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European Banks & Stablecoins Report

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BBVA ING SOCIETE GENERALE BANKING CIRCLE

BANQUE DELUBAC & CIE DZ BANK Raiffeisen Bank International ODDO BHF

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Foreword

Dear reader,

When we launched **Tokenization Season** this summer with our partners at w3.group, our goal was simple: to take the conversation about stablecoins and tokenization out of conference rooms and into real dialogue with the people actually building Europe's financial infrastructure.

Over ten weeks, we toured London, Zurich, Frankfurt, and Paris, bringing together banks, capital allocators, and market operators to discuss one question that now defines the agenda for 2025: **How do stablecoins and tokenization become real business?**

Two things became clear:

- **First, stablecoins have crossed the threshold**. During our Q1 event series, they were still confined to internal presentations and strategy decks. By the time Tokenization Season began, that had changed. GENIUS had kicked off the race in the U.S., European consortia were forming, and the mood across Europe had turned urgent. After years of watching, banks realized this was the moment to act or be left behind.
- **Second, tokenization still feels early.** The direction is clear — markets are moving onchain — but the commercial model isn't. Large asset managers can extend distribution by wrapping their funds, yet for most, it remains unclear how tokenization generates revenue today.

In many ways, tokenization remains downstream of stablecoins. You can't drive real transaction volume for tokenized assets without an onchain cash leg. Stablecoins are nearing product-market fit beyond crypto circles, building the wallets, interoperability, and liquidity that tokenization will depend on.

This was perhaps my biggest realization of the season: stablecoin adoption comes first, tokenization will follow.

Blockchains, by nature, are a network game. Their value follows Metcalfe's Law: each new participant increases utility for all, but only if enough join early to create momentum. Today, too few institutions are incentivized to move first, so for most, tokenization remains an R&D exercise: promising but without a clear short-term return.

Maximilian Vargas

Founder & CEO

BLOCKSTORIES

Stablecoins are different. They already solve a tangible pain point: moving money instantly and globally. That urgency is pulling more banks, fintechs, and corporates into the network each month.

The flywheel is starting to turn, and as adoption grows, the surrounding infrastructure of wallets, settlement systems, and interoperability layers matures alongside it. Ultimately, this is what will unlock tokenization. The integrations being built for stablecoins today will become the foundation on which tokenized assets will operate tomorrow.

Yet, while stablecoins are clearly becoming operational, we noticed in dozens of conversations that banks — even those furthest ahead — are still working out how exactly to play this market. **Most agree they must participate. Few are certain how.**

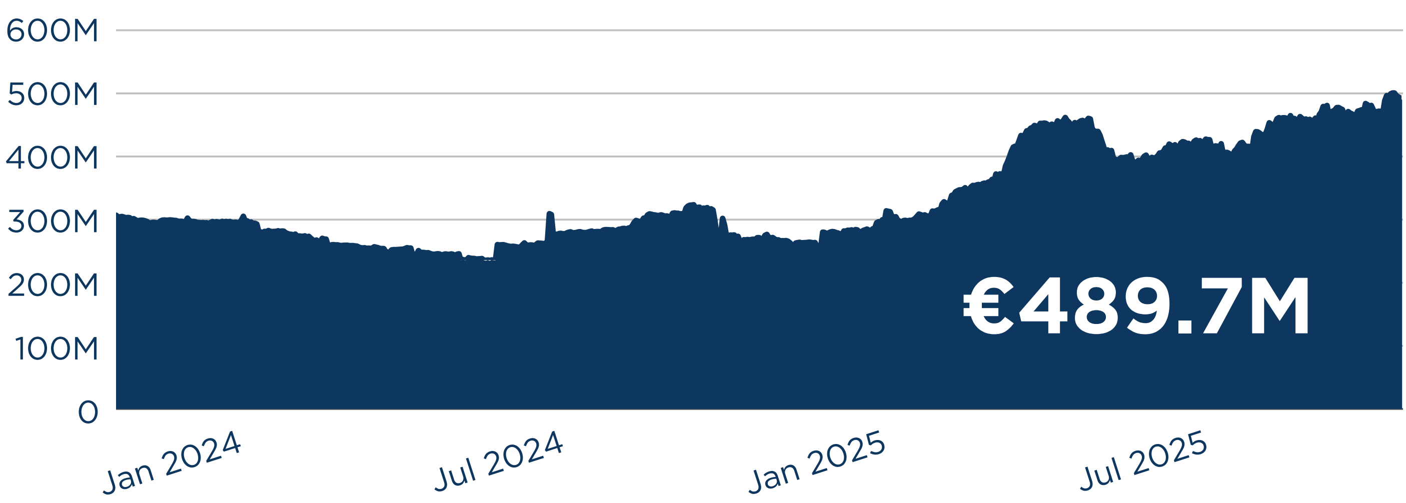
That's why we decided to write this report.

To conclude Tokenization Season, we wanted to go deeper and document how Europe's leading institutions are approaching stablecoins, what drives their strategies, and where they diverge. The result is a collection of **eight in-depth interviews with European banks on their stablecoin strategies**.

And while our sample naturally skews toward the more advanced players — those willing to speak publicly — the conversations offer an honest snapshot of where the industry stands today: pragmatic, cautious, but increasingly convinced that **stablecoins are moving into the heart of banking.**

The State of European Stablecoins

Total EUR Stablecoin Market Cap (in €)



EUR Stablecoin Overview

Launched

Issuer	Ticker	Circ. supply	Go-live	MiCA-regulated?	European HQ
CIRCLE	EURC	€239.9M	June 2022	✓	France
FORGE	EURCV	€65.8M	April 2023	✓	France
BANKING CIRCLE	EURI	€51.6M	August 2024	✓	Luxembourg
ANCHORED COINS	EURI	€47.9M	December 2023	⊘	Switzerland
MONERIUM	EURE	€20.5M	March 2023	✓	Iceland
AllUnity	EURAU	€17.9M	July 2025	✓	Germany
ANGLE	EURA	€11.7M	November 2021	⊘	France
StablR	EURR	€11.5M	August 2024	✓	Malta
STASIS	EURS	€7.9M	July 2018	⊘	Malta
ODDO BHF	EUROD	€5.1M	October 2025	✓	France
tether	EURt	€4.1M	June 2016	⊘	-
Quantoz	EURQ	€3.7M	November 2024	✓	Netherlands
CELO	CEUR	€3.4M	April 2021	⊘	Switzerland
VNX	VEUR	€1.8M	June 2025	⊘	Switzerland

Work in progress

Issuer	Est. launch date	Issuance Model	Participatory Banks	European HQ
BBVA	First half of 2026	Single-Issuer	-	Madrid
Alipay	-	Single-Issuer	-	Luxembourg
European Banking Consortium	Second half of 2026	Consortium	ING, UniCredit, KBC, Banca Sella, Danske Bank, DekaBank, SEB, CaixaBank, Raiffeisen Bank International	Amsterdam
G7 Consortium	-	Consortium	Santander, Bank of America, Barclays, BNP Paribas, Citi, Deutsche Bank, Goldman Sachs, MUFG, TD Bank, UBS	-
Bancomat	Second half of 2026	Consortium	Italian banks	Rome

All data as of October 31, 2025

Executive Summary

1 Stablecoins are moving into core banking infrastructure

The perspective on stablecoins within banks is shifting. Now, also teams outside the digital-assets function don't see them any longer as a crypto experiment, but as an emerging settlement and liquidity layer in mainstream finance. They are becoming the foundation for programmable payments, tokenized securities, and 24/7 treasury operations. The common view among our interviewees: being absent from that infrastructure will eventually put banks at risk of deposit flight.

2 Stablecoin monetization models remain nascent and under exploration

Minting and redemption fees are marginal, and the long-term yield on reserves remains uncertain.
Banks instead identify two main revenue paths. The first lies in servicing stablecoin issuers, consistent with their existing business model. The second is in building new services on top of stablecoin rails, including FX conversion, programmable payments, and intraday liquidity management. Still, concrete monetization strategies are still being actively explored.

3 Consortia models are gaining traction, but they come with a trade-off

Many large European banks now favor joint-issuance models to achieve scale and leverage the distribution networks across their participatory members. However, they're also aware of the structural trade-offs: by issuing through an EMI rather than from their own balance sheets, they forfeit fractional-reserve economics and keep stablecoins outside the traditional deposit-lending loop. This approach builds trust and reach but limits profitability — a tension every participant acknowledged.

4 The bottleneck is mostly operational, not technological

Banks emphasize that the real friction lies in adapting operations to 24/7 settlement, automating compliance workflows, and linking blockchain rails with legacy systems built for batch processing. It is also an organizational challenge, as attracting and retaining talent fluent in both traditional finance and digital assets remains difficult.

5 The core drivers of euro-stablecoin demand are institutional

Many conversations confirmed the same pattern: corporates, fintechs, and treasurers, not consumers, are driving adoption for euro stablecoins. They're showing interest in stablecoins for cross-border payments and treasury management. Retail payments show little promise in Europe, where existing systems are already fast and efficient. However, banks with exposure to emerging markets note that retail use of euro stablecoins could thrive where inflation erodes local currency trust.

6 Euro stablecoins are a matter of geopolitical competitiveness

Behind every conversation sits a shared concern: Europe's digital-currency gap versus the U.S.
In traditional payments, the U.S. dollar accounts for roughly 49% of global transactions and the euro about 22%, yet onchain liquidity is almost 99% dollar-denominated. Banks see euro stablecoins as essential to monetary sovereignty and industrial relevance.

7 The future of digital money is about coexistence

When asked about the different forms of digital money, banks consistently described a future of coexistence: wholesale CBDCs for interbank settlement, tokenized deposits within the banking perimeter, and stablecoins as the open, programmable connector. The shared challenge is interoperability.

Banking Circle | Kirit Bhatia, Chief Digital Asset Officer

By launching EURI in August 2024, Banking Circle became the first European bank to issue a stablecoin directly under its banking license, obtained from the Luxembourg regulator in February 2020. Specialized in cross-border payments and settlement infrastructure for banks and fintechs, it provides instant payment rails and multi-currency accounts in more than 25 currencies. Founded in 2013, Banking Circle acts not only as an issuer but also as a reserve bank for multiple other issuers.

Luxembourg | **Stablecoin stage:** Launched | **Ticker:** EURI | **Model:** Single-issuer

> *The goal is to give clients **reliable, regulated access to tokenized money** — whether that's our own stablecoin or one we safeguard for partners.*

Kirit Bhatia
Chief Digital Asset Officer

On Their Role in the Stablecoin Ecosystem

We've been active on the regulated side of digital assets for years. Many leading exchanges, market makers, and stablecoin issuers already rely on us for fiat rails. Our focus has always been payments infrastructure, and we see stablecoins as the logical next step in modernizing it.

When I joined this space six or seven years ago, the total stablecoin market cap was around two billion dollars; today it's above 300 billion, with transaction volumes exceeding Mastercard and Visa combined. The scale is real: stablecoins enable 24/7 money movement, reshaping cross-border payments, treasury, and liquidity management.

Our role is to make those rails safe and regulated. We act as a reserve bank for several major stablecoin issuers, including one of the largest globally, ensuring fiat reserves are managed securely. Stablecoins aren't a side project for us, they're the next generation of financial infrastructure.

On EURI and Stablecoin Banking Services

We launched the stablecoin under our banking license to fill a clear gap for a fully regulated, bank-grade euro token. At this time, the market was dominated by unregulated or non-euro instruments, and the goal was to show that a bank can bridge fiat and decentralized infrastructure transparently and compliantly.

Even though we are a credit institution, we chose to keep segregated 1:1 backing to guarantee redemption at all times. That's what the market demands today.

Our business isn't to compete with other issuers. Acting also as reserve bank allows us to prove the model and support others. We're chain-agnostic and will build where liquidity and regulatory clarity are strongest. The goal is to give access to tokenized money, whether that's our stablecoin or one we safeguard for partners.

On Use Cases and Client Demand

Interest has grown dramatically. For many clients, the first question is simple: how do I move between fiat and stablecoins safely? Once that foundation is in place, the conversation evolves: how do I use this for instant settlement, manage 24/7 liquidity, or access onchain yield instruments like tokenized money-market funds?

That progression is exactly what we see in practice. Fintechs and neobanks want always-on euro liquidity; corporates are exploring stablecoin rails for real-time treasury and cross-border settlement. They value being able to do this with a fully regulated counterparty. As our clients move from pilots to production, we're building the infrastructure and global licensing to support them at scale.

On Risks and Challenges

The technology part is largely solved, issuing or integrating a stablecoin is technically straightforward now. The real complexity is in regulation, operations, and people. Regulations are moving forward globally, but each region is at a different stage. It's a bit like flying through different airspaces: you have to navigate around each jurisdiction's rules while keeping the route smooth. Stablecoins operate 24/7 and don't see borders, but compliance frameworks do, and that's the real challenge.

Operationally, we're also adapting to a world that never switches off. That means automating AML and governance processes that were designed for business hours. And then there's the talent side; people who really understand both traditional banking and decentralized finance remain rare. Finding and growing that expertise is one of the biggest challenges for any regulated institution in this space.

ING | Floris Lugt, Lead Digital Assets

ING is a global financial institution with a strong European base, headquartered in Amsterdam. It serves over 40 million customers in over 100 countries, offering retail and wholesale banking, payments, and investment services. In September, it joined eight other banks to form the first European consortium planning to issue a euro-denominated stablecoin in the second half of 2026.

Netherlands | **Stablecoin stage:** In preparation | **Ticker:** Unknown | **Model:** Consortium

> *The biggest challenges are* ***coordination*** *and* ***compliance at scale*** *[...]* ***The consortium*** *offers a* ***unified****, regulated system that's* ***easy to integrate****.*

Floris Lugt
Lead Digital Assets

On Their General Approach to Stablecoins

For us, stablecoins are about the future of digital payments infrastructure. From the very beginning, we saw this as a question of modernizing the backbone of financial transactions, not creating a new asset class. Stablecoins represent a new form of digital cash that can move instantly and securely, and that's where their real value lies.

We also recognized early on that this transformation could only succeed as a collective effort across the banking sector. The idea is simple: banks shouldn't compete on the rail itself. We should rather think about it like SEPA or TARGET: every bank uses the same base layer, but competes on the services built on top. That's the philosophy we're applying to the next generation of payments.

On Choosing the Consortium Model

We wanted neutrality, scale, and shared governance. The only fair and sustainable way for multiple banks to issue a common stablecoin is through a joint entity, not one bank acting on behalf of others. If each bank were to issue an individual stablecoin, this would lead to interoperability challenges, which is detrimental for liquidity, efficiency, and user experience.

That's why we're setting up a new EMI-licensed company in the Netherlands, supervised within the Eurozone. This entity will issue e-money tokens for onchain payments, not handle lending or deposits. It ensures clear regulatory alignment with MiCA and a level playing field for all participants.

All nine founding banks are equal shareholders, regardless of size, and the company will have its own independent management and supervisory board. Each member bank remains free to develop its own products, wallets, and liquidity solutions for clients, but all on top of a shared, trusted standard.

On Use Cases and Client Demand

We aim for the stablecoin to be a general means of onchain payment and settlement, which can also be used for both corporate and retail use cases. We see demand from corporate and institutional clients first: treasury operations, cross-border payments, and settlement for tokenized assets. These clients are looking for instant settlement and programmable money, but they need those features within a fully regulated, bank-backed environment.

Many are still watching from the sidelines, waiting for trusted infrastructure before scaling. The consortium offers a unified, regulated system that's easy to integrate. Once in place, adoption will accelerate across payments, tokenized markets, and supply chain finance.

On Risks and Challenges

The biggest challenge isn't the technology anymore, but rather the coordination and compliance at scale. For cross-border use cases, you need harmonized standards for AML, the Travel Rule, data protection, and interoperability between jurisdictions. No single bank can solve those issues alone, which is precisely why the consortium approach is so essential.

Operationally, scaling means tackling real-world complexity: integrating blockchain infrastructure with legacy systems, managing liquidity across multiple entities in real time, and onboarding clients under varying regulatory regimes.

We've spent three years getting here, testing feasibility, demand, and risk frameworks. The technical proof points are behind us; now it's about execution. We're moving from pilots to production, because institutions want to use this technology today. The sooner we deliver compliant, standardized infrastructure, the sooner Europe can lead the next phase of digital finance.

BBVA | Francisco Maroto, Head of Digital Assets

Ranked among the world's largest banks, BBVA is a Spanish global financial group with a diversified business spanning retail banking, corporate and investment banking, asset management, and insurance. It operates in more than 25 countries, with leading positions in markets such as Mexico and Turkey. On July 4, it became the first bank in the European Union to launch regulated cryptocurrency trading and custody services under a MiCA license, offering Bitcoin and Ether directly through its mobile banking app.

Spain | **Stablecoin stage:** In preparation | **Ticker:** Unknown | **Model:** Single-issuer

> *Our first use case will be* ***marketplace settlement*** *under the* ***EU Pilot Regime*** *for* ***tokenized securities****.*

Francisco Maroto
Head of Digital Assets

On Their General Approach to Stablecoins

Our work with digital assets, including stablecoins, builds on nearly a decade of exploration. We first engaged with blockchain about eight or nine years ago as part of an innovation initiative. We wanted to understand how this technology could reshape financial infrastructure. Over time, we saw tokenization as a transformative force and started preparing BBVA to operate in this "internet of value", which will be built on digital tokens of all kinds.

We started working with digital assets, including stablecoins, in Switzerland. That's also where we first launched crypto trading and custody services. USDC is listed there, and both USDC and USDT are offered in Turkey, our second live market.

Our approach is guided by client demand and regulation. In Europe, everyday use of the euro means there's little retail need for stablecoins. But in high-inflation countries, customers use them to preserve value and move funds across borders. Where that demand exists, and the rules allow, we will provide access.

On Their Motivation To Become an Issuer

We're developing a BBVA-branded "money token" under MiCA, targeted for launch by early next year. The project is in partnership with Visa, which provides the tokenization platform.

Our first use case will be marketplace settlement under the EU Pilot Regime for tokenized securities, where a regulated digital euro is needed. Once that works at scale, we'll extend into payments and treasury applications. The goal is to gain experience early and grow as use cases mature.

On Use Cases and Client Demand

Demand varies sharply by geography. In emerging markets, stablecoins are a retail phenomenon: a hedge against inflation and a way to move funds internationally. In Europe, the story is institutional, corporates and financial intermediaries are exploring stablecoins for onchain settlement, programmable payments, and liquidity optimization.

We're also part of the BIS Project Agora, alongside several global banks, testing tokenized deposits for cross-border payments. That's a natural extension of our stablecoin work, learning how regulated digital money can move efficiently and compliantly between banks. Internally, we're also running pilot programs for tokenized money market funds and SME financing, using the same underlying rails. Stablecoins are the first step toward these more complex tokenized asset ecosystems.

On Risks and Challenges

The biggest challenge is regulatory implementation and consistency. MiCA gives a clear framework, but applying it uniformly across the EU will take time. For an international bank, that creates operational complexity. Another issue is reserve management, ensuring fiat collateral remains transparent and insulated from market or counterparty risk.

There's also a talent and infrastructure gap. Managing digital assets requires entirely new systems, compliance processes, and governance models. We've built internal teams fluent in both banking and blockchain, and we're automating custody and settlement workflows to meet group-wide security standards.

Finally, the interoperability question remains open. Stablecoins, tokenized deposits, and CBDCs will coexist, but they must talk to each other. That's why we're investing early. Stablecoins are the most mature product today: the technology is proven, regulation is clear, and adoption is growing. Building now ensures BBVA is ready when tokenized deposits or wholesale CBDCs become mainstream.

Delubac | Paul Bureau, Head of Digital Assets Offering

Founded in 1924, Banque Delubac & Cie is an independent, family-owned bank. It stands out for its focus on high value-added niche segments such as corporate banking, private banking, asset management, and international correspondent banking. In France, it was the first bank to offer crypto-asset custody and trading services, and the first institution with a banking license to obtain MiCA authorization. In October, it completed its first real estate transaction partially settled in stablecoins and Ether.

France | **Stablecoin stage:** Partnering with issuers | **Ticker:** - | **Model:** Non-issuer

*We use **stablecoins** for instant transactions with partners, enabling **faster settlement**, **lower costs**, and a transparent **process transforming flows**.*

Paul Bureau
Head of Digital Assets Offering

On Their General Approach to Stablecoins

We're a small, innovative French bank. Without the constraints of large shareholder structures, we can move faster, innovate pragmatically, and focus on building real-world use cases.

Today, we're channeling an expertise we call "correspondent banking 3.0." Instead of routing payments through long chains of intermediaries, we use stablecoins to execute near-instant in-out transactions with trusted partners. The result is faster settlement, lower costs, and a transparent process that transforms how cross-border flows are managed.

At the same time, we're expanding beyond payments into onchain treasury management. We're tokenizing our own money-market fund to automate liquidity operations for corporate clients. Soon, treasurers will be able to set daily cut-off times — 3 p.m., 6 p.m., midnight — and have liquidity automatically placed or redeemed on schedule. Stablecoins make that kind of programmable cash optimization a reality. For us, stablecoins are the next logical step in the evolution of banking infrastructure.

On Partnering with Issuers

Launching a stablecoin alone doesn't make sense at our size. We'll be partners and servicers, not solo issuers. As a credit institution, we can mint and burn stablecoins under MiCA once live, but we'll do so through alliances.

We're in advanced talks with many issuers to act as a banking partner and on/off-ramp for euro-denominated tokens. It's a model of "coopetition": banks bring credibility and deposits, fintechs bring speed. Together we can launch before the big consortia even go live.

On Use Cases and Client Demand

Our clients — SMEs, fintechs, payment startups — don't ask for "a stablecoin." They ask to optimize treasury and move money globally without intermediaries. Stablecoins are just the mechanism.

In cross-border payments, they replace long correspondent chains. What used to pass through a dozen intermediaries can now be executed as a single in-out stablecoin transaction, settling within minutes instead of days and cutting most fees. For a bank built around international flows, that's transformative.

We also see market makers and brokers who want to operate in Europe with a regulated euro token instead of USDC or USDT. Their demand is purely functional: reliable rails that won't freeze or be de-banked.

That said, adoption is still gated by regulation and education. Many corporates are just beginning to grasp how stablecoins differ from tokenized deposits or CBDCs.

On Risks and Challenges

Scale is the biggest challenge. Small banks can innovate quickly but take time to build liquidity, so we focus on interoperability and partnerships.

Regulation is heavy. MiCA gives clarity but requires serious legal and tech resources. The other risk is regulatory asymmetry: while Europe tightens rules, USDC and USDT dominate. If MiCA 2.0 overreaches, DeFi will stay powered by U.S. tokens and euro stablecoins won't scale.

There's also a technical gap between MiCA Articles 1 and 3: stablecoins versus money-market funds. You can use a stablecoin to buy a fund but not the reverse without tax frictions. Europe needs better legal bridges.

Finally, off-ramp costs remain high. On-ramps are cheap, off-ramps can cost several percent. Fine for traders, impossible for SMEs. Until that's solved, adoption will lag.

ODDO BHF | Guy de Leusse, Group Deputy COO

ODDO BHF is an independent Franco-German financial group serving corporations, institutional investors, and private clients across Europe. With roots in private banking and asset management, it combines investment banking expertise and long-standing relationships with the European corporate sector. In digital assets, ODDO BHF has taken a pioneering role as the first European bank to issue a euro-denominated, regulation-compliant stablecoin with reserves directly integrated into its balance sheet.

France | **Stablecoin stage:** Launched | **Ticker:** EUROD | **Model:** Single-issuer

> ***Issuing through the bank** keeps liquidity management integrated. The cash sits **within our existing ratios and supervision**.*

Guy de Leusse
Group Deputy COO

On Their General Approach to Stablecoins

At ODDO BHF, we see stablecoins as a natural extension of our private-banking and asset-management business. We're smaller than the universal banks, but that gives us agility.

Our reflection began two years ago when we saw that tokenization couldn't scale without a safe, euro-denominated settlement asset. That was the starting point. We wanted to prove a bank can issue a stablecoin responsibly, under the same prudential standards as any other product.

MiCA made this possible. Stablecoins are no longer a parallel system but an extension of traditional financial infrastructure. As I like to say, a stablecoin is simply cash on the blockchain, and that's where banks belong. Our goal is to provide clients with a trusted digital euro serving both the tokenized economy and institutional markets

On Putting EUROD On the Balance Sheet

We issued our own, the EUROD, a fully collateralized e-money token (EMT) under MiCA, created directly by the bank. It's the simplest route: MiCA lets banks issue stablecoins without new entities or licenses.

Issuing through the bank keeps liquidity management integrated. The cash sits within our existing ratios and supervision. It's part of the balance sheet, under normal prudential rules. That also means the counterparty risk is that of ODDO BHF itself, a regulated European bank with central-bank access. That's the big advantage of being a bank.

This model offers clarity and avoids complexity. We use Fireblocks for issuance and custody, and Bit2Me as an initial exchange partner. These first steps let us build experience, liquidity, and trust within the ecosystem.

On Use Cases and Client Demand

Demand spans fund managers, wealth clients, and fintechs. For wealth clients, stablecoins offer a safe entry into tokenized assets; for asset managers, they enable faster subscriptions, redemptions, and 24/7 transfers. Fintechs are replacing U.S.-dollar stablecoins with a regulated onchain euro to keep liquidity under European supervision — clients now expect euro liquidity globally.

To meet this demand, we're focusing on accessibility. EUROD is listed on centralized and decentralized venues, with Flowdesk ensuring liquidity from day one. Use cases include fund settlement, cross-border payments, and liquidity pools, particularly in corridors linking Europe with Africa and Asia, where stablecoins simplify flows and support euro internationalization.

On Risks and Challenges

The key risks are liquidity and reputation. If a stablecoin loses its peg, confidence collapses. That's why our reserve policy is ultra-conservative: we currently hold only highly liquid assets such as short-term sovereign bonds and cash.

The next challenge is fragmentation. If every bank issues its own token, we'll recreate inefficiencies. We strongly support interoperability standards, shared wallet protocols, messaging formats, and redemption SLAs.

For us, MiCA is an extension of banking law, requiring only a white-paper notification to the ACPR. The harder part was internal alignment: integrating compliance, educating teams, and defining governance.

We spent months explaining this isn't "crypto," but regulated cash on blockchain. We use Chainalysis for wallet screening and tools identical to traditional AML systems to prove blockchain transactions are more traceable and auditable than traditional payments.

Raiffeisen Bank Int. | Christian Wolf, Group Strategy

Founded in 2010 through the merger of Austria's Raiffeisen Zentralbank and Raiffeisen International, Raiffeisen Bank International (RBI) is one of the leading banks across Central and Eastern Europe. RBI is also among the nine European banks that announced the formation of a consortium to issue a euro-denominated stablecoin, scheduled for launch in the second half of 2026.

Austria | **Stablecoin stage:** In preparation phase | **Ticker:** Unknown | **Model:** Consortium

> ***Stablecoins*** *are an opportunity for* ***faster liquidity****,* ***programmable settlement****, and* ***greater transparency****,* ***automation****, and* ***control*** *over funds.*

Christian Wolf
Head of Strategic Partnerships & Ecosystem

On Their General Approach to Stablecoins

For us, stablecoins are quickly becoming a hygiene factor. Our clients are increasingly looking for ways to make liquidity management and payments more efficient, and that demand is driving our focus on programmable payments, inter-group liquidity, and cross-border settlement as core banking services. In that context, stablecoins represent the digital cash layer that enables these capabilities.

The timing is relevant: MiCA brings legal clarity, corporate demand is moving from exploration to execution, and our digital-asset strategy is ready to scale. There's also a geopolitical imperative — Europe can't let Web3 run solely on U.S. dollars. Most tokenized activity is dollar-based only because euro infrastructure is still missing — and that's what we aim to build.

At the same time, stablecoins also challenge the traditional banking model. They operate outside the classic deposit-lending loop, meaning banks must find new ways to create value. We see the opportunity in leveraging this technology to build new business models: faster liquidity management, programmable settlement, and products that offer corporates greater transparency, automation, and control over their funds.

On Choosing the Consortium Model

We evaluated both options. However, stablecoins only succeed when they achieve high volume, high liquidity, and high accessibility, and that's not something any single European bank can reach by itself.

That's why we joined forces with eight other major European banks — ING, UniCredit, CaixaBank, Danske, SEB, KBC, DekaBank, and Banca Sella — to build a common Euro stablecoin. The issuer will be a joint EMI-licensed entity with shared governance, ensuring neutrality and credibility. For Raiffeisen Bank International, the strength we bring is distribution and corporate reach across Central and Eastern Europe. Acting together gives us the scale and interoperability we need, and it also supports Europe's broader ambition to build its own digital financial infrastructure rather than depending entirely on U.S. schemes.

On Use Cases and Client Demand

We structure the demand we see into three main pillars. First, on- and off-ramps between fiat and crypto, still the largest use case by volume. Second, stablecoins as the cash leg for tokenized assets, especially where corporates want to settle both the asset and the payment on the same technology stack. And third, payments, particularly cross-currency and beyond-SEPA transactions, which are central to Raiffeisen Bank International's footprint outside the eurozone.

Retail demand in Europe remains small, but we closely observe high-inflation markets like Latin America, where stablecoins already act as a store of value. Those learnings help us design future cross-border corridors within the consortium. And since the consortium was announced, we've seen a clear rise in inquiries from our corporate clients, who now want to explore how they can use these rails in their day-to-day operations.

On Risks and Challenges

Simply replicating existing correspondent-banking processes on a blockchain doesn't create anything new. The real challenge lies in how to use the technology for new income streams and new client opportunities.

Another challenge is differentiation. Competition in Europe is heating up, so differentiation will come from trust, transparency, and scale. Internally, we also have to coordinate nine banks under one standard. That means aligning compliance, tech, and product teams so everyone speaks the same language.

DZ Bank | Claus George, Head of Digitalization TxB

DZ BANK
Die Initiativbank

DZ Bank is Germany's second-largest financial institution. It serves as the central institution for cooperative banks, offering corporate banking, capital markets, asset management, and transaction services. In September 2024, DZ Bank announced a partnership with Börse Stuttgart Digital to begin offering digital asset trading and custody, with availability planned for select customers. The bank is also an early participant in the European blockchain initiative Regulated Layer One.

Germany | **Stablecoin stage:** Exploration | **Ticker:** - | **Model:** Non-issuer

> *"**Stablecoins aren't a natural bank product,** because they compete with deposits and payments. Yet, they've become **a reality we can't ignore**."*

Claus George
Head of Digitalization and Innovation TxB

On Their General Approach to Stablecoins

Stablecoins are not a natural bank product, because they compete directly with deposits and payments. However, they've become an external reality we can't ignore. They touch the same value-transfer functions that banks have always provided.

Their rise is also driven by structural and political dynamics. The U.S. dollar dominates global reserves by roughly sixty to twenty over the euro, but in stablecoins it's closer to ninety-nine to one. That imbalance isn't accidental. U.S. policymakers have let private innovation reinforce the dollar's reach, while Europe has been cautious. So yes, we see stablecoins as competitors, but also as infrastructure we must learn to connect to, safely and on our own terms.

So, our job is to ensure our clients can access onchain settlement without taking unmeasured balance-sheet risk.

On the Different Issuance Models

First, a consortium model via an EMI or joint vehicle offers scale and reach, but the coin sits outside the banking balance sheet.

Second, ODDO BHF's single-bank issuance puts the bank's own balance sheet behind the coin. It's courageous. However, building the necessary network effects will be key.

Third, a partnership with a global issuer could accelerate client access and retain deposits in the regulated system. Under MiCA, issuers must hold reserves with banks, so smart partnerships could turn competition into opportunity. The market is evolving fast, and commercial scale is approaching. These options aren't mutually exclusive; flexibility is key.

On Use Cases and Client Demand

Large multinationals have complex treasuries operating across multiple time zones and currencies. They're exploring stablecoins for intraday liquidity, instant delivery-versus-payment, and collateral transfers. Adoption hinges on seamless TMS integration, and with SAP and Oracle adding native stablecoin and tokenized-deposit support, market readiness is clearly advancing.

Then you have mid-sized exporters. They might sell mostly in Europe but have a few contracts in regions where stablecoins are increasingly accepted. They don't need to become full-time users; they just want to accept or send stablecoins occasionally and convert them reliably.

And finally, retail. In Europe, stablecoins are still mostly on- and off-ramps for crypto investing rather than everyday payments. This is where we could enhance the crypto trading services of Volks- und Raiffeisenbanken.

On Risks and Challenges

The toughest issue is credit-exposure transparency. Corporate treasurers manage counterparty limits for every bank; with deposits, exposure is clear, but with stablecoins it isn't. Even under MiCA, where issuers must hold most reserves as bank deposits, treasurers don't know which banks hold them, so they can't measure risk.

Reserve quality is another concern. Some issuers hold mainly U.S. T-bills, others add lower-quality assets. Under stress, those differences matter. Assuming everything goes right is not a strategy.

There's also a policy angle: global stablecoin use funneling funds into U.S. T-bills may unsettle regulators. Under Basel III and LCR rules, banks must gauge such exposures precisely — until they can, core liquidity flows won't shift.

SG-FORGE | Stéphanie Cabossioras, Secretary General

FORGE
SOCIETE GENERALE GROUP

Launched in 2018, SG-FORGE is the blockchain arm of the French banking group Société Générale, regulated as a Global Systemically Important Bank. The subsidiary is licensed as an electronic money institution under the European MiCA framework and issues both a euro-denominated stablecoin (EURCV) and a dollar-denominated one (USDCV). In late September, the banking group became the first to deploy its stablecoins in decentralized finance, on the lending protocol Morpho and the decentralized exchange Uniswap.

France | **Stablecoins stage:** Launched | **Tickers:** EURCV — USDCV | **Model:** Single-issuer

> *__Our stablecoins__ offer __banking-grade__ safety and compliance — __something still rare__ today, as most reserves sit with riskier banks.*

Stéphanie Cabossioras
Secretary General

On the Rationale Behind Their Strategy

When we executed our first tokenization transactions several years ago, it became obvious that you cannot tokenize a security without also tokenizing the cash leg. Without a reliable form of digital money, true delivery-versus-payment settlement onchain is impossible. That realization was the foundation for the EUR CoinVertible and USD CoinVertible projects.

Our objective has always been to enable institutional adoption. Stablecoins in our view are a means of payment and settlement, designed to bring instant, programmable cash movements to capital markets, repo, and fund operations. They allow real-time settlement, reduced counterparty risk, and more efficient liquidity management, all within a fully regulated environment.

On Their Stablecoins' Value Proposition

Both of our stablecoins are issued by SG-FORGE, the subsidiary of Societe Generale Group dedicated to crypto-assets, which holds a MiCA license and is also regulated as an e-money institution, with segregated reserves fully backed 1:1 as required by regulation.

Our value proposition lies in being underpinned by banking level safety and regulatory compliance, ensuring the highest counterparty quality for a settlement asset — something still rare in today's market, where most stablecoin reserves are held with riskier banking institutions.

A landmark example was Bullish's IPO earlier this year marked the world's first fully stablecoin-settled offering, with banks converting fiat proceeds into SG-FORGE stablecoins, paving the way for future IPOs and treasury use cases in stablecoins.

Technically, our approach is multi-chain by design. We currently issue on Ethereum and Solana and are expanding to Stellar and the XRP Ledger (XRPL).

On Use Cases and Client Demand

The early use cases were around trading and capital-markets settlement, but demand is evolving quickly. We now see corporate treasuries already hold billions in stablecoins, and use them for 24/7 liquidity management and cross-entity treasury transfers. Clients now ask for programmable cash legs for trades and fund operations.

We also aim to attract institutional players and investors from the crypto-native ecosystem. That's why we've deployed our stablecoins in centralized crypto exchanges and in decentralized finance through protocols such as Morpho and Uniswap, with more integrations coming soon. We see this as both a strong growth opportunity and an important driver of innovation.

This ambition led us to issue both a euro and a dollar stablecoin. Most digital-asset flows are still USD-denominated, and our clients needed an institutional-grade dollar instrument under European supervision.

On Risks and Challenges

Regulation remains both a challenge and a strength. MiCA has created a clear framework, but implementing it requires meeting the same standards as the traditional banking system. That's demanding, but it's what builds credibility.

The second challenge is ecosystem development. Issuing a token is one thing; ensuring market depth and utility is another. That's why we collaborate with regulated exchanges such as Bullish, Bitstamp, Bitpanda and recently Bit2Me, and with leading institutional market-makers.

Lastly, education is crucial. Many corporates still associate stablecoins with unregulated crypto. Our mission is to show that a MiCA-supervised, euro-denominated token is the digital evolution of e-money.

Case Study: Scaling Stablecoin Demand With DeFi

Morpho

Morpho is an open lending and borrowing protocol designed to provide institutional-grade, onchain credit infrastructure. It enables market participants to supply or borrow digital assets within isolated, risk-segmented markets governed by immutable smart contracts. Through its "Vaults" architecture, financial institutions can create customized, permissioned environments with embedded KYC, liquidity, and compliance controls. Across major integrations with Coinbase and Ledger Morpho operates as an liquidity layer beneath trusted front ends.

How Onchain Lending Works (on Morpho)

How Morpho Drives Demand for Stablecoins

Morpho provides practical ways to put stablecoins to use in real financial activity. Its design creates several clear sources of demand that link stablecoins with everyday lending, liquidity, and payment functions:

- **Borrowing:** Morpho enables users to borrow euro-denominated stablecoins against collateral (e.g. BTC, ETH or tokenized money market funds).
- **Earn Products:** On the other side of the loan are users who deploy stablecoin liquidity into curated, risk-managed vaults to generate interest.
- **Distribution via trusted third-party frontends:** Integrations with exchanges, neobanks and wallets turn these platforms into powerful distribution channels for stablecoins. They enable issuers to reach users through familiar, trusted interfaces without establishing a direct client relationship. This approach creates new partnership models between regulated issuers and consumer-facing applications.

Core Principles of Morpho's Protocol

- **Risk Isolation:** Each lending market operates independently, so if one asset experiences stress or defaults, it does not affect others. This limits contagion and allows for precise risk management.
- **Non-Custodial Design**: Assets never leave user control. Transactions occur through smart contracts rather than an intermediary holding client funds.
- **Immutable Smart Contracts:** The core protocol cannot be changed or upgraded, removing governance discretion and ensuring consistent behavior over time.
- **Transparency:** All balances, rates, and collateral positions are publicly visible and verifiable onchain, enabling real-time auditability.
- **Neutral Infrastructure**: Morpho acts as open financial plumbing—any institution can connect, build, or integrate products without relying on centralized control or coordination.

Example: Coinbase x Morpho Integration

Since January this year, Coinbase users have been able to borrow up to $1 million in USDC against their BTC — powered by Morpho. The results so far:

Total Collateral Deposited via Coinbase

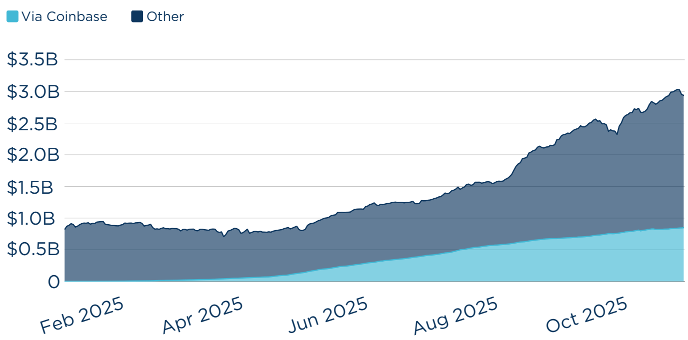
~$1.5 Billion

Total Loans Taken Out via Coinbase

~$845 Million

Impact: Coinbase Driving USDC Demand

Active USDC Loans on Morpho



All data as of October 31, 2025

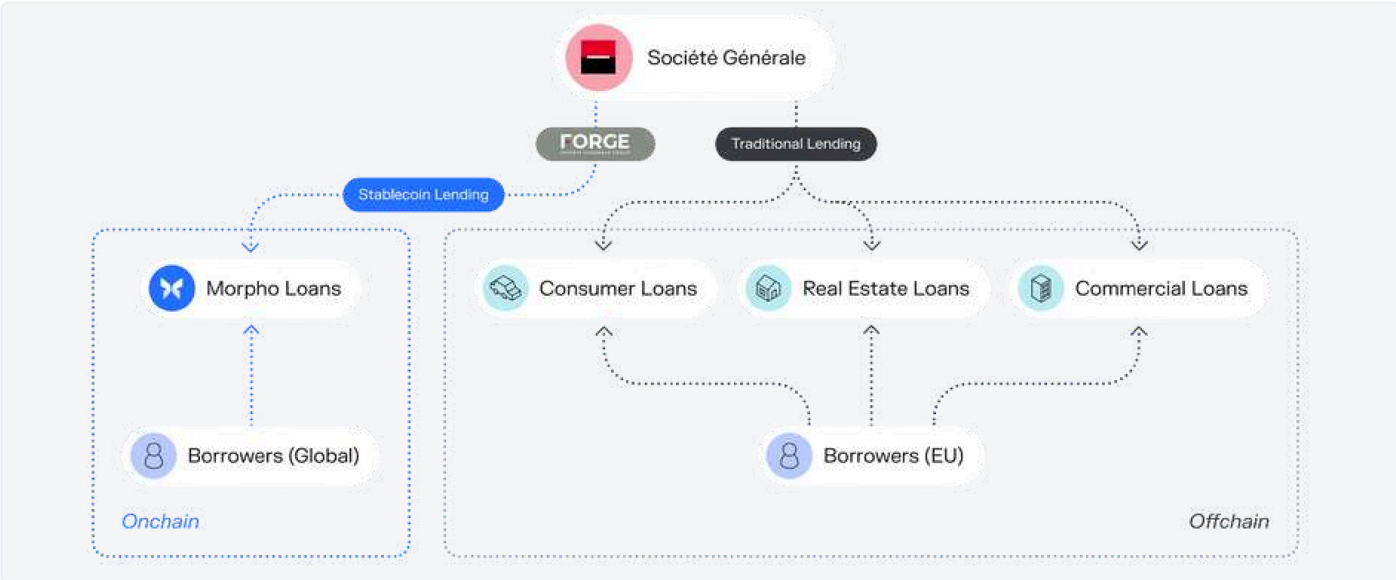
Case Study: Scaling Stablecoin Demand With DeFi

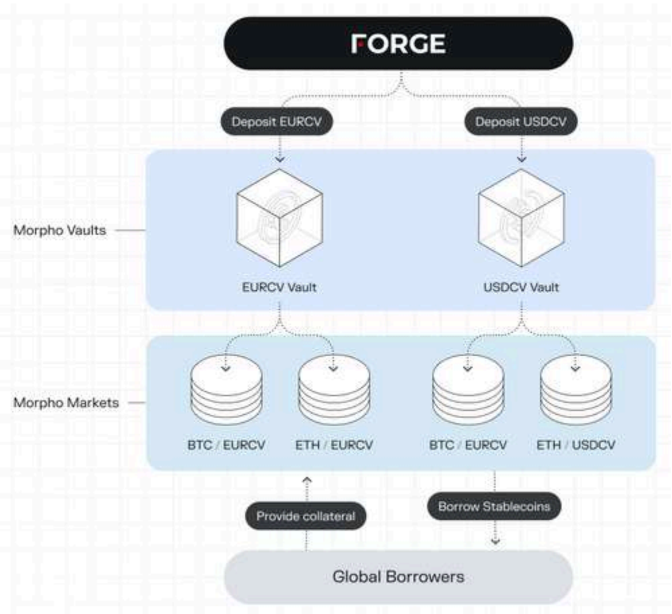
Case Study: SG-FORGE x Morpho

On September 30, 2025, Société Générale, via its blockchain arm SG-FORGE, became the first global systemically important bank (G-SIB) to integrate its euro (EURCV) and dollar (USDCV) stablecoins into DeFi lending.

> ***Crypto has gone mainstream*** *and we're receiving requests from all client segments, from retail to institutional. Many partners are interested in offering* ***euro-denominated earn solutions****. Beyond that,* ***Europe needs its own euro stablecoins****, issued by European players, capable of holding their ground against other markets.*

Jean-Marc Stenger
CEO
FORGE
SOCIETE GENERALE GROUP





How It Works

SG-FORGE integrates its euro (EURCV) and dollar (USDCV) stablecoins into Morpho's lending infrastructure through dedicated, permissioned vaults. These vaults allow EURCV and USDCV holders to lend their tokens into isolated onchain markets, where borrowers can access liquidity against collateral such as BTC, ETH, such as ETH and BTC, as well as tokenized money market fund shares USTBL and EUTBL issued by Spiko.

Morpho's immutable smart contracts handle loan servicing, interest accrual, and liquidations without intermediaries. SG-FORGE integrates through dedicated vaults, where curators manage risk parameters and market allocation, while the bank retains control over issuance, compliance, and reserve management of its stablecoins.

This model extends the utility of SG-FORGE's stablecoins from capital-markets settlement into real-world use cases, enabling yield generation and access to global liquidity.

Voices from Tokenization Season 2025

__For Europe__, stablecoins aren't just about new payment rails. They're a way to __rethink how our institutions cooperate across borders__. No single bank or regulator can make that shift alone.

Selin Suntay
Venture Manager
bpifrance

Richard Astle
VP Head of Network
Fireblocks

__Every financial institution needs a clear stablecoin strategy__ — but for most, issuing one isn't necessary. The __real benefits__ emerge when programmable onchain money is applied to their core systems, __streamlining operations__, __reducing friction__, and significantly __improving the customer experience__.

__This market will become an oligopoly__. It takes deep pockets and deep liquidity. We won't see twenty Euro stablecoins; __maybe five that matter__.

Simon Seiter
Managing Director and CFO/CPO
AllUnity

Merlin Egalite
Co-founder
Morpho

The banks of tomorrow will __mix onchain stablecoin lending with traditional credit__. By transforming deposits into stablecoins and lending them globally, they'll access DeFi's network effects.

Most people now agree that, long term, __everything will be onchain__. The challenge and the opportunity is building systems that can __move comfortably between the two worlds until we get there__.

Thomas Cowan
Head of Tokenization
galaxy

Rafael Schultz
Managing Partner
BCP partners

Tokenization lets investors __access asset classes they could never touch before__ — venture capital, private credit, even early-stage funds — now thanks to regulation, __through structures they already understand.__

Bringing __order matching and settlement onchain__ shifts the conversation from incremental gains to the __complete removal of central counterparties and settlement risk.__

Max Heinzle
Founder & CEO
21X

Malte Baumann
Director of Tokenization & RWA, Europe Lead
Stellar Development Foundation

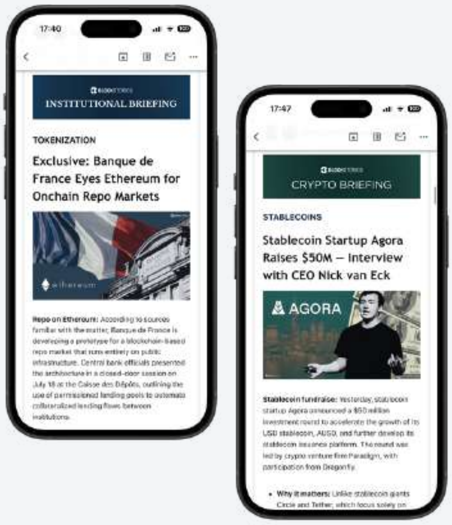
Franklin Templeton __cut transaction costs from $50,000 to $120 for the same 50,000 operations__ — a forty-eight-fold efficiency gain. Every time I show that number to a bank, their eyes light up.

About us

BLOCKSTORIES

Blockstories is Europe's leading digital assets media company focused on financial institutions. With our executive-level briefings, events and reports, we provide thousands of professionals with the critical research and analyses they need to make smarter decisions around their digital assets strategies.

We're also building **Blockstories Intel**, an intelligence platform tracking the digital assets activities of financial institutions, covering their products & services, licenses, key personnel and partnerships. Visit **data.blockstories.io** for more insights.



w3.vision

w3.vision is our community-owned media network, dedicated to fueling the mainstream adoption of the Web3 industry through collaboration and integrated into w3.group.

Since 2022, **w3.group** has been a cornerstone of the Web3 community, providing a comprehensive ecosystem that includes investment funds, co-working, and event spaces, staking infrastructure, and media services. Based in Berlin, we empower the Web3 community through our initiatives — w3.fund, w3.hub, w3.wave, w3.labs, and w3.vision — creating spaces where innovation thrives.

Interested in sponsoring our next event series? Let's connect.

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Acknowledgment

Thank you to our partners shaping **Tokenization Season 2026.**

Morpho Stellar galaxy Fireblocks 21X AllUnity Chainlink bpifrance BCP partners