



## Transformation of money: a multi-facet phenomenon

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# Libra...

On 18 June 2019, the members of the Libra Association, registered in Geneva, announced the initiative of the Libra currency, a stable cryptocurrency (so-called stablecoin) that was supposed to enter circulation in the second half of 2020.



In practice, Libra is not just a new cryptocurrency, but a real blockchain platform, with the possibility of developing smart contracts and with the stated goal of providing financial services to **1.7 billion citizens**.

## BLOCKCHAIN



The Libra blockchain will be (at least in a first phase) permissioned. Each of the members of the Libra Association will hold an identified validator node, but the white paper also mentions the future **goal of converging to a permissionless network**. At least for the launch phase, unlike permissionless platforms such as Bitcoin and Ethereum in which anyone can participate in the validation process, in Libra the validators will be dozens of large international companies.

## RESERVE



Libra was designed with the objective of having low volatility: a stablecoin pegged to the '**Libra Reserve**' consisting of a basket of deposits denominated in currencies of different central banks and short-term government bonds will be held in the Reserve for each Libra issued. The return on the securities stored in the 'Libra Reserve' will serve to cover operating costs and possibly remunerate members for their activities.

## LIBRA ASSOCIATION



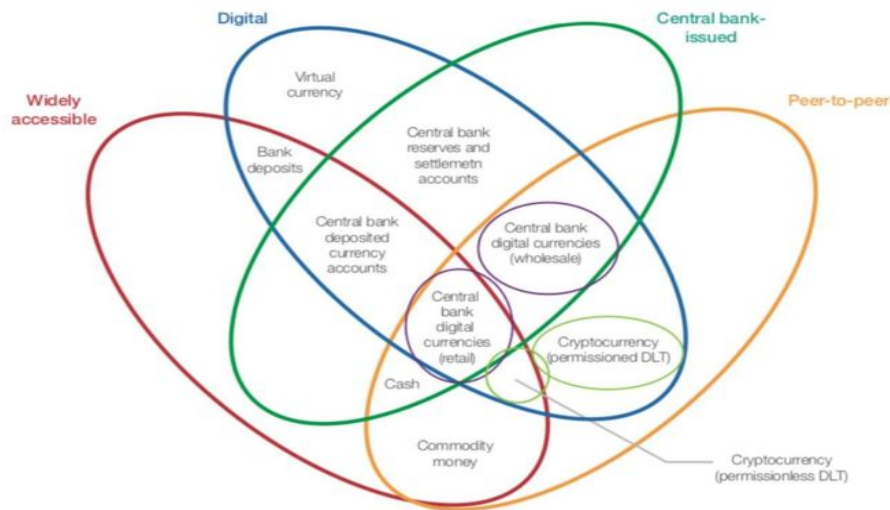
Libra Association is an independent non-profit organisation based in Geneva. The purpose of the association is to coordinate and provide a framework for network and reserve governance.

The Libra Association is also the entity through which the Reserve is managed and is the only entity that can create (issue) and destroy money.

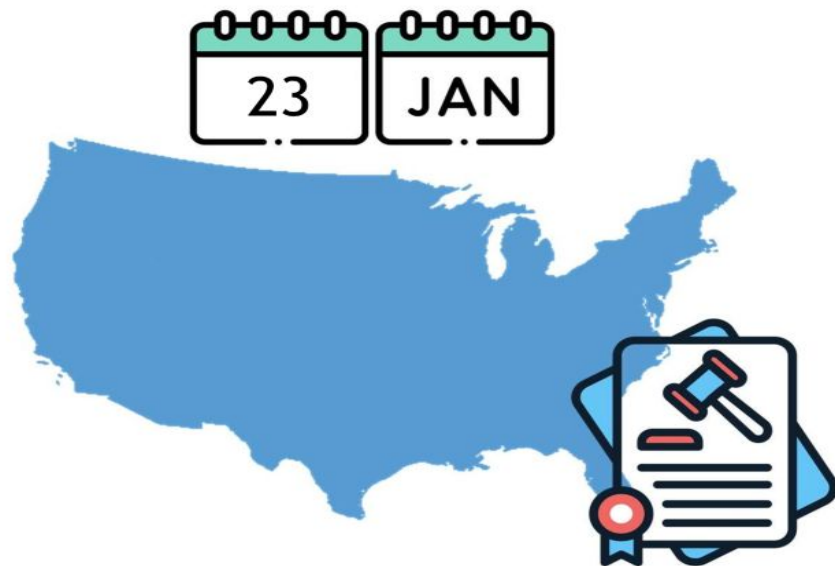
## ... a wake up call for central banks

### Central bank biggest fears:

- Losing monetary anchor
- Losing monetary policy intervention
- Citizens paying with foreign/ private currency



## U.S. Executive order – January 2025



### The Executive Order, among other things:

#### *Prohibits any work on CBDCs*

Under the Executive Order, federal agencies are **prohibited from “undertaking any action to establish, issue, or promote CBDCs” in the US and abroad.** This includes immediately terminating any active plans and initiatives related to the creation of CBDCs in the US.

#### *Creates an interagency working group on Digital Assets Markets*

The working group must elaborate recommendations on regulatory and legislative proposals, including (i) a **proposed federal regulatory framework** relating to the issuance and operation of digital assets; and (ii) the potential establishment of a **“national digital asset stockpile”**



# Digital euro: what is and which benefits can bring

*Digital euro would be a central bank liability made available in digital form for use in retail payments*

**Possible advantages in a range of scenarios, particularly:**



Declining use of **cash as a means of payment**



**Sovereignty** concerns related to foreign CBDCs or private means of payment

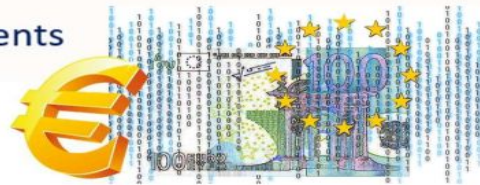


Supporting **digitalisation** in the European economy



**Bottom line:** To maintain public access and full **usability** of central bank money in a world in which consumers and firms turn more and more to electronic payments

Fonte: [www.ecb.europa.eu](http://www.ecb.europa.eu)



# Possible impacts of issuing a CBDC

## Impact on monetary policy

- Control of monetary variables
- Holding outside the euro area

## Impact on bank deposits and credit

- Banking disintermediation
- Mechanisms to prevent excessive use of digital Euro as a store of value

## Payments

- Coherence with cash
- Consistency with electronic instruments already offered in the market

## Financial stability

- Avoiding the spread of CBDCs and private stablecoins issued by other countries

## Role division between Eurosystem and private sector



# Where do we stand?



- ★★★★ 1. The digital (retail) euro will happen.
- ★★★★ 2. The digital euro will be legal tender.
- ★★★★ 3. It will be distributed by banks.
- ★★★★ 4. Basic services will be free for citizens.
- ★★★ 5. The digital euro will be remunerated at an interest rate.
- ★★★★ 6. There will be a maximum holding limit (to counterbalance the risk of not disintermediation of banks).
- ★★★★ 7. It will also be available offline.
- ★★★ 8. It will comply with the current AML regulation.
- ★★★ 9. It will be DLT-based.
- ? 10. It will be a vehicle for innovation.

*Note: stars indicate the probability of occurrence (in yellow) or not occurrence (in red)*



# ABI key principles

Shared principles that constitute the position of the Italian banking industry in response to the ECB consultation on the Digital Euro:



01

**the importance of safeguarding the intermediation role of banks for the economic system;**

02

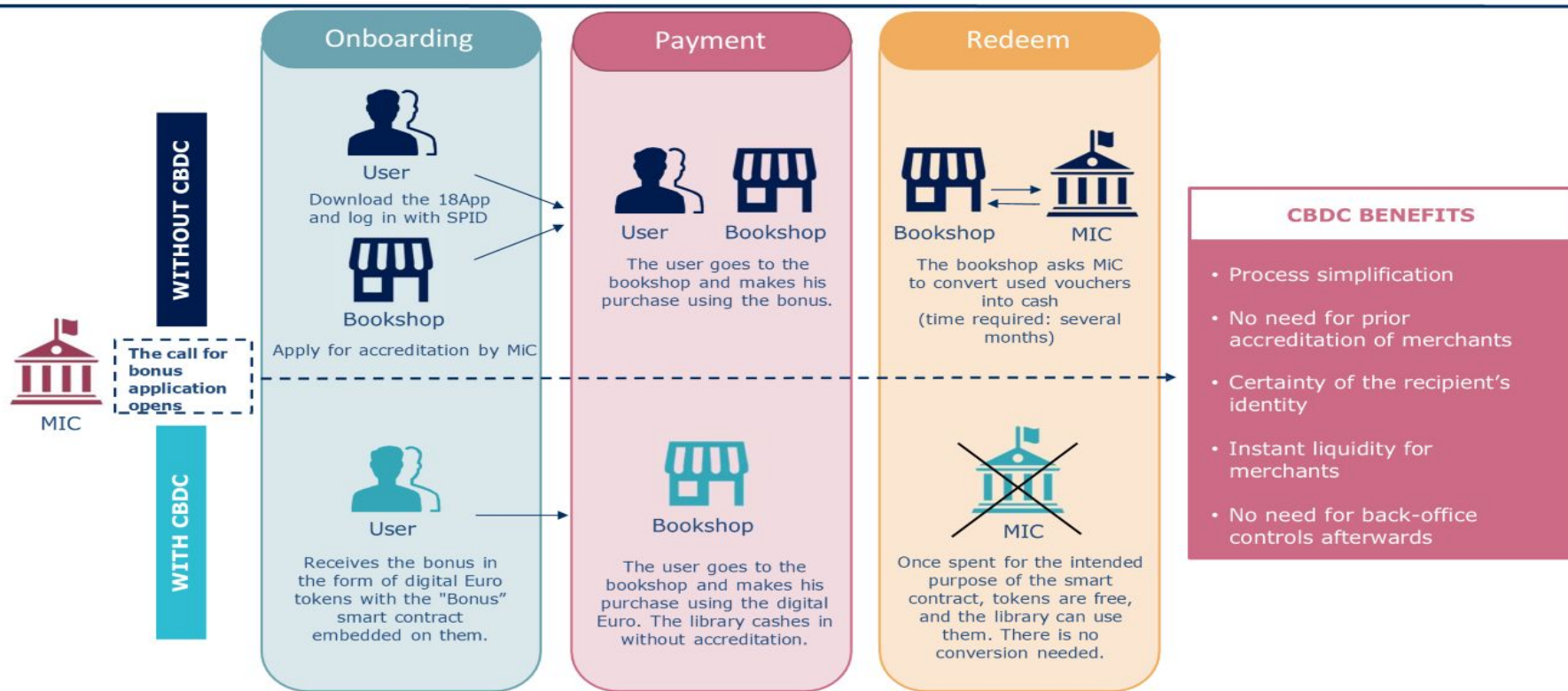
**the need for the D€ to be functionally different from an electronic payment instrument** in order to complement and not compete with commercial bank money, bank initiatives and investments (especially in the field of payment services);

03

the preference for the use of Distributed Ledger Technology - DLT to exploit the great potential of this new technology and provide functionalities based on distributed technologies: a **D€** built on DLT, thanks to its **programmability**, could balance, on one hand, the full control and governance of issuance by the ECB/Eurosystem and, on the other, allow banks to provide and offer new services, or services already offered in a much more efficient way.



# A first example – culture pass





## **Innovation in Banking & Digital Finance**

Monitor Deloitte point of view on digital banking maturity  
and its impacts on the Financial Services Industry landscape

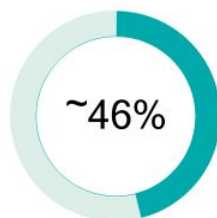
18<sup>th</sup> February 2025, Tor Vergata

# It becomes critical for financial operators to respond to such customers' behavioral shift focusing on two main areas...

## What customers' want

**ONE STOP SHOP FOR EVERY NEEDS**  
(financial & non)

Preference for a SINGLE ENTRY-POINT (even from third-party provider) to access to a FULL SET of PRODUCTS



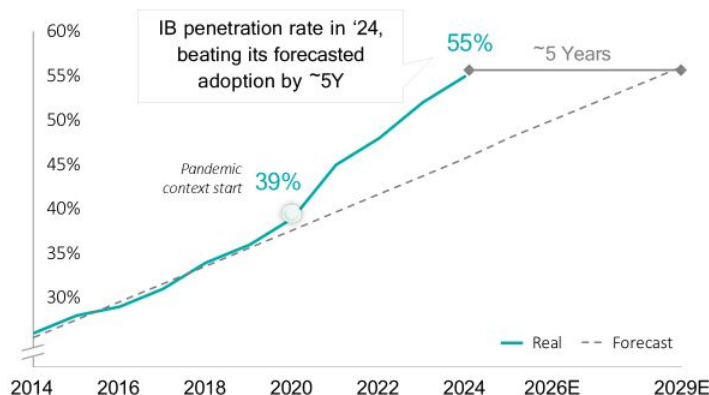
% of banking customers ready to use:

THIRD-PARTY PLATFORMS for FINANCIAL NEEDS

BANKING APPS AS A PLATFORM for NON FIN. SERVICES

**SPEED AND AUTONOMY IN MANAGING ACTIVITIES**

Progressive shift towards INTERNET BANKING channel to manage banking activities, at a FASTER PACE than expected



## How Banks can respond

Co-creation of an effective **VALUE PROPOSITION** through **ECOSYSTEM** and **PLATFORM LOGICS**



Digitization

Development of **FULLY-DIGITAL** client-facing **SOLUTIONS** and optimization of **TERRITORIAL COVERAGE**



Capacity for Change

*To be managed in an integrated way to balance all the levers*

**ACTIONS**  
(focus next slides)

**KEY ENABLING FACTORS**

...increasingly demanding for more online products, mainly in daily banking and bancassurance solutions, together with a rising use of digital channels

## RISING DEMAND FOR DIGITAL BANKING PRODUCTS...

### DAILY BANKING

Constant growth of digital channels for daily banking operations  
(+45% instant transfers via Mobile in 2023 vs 2022)



### BANCASSURANCE

High number of requests for digital insurance policies  
(~50% subscriptions made through digital services)



### LENDING

Increase in digital lending with rising incidence on total lending volumes  
(22% in 2023, +2 p.p. vs 2022)



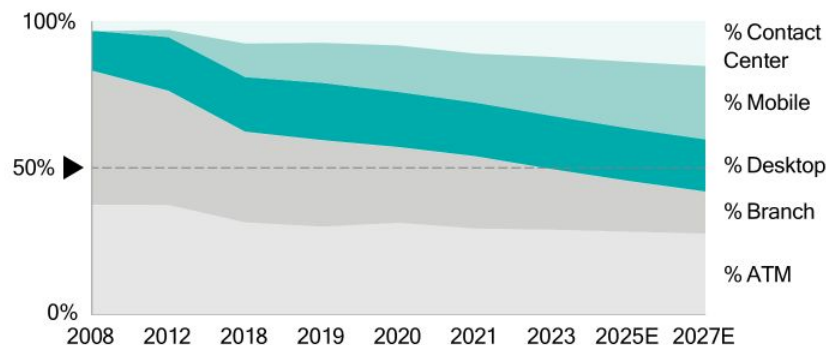
### WEALTH MANAGEMENT

High openness to keep virtual relationships with advisor, mainly for portfolio management (40%) and investments (37%)



## ...ALONG WITH EVOLVING USE OF BANKING CHANNELS

% of use by channel, 2008-2027E, Italy



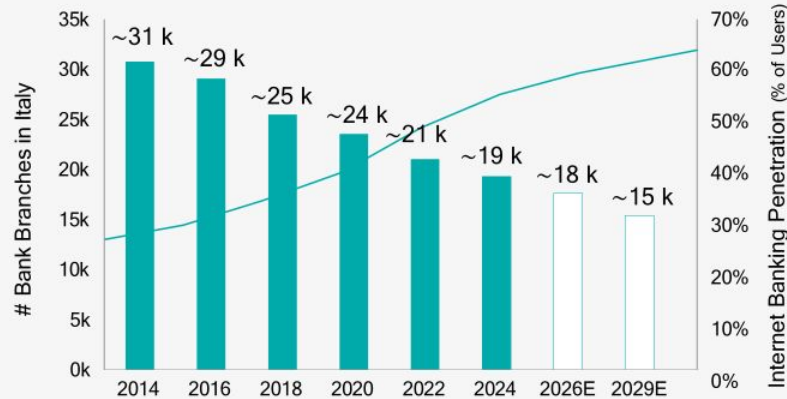
INCREASING USAGE of DIGITAL CHANNELS, with significant GROWTH in MOBILE (~+17% '23 vs '12) and CONTACT CENTERS (~+9%), while PHYSICAL CHANNELS are experiencing a DECLINE

Focus on banking footprint evolution in next slide



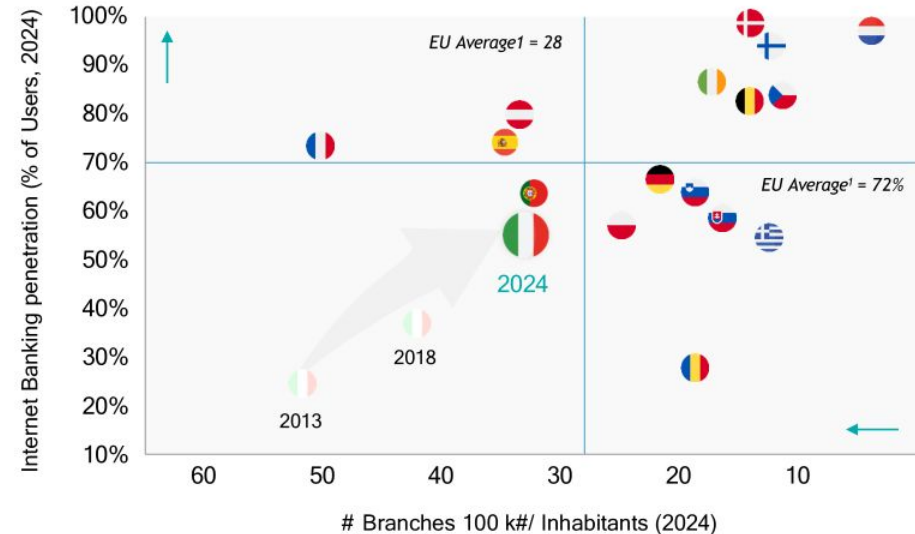
Given the growing demand for self-direct operations, Italian banks are revising their geographical footprint consistently with European average...

### Italian Banking Footprint Evolution...



Banks' DIGITAL CHANNELS are quickly MOVING BEYOND being simply a channel to becoming the CORE of Banking VALUE PROPOSITIONS, leading to a consequent RATIONALIZATION of Italian BANKING FOOTPRINT...

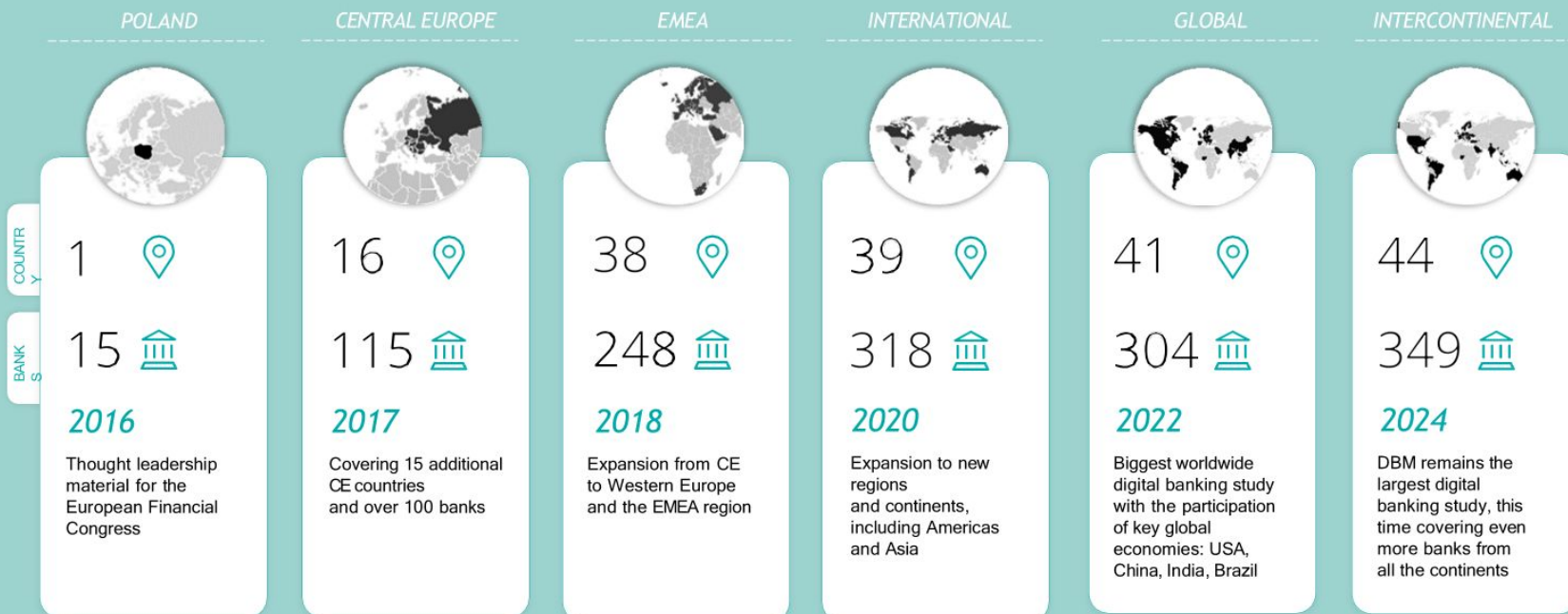
### ...moving towards the leading European countries



...to evolve towards a more DIGITAL-ORIENTED PRESIDIO, despite slightly LAGGING BEHIND the EUROPEAN AVERAGE (-17 p.p. on IB penetration rate and +5 branches per 100k inhabitants compared to EU Avg.)



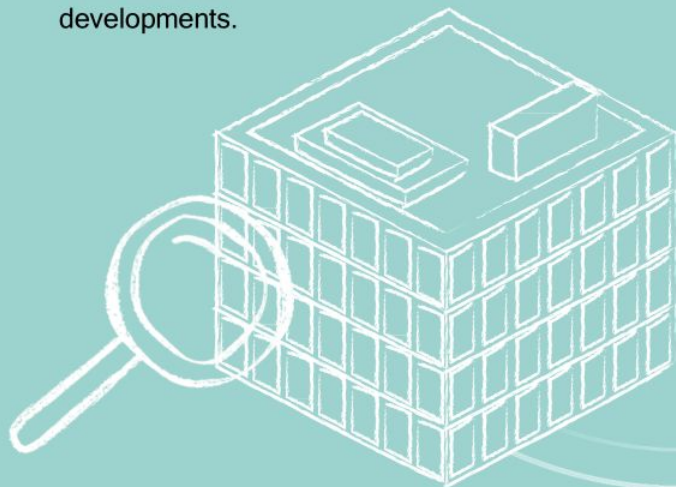
The 6th edition of the DBM report has been the largest benchmarking study conducted so far, encompassing nearly 350 banks from all over the world





## Digital Banking Maturity is a global accelerator, helping banks answer to the change...

Digital Banking Maturity is the biggest global digital banking study (which has now reached its 6<sup>th</sup> edition) providing a comprehensive outside-in 'mystery shopper' assessment of retail banks' digital channels and furthering discussion about future developments.



349

BANKS  
ASSESSED

44

MARKETS  
COVERED

3

DIGITAL CHANNELS  
(public website, internet  
banking, mobile app)

6

CUSTOMER  
JOURNEY STEPS

17

CUSTOMER  
JOURNEY SECTIONS

1k+

FUNCTIONALITIES  
AND FEATURES

4,4k+

CUSTOMERS  
SURVEYED

194

LOCAL MARKET  
RESEARCHERS



...by assessing three components in order to compare their digital maturity level and to identify best practices of the market



#### FUNCTIONALITIES BENCHMARKING

Analysis of 1.005 digital functionalities through 'mystery shopper' approach on real retail current accounts

- Assessment of 6 customer journey Steps
- Analysis of digitalization of 17 banking products
- Functionalities library with world's leading practices



#### CUSTOMER NEEDS RESEARCH

- Survey-based research identified 18 most important banking activities and preferred channels (branch, Internet, mobile), covering over 4.400 responses
- Customer preferences between channels in terms of most common banking activities



#### USER EXPERIENCE STUDY

Analysis of general principles and best practices of user experience in banking

- Assessment of 14 selected scenarios reflecting key areas of customer activity at top UX banks from 12 countries
- Identification of general leading principles in banking apps UX



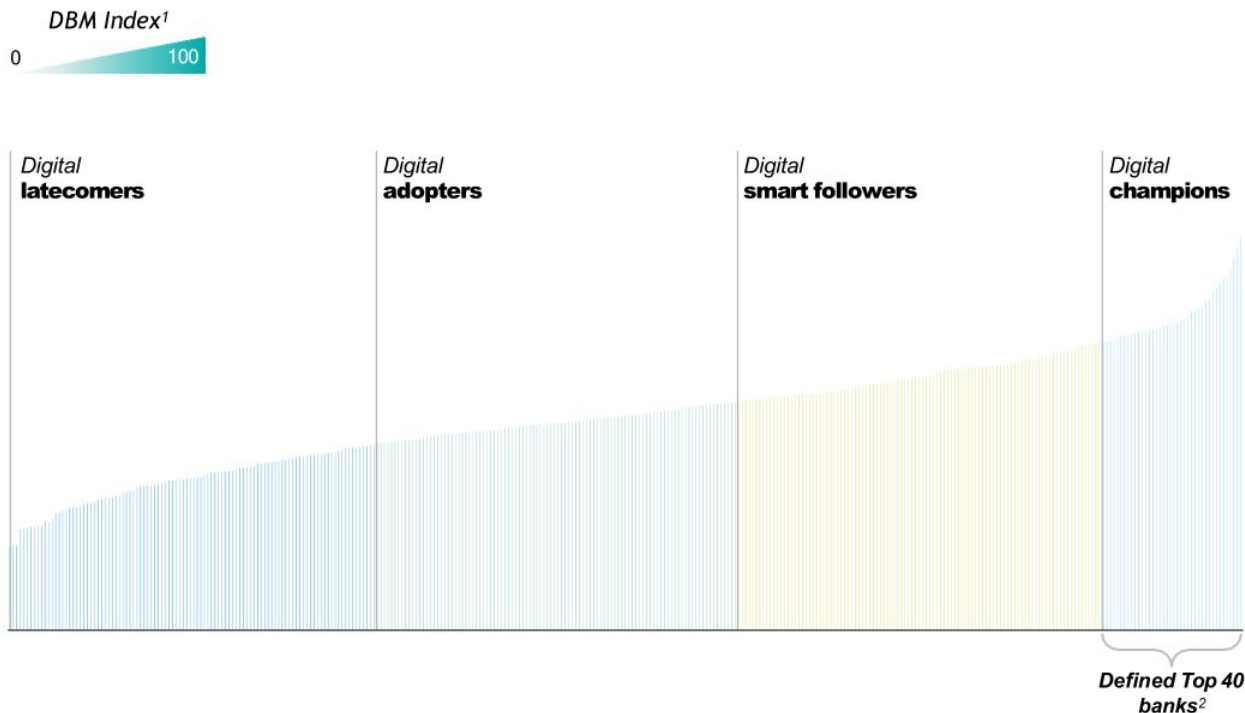


# The study assesses how global banks are evolving their digital proposition to respond to customers' needs, identifying *Digital Champions*

What defines **Digital champions**?

**Digital champions** offer a **wide range of functionalities relevant for customers** and a **compelling user experience**.

Digital Champions set **key digital trends** and have **leading market practices** in place, which positions them as role models to follow.





## ...by significantly investing in ecosystems, investment services, x-sell and card management areas since 2022

Where have Digital champions gained the biggest advantage over peers in the last 2 years?

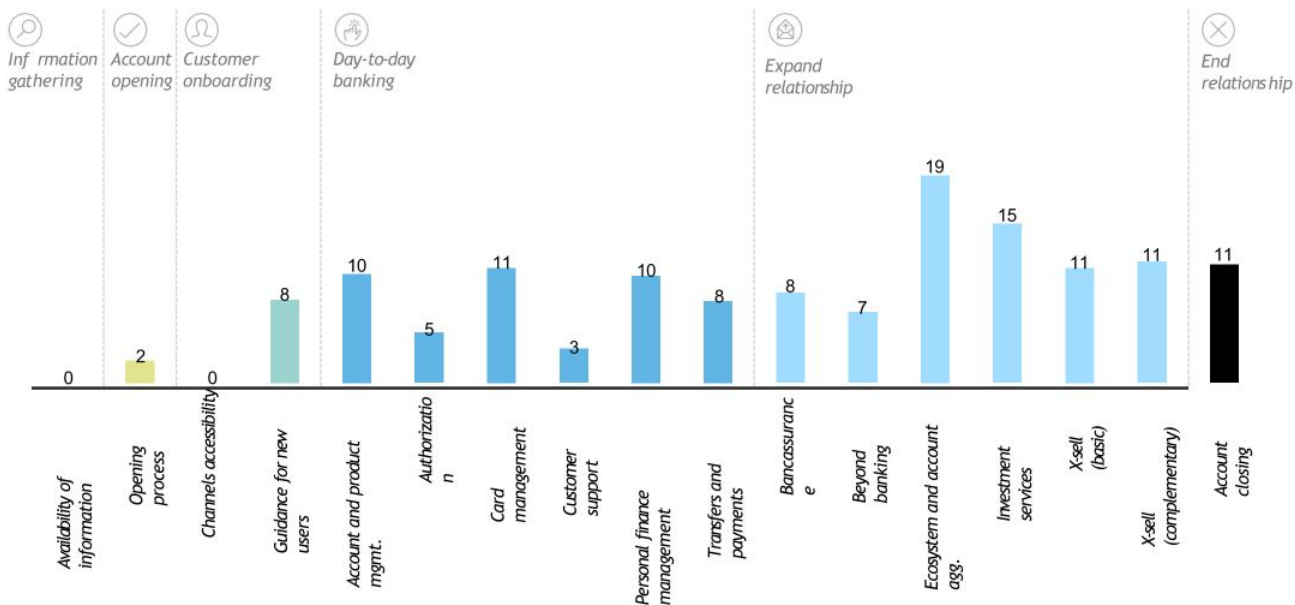
### Expand relationship

functionalities (avg. 12 p.p. advantage) has been a top priority for *Digital champions*, especially **ecosystem and account aggregation** (19 p.p. advantage) and **investment services** (15 p.p.). Champions have also strengthened in **card management** (11 p.p.) and **x-sell basic and complementary** (11 p.p.).



### Digital champions increase in advantage over peers

difference between % of functionalities implemented by Digital Champions in 2022 and 2024<sup>1</sup>, p.p.





## 6 key trends emerging from 2024 Digital Banking Maturity study

### Hyper-personalized Communication

Adoption of increasingly personalized communications to customers thanks to the introduction of AI technologies developing a more customer-centric experience

### Seeking Familiar Experiences

Designing of a complete customer experience by implementing user-friendly interfaces and increasingly demanded financial solutions (e.g. Buy Now Pay Later, ...)

### Transforming Customer Advisory

Introducing innovative solutions of Personal Financial Management and educational content for a better customer engagement (e.g. monetary compensation through education content, ...)

1

### Evolution instead of Revolution

Rethinking at the functionalities already implemented, rather than investing in new solutions, by developing processes to make current services fully digital and improving the overall user experience

2

### Convenient banking

Developing fully digital banking solutions that ensure the same service quality as an offline experience (e.g. 24/7 customer support, real-time solutions, ...)

3

### All in One - Super Apps

Evolution of banking Apps towards a Super Apps logic, integrating different functionalities and allowing users to manage daily activities through a single platform

4

5

6



[Focus further details in annex](#)