



EUROPEAN CENTRAL BANK

EUROSYSTEM

# Short-term offering: Project Pontes

target | Pontes  
services

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# Why project Pontes?

Pontes will offer a Eurosystem DLT-based solution, providing interoperability with market DLT platforms and TARGET Services for the settlement of transactions in Central Bank Money (CeBM)

With Pontes project, the Eurosystem will continue to:



Support market needs and market innovation



Preserve the pivotal role of CeBM in the financial system as safest settlement mean

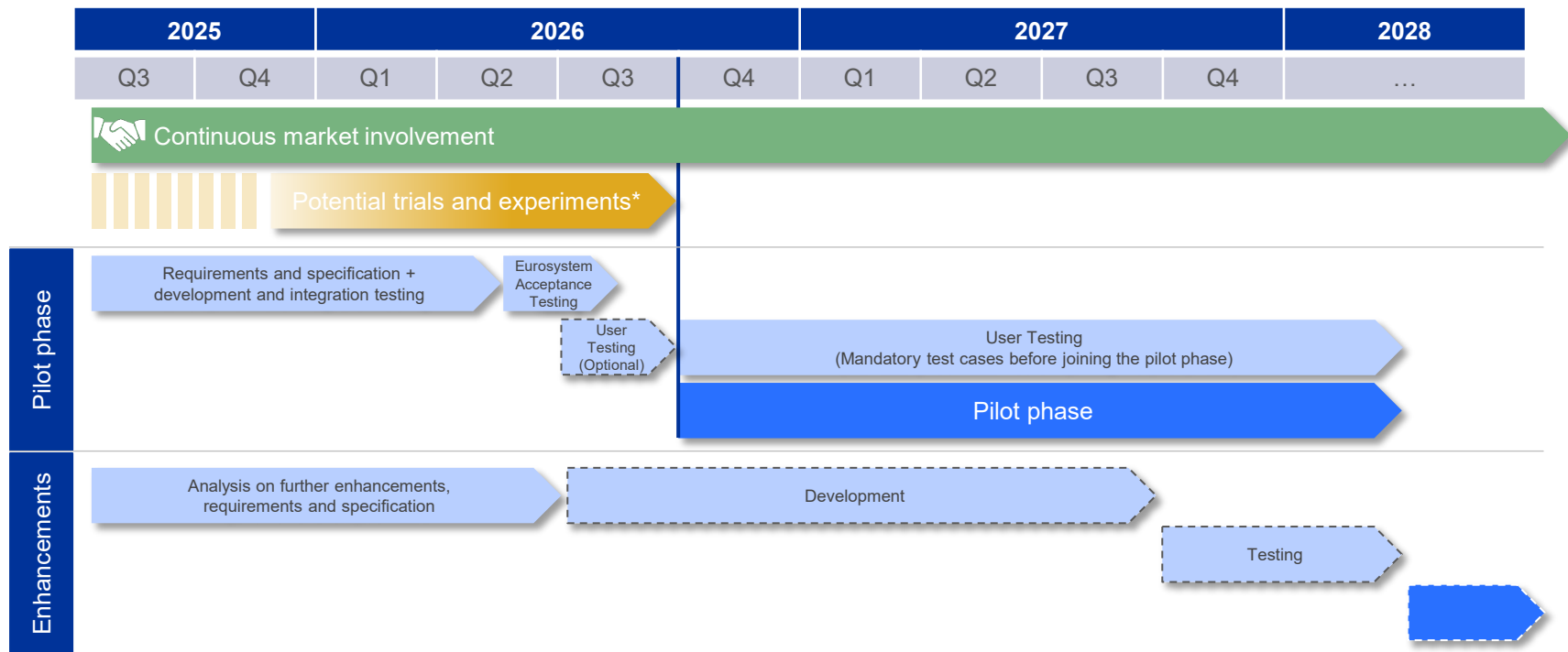


Maintain the relevance of the Eurosystem in the emerging technological financial market landscape



Reinforce the progression towards a digital Capital Markets Union (CMU) and Savings and Investments Union (SIU) in Europe

# Pontes high-level timeline



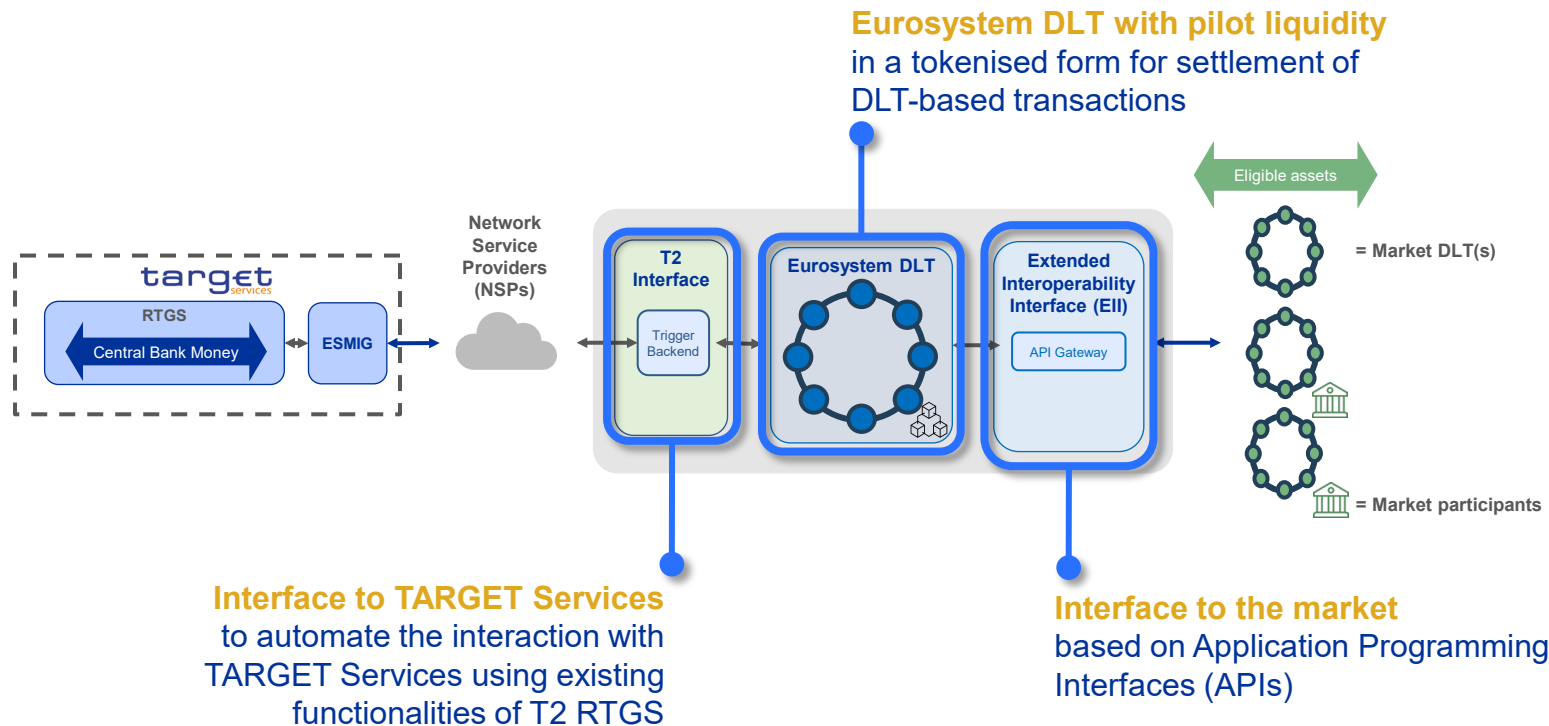
\*interest in further trials and experiments should be channeled to Banque de France, Banca d'Italia or Deutsche Bundesbank, copying [pontes@ecb.europa.eu](mailto:pontes@ecb.europa.eu) and your local National Central Bank

# Governance

Under the remit of the ECB Market Infrastructure Board (MIB), two groups will be established:

- **Pontes Working Group**, including National Central Banks (NCBs) → to support the work of developing the project Pontes, focusing on all elements relevant for running the roadmap and delivering the expected outcomes
- **Pontes Market Contact Group**, including market participants and market DLT representatives → to facilitate an active dialogue with the market regarding the Pontes project and to advise the Eurosystem in the activities related to the project delivery (e.g. user requirements, testing activities, client readiness)
  - ✓ A call for expression of interest will be published on the ECB website
  - ✓ The deadline for submission of formal application is 29 August 2025
  - ✓ The kick-off meeting is expected to be arranged in mid-October 2025

# Pilot phase – design overview



# Pilot phase – scope



**Single Eurosystem offering** → One offering combining the features of the interoperability solutions used during exploratory work



**Dual settlement model** → Settlement of cash tokens on the Eurosystem DLT platform or in the RTGS component of T2



**Settlement finality in T2** → Final Central Bank Money (CeBM) settlement for the cash leg achieved once the corresponding settlement in T2 is completed



**Reliable interoperability mechanism** → Delivery-versus-Payment (DvP) based on Hash-Link protocol



**Enhanced automation** → End-to-end processing and interaction with T2

# Pilot phase – framework



**No change  
to TARGET  
guideline**

- ✓ The pilot phase does not require changes to the existing regulatory, functional and operational framework of TARGET Services



**Pilot legal  
framework**

- ✓ A temporary contractual framework defines the legal setup of the pilot phase



**Pilot  
operational  
framework**

- ✓ A dedicated Terms of Reference (ToR) defines the operational arrangements (i.e. operating schedule, potential volumetric limits...)

# Pilot phase – use cases

The pilot phase enables central bank money settlement of Delivery-versus-Payment (DvP) and wholesale euro-denominated payments:

- 1) **Regarding DvP use cases**, the pilot solution covers settlement DvP for primary and secondary market operations (including payments related to assets lifecycle) of eligible assets available on eligible market DLT platforms
- 2) **Regarding wholesale euro-denominated payments**, the pilot solution covers any payment transactions in euro requiring central bank money settlement, with underlying initiation and conditions defined on eligible market DLT platforms

The complete list of use cases will be shared as part of the specification documentation of the solution

# Pilot phase – eligibility criteria\*

The policy for accessing CeBM will not change nor will it be modified for the purpose of the pilot phase

Without prejudice to existing access rules to the TARGET Services, the Eurosystem is currently finalising the eligibility criteria for **eligible assets**, **eligible market participants** and **eligible market DLT operators** for the pilot phase, leveraging on the experience gained during the exploratory work:

- ✓ **Eligible assets** would be all types and categories of financial instruments, within the meaning of Article 4(1), point (15), of the MiFID
- ✓ **Eligible market participants** would be any entity with access to TARGET, within the meaning of Article 4 of Annex 1 Part I and Article 7, Annex 1 Part I of the TARGET Guideline, as amended from time to time

# Pilot phase – eligibility criteria\*

## ✓ Eligible market DLT operators would be:

1. Central securities depositories (CSDs), authorised under the CSDR and NCB-run CSDs exempted from the CSDR authorisation procedure, operating a Securities Settlement System based on DLT / operating a market DLT platform (including T2S CSDs subject to a derogation of the contractual and regulatory framework of T2S);
2. Operators of a DLT settlement system (DSS) or a DLT trading and settlement system (DTSS) as authorised under the DLT Pilot Regime Regulation;
3. Operators of a payment system, overseen by the Eurosystem, operating a payment system based on DLT / operating a market DLT platform;
4. Central counterparties (CCPs), authorised under EMIR, based on DLT / operating a market DLT platform;
5. Credit institutions, investment firms, market operators and other licensed financial institutions, authorised under CRD, MiFID II and/or other relevant national legal frameworks in the EEA, which operate a market DLT platform subject to supervision or oversight specific for financial market infrastructures by competent authorities that allows for its operation and sound risk management (including on matters related to settlement finality where applicable)

Market DLT platform refers to a DLT platform provided by an eligible market DLT operator where cash or financial instruments are cleared, settled and/or delivered

# Potential enhancements to be investigated

- ✓ The roadmap of the Pontes project foresees **enhancements beyond the pilot phase**
- ✓ The aim is to expand the alignment with the operational, legal and technical standards as per the TARGET Services



- ✓ Integration in the technical and legal perimeter of the TARGET Services



- ✓ Single settlement model



- ✓ Immediate finality on the tokenised cash leg in CeBM



- ✓ Possibility to keep liquidity overnight on the Eurosystem DLT



- ✓ Multi-currency design