~~may~~ shall** be subject to limits.

2. With a view to ensuring an effective use of the digital euro as a legal tender means of payment, and to avoiding excessive charges for **~~merchants~~ payees** subject to the obligation to accept the digital euro under Chapter III while providing compensation for the relevant costs incurred by payment services providers for the provision of digital euro payment**~~s~~ services**, the level of charges or fees to be paid by **~~natural persons or merchants~~ digital euro users** to payment service providers, or between payment service providers, shall be subject to limits. **In particular, any merchant service charge, inter-PSP fee, or fee to natural persons in relation to digital euro payment transactions shall comply with the principle of proportionality.**

Article 16
Limits to the use of the digital euro as a store of value

1. For the purpose of Article 15(1), the European Central Bank **~~shall develop instruments to limit the use of the digital euro as a store of value and shall decide on their parameters and use, in accordance with the framework set out in this Article. PSPs providing account servicing payment services within the meaning of Directive 2015/2366 to natural and legal persons referred to in Article 12(1) shall apply these limits to digital euro payment accounts.~~:**

(a) shall define quantitative limits to individual digital euro holdings ("holding limits"), and, in addition,

(b) may develop other instruments to limit the use of the digital euro as a store of **v~~V~~**alue.

For the purpose of subparagraph (a), different holding limits may be set for natural persons and legal persons.

1a. When ~~adopting~~ defining the holding limits and developing other instruments referred to in ~~the previous~~ paragraph 1(b), the European Central Bank shall decide on the level of the ~~individual~~ holding limits per digital euro user and~~,~~ on the parameters~~,~~ and use of any other instruments ~~it may develop~~, in accordance with the framework set out in this Article. ~~PSPs providing account servicing payment services within the meaning of Directive 2015/2366 to natural and legal persons referred to in Article 12(1) shall apply these limits to digital euro payment accounts.~~

PUBLIC

1b. A decision on the holding limits shall be adopted prior to the first issuance of the digital euro. The holding limits shall respect the overall ceiling set out in accordance with Article 16a.

2. The parameters and **the application** of the **holding limits and any other** instruments **developed ~~referred~~ pursuant to ~~in~~ paragraph 1**, shall:

(a) safeguard the objectives set out in Article 15(1), in particular **~~financial stability~~ the stability of the financial system across the euro area**;

(b) ensure the usability and acceptance of the digital euro as a legal tender instrument;

(c) respect the principle**s** of proportionality.

(d) take into account the evolving architecture of the financial system and the various business models of the deposit-taking entities operating across the euro area. The parameters applicable to legal may differ from those applicable to natural persons.

3. The parameters and use of the instruments referred to in paragraph 1 shall be applied in a non-discriminatory manner and uniformly across the euro area.

4. Any holding limits on digital euro payment accounts adopted pursuant to paragraph 1 shall apply to both offline and online holdings **which are available to the digital euro user**. Where a digital euro user uses both an offline and online digital euro, the limit that applies to online digital euro shall equal the overall **holding** limit **~~determined~~ set** by the European Central Bank **pursuant to this Article** minus the holding limit for offline digital euro **~~set~~ determined** by **the** digital euro users. **For that purpose a~~A~~** digital euro user may set its offline holding limit at any amount between zero and the holding limit set in accordance with Article 37.

5. Visitors to the euro area as referred to in Article **~~13~~ 12a**(1)**~~, point~~** (c), and natural and legal persons as referred to in Article **~~13~~ 12a**(1)**~~, points~~** (b)**~~, (d), and (e) and~~ to (f)**, shall be subject to limits **~~as regards~~ to** the use of the euro as a store of value that are not higher than the ones effectively implemented in the euro area for natural and legal persons residing or established in Member States whose currency is the euro. The parameters and use of the instruments shall be applied in a non-discriminatory manner and uniformly across Member States whose currency is not the euro. When deciding on the use of the instruments in those Member States and setting the parameters, the European Central Bank shall consult national central banks of Member States whose currency is not the euro.

6. In case a digital euro user has multiple digital euro payment accounts, the digital euro user shall specify to the payment service providers with which the digital euro payment

PUBLIC

accounts are held how the individual holding limit is to be allocated between the different digital euro payment accounts **and local storage devices**.

7. Where a digital euro payment account is ~~**jointly**~~ held **jointly** by more than one digital euro user, any holding limit on ~~**the related**~~ ~~**this**~~ **such** digital euro payment account ~~**adopted pursuant to paragraph 1**~~ shall ~~**amount**~~ **be equal** to the sum of the individual holding limits allocated to **it by each of** its users.

~~**(7a) For the purpose of supporting the task of payment service providers to implement and enforce the instruments referred to in paragraph 1, the European Central Bank may alone or jointly with national central banks, establish a single access point.**~~

8. ~~**Within the framework of this Regulation, t**~~The digital euro shall not bear interest.

8a. Payment service providers providing account servicing payment services within the meaning of Directive 2015/2366 to natural and legal persons as referred to in Article 12a(1) shall apply the limits and instruments pursuant to this Article to digital euro payment accounts. For that purpose, they shall use the single access point referred to in Article 35(8).

Article 16a
Overall ceiling for the holding limits

1. The holding limits referred to in Article 16(1)(a) shall be subject to an overall ceiling for legal persons and for natural persons as set in accordance with this article. Different ceilings may be set for legal and natural persons.

2. The European Central Bank shall publicly announce the envisaged date of the first issuance of the digital euro in accordance with Article 4 of this Regulation at least two years prior to such envisaged date. At least one year before the envisaged date of the first issuance of the digital euro, the European Central Bank shall publish a technical report on the limits for the use of the digital euro as a store of value set pursuant to Article 15(1) and shall submit to the Council, in agreement with the Commission, a recommendation for a Council implementing decision setting the overall ceiling for the holding limits referred to in Article 16.

3. The Council shall adopt the Council implementing decision within [six] months from the submission of the recommendation of the European Central Bank, acting by a qualified majority in accordance with Article 238(3)(b) TFEU, including when amending the recommendation. If the Council implementing decision has not been adopted at the end of the six-month period, the European Central Bank shall be able to set holding limits in accordance with its recommendation. The Council may adopt its implementing decision on the basis of that recommendation even after the expiry of the six-month period.

PUBLIC

4. The overall ceiling shall be reviewed at least every two years. To that end, the Council implementing decision shall apply for a period of [two] years, without prejudice to paragraph 5. At least [six] months before the end of application of the Council implementing decision, the European Central Bank shall publish a new technical report concerning the holding limits and submit to the Council, in agreement with the Commission, a recommendation for a Council implementing decision on the overall ceiling.

5. The Council may adopt the Council implementing decision for the purpose of paragraph 4 within [six] months from the submission of the recommendation of the European Central Bank, acting by a qualified majority in accordance with Article 238(3)(b) TFEU, including when amending the recommendation. If the Council has not acted before the end of application of the Council implementing decision, the period of application of that Council implementing decision shall be tacitly extended by [two] years.

6. The European Central Bank shall without delay adjust the holding limits set in accordance with Article 16 to comply with the overall ceiling established in a Council implementing decision.

ANNEX IIa

Mandatory acquiring services

[…]

(g) provide businesses with the possibility to transfer a batch of digital euro funds to their non-digital euro payment accounts only once within a pre-defined time limit ('batch pay-out'), respecting any limit set in accordance with Article 16.