# Strategic Autonomy of the EU Banking Ecosystem:

## The Role of the European Payment Network and Prospects for Ukraine's Integration

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# BACKGROUND AND AIM

The ongoing transformation of the global financial system highlights the need to rethink the role of payment infrastructure as a critical element of economic security, financial stability and technological independence.

**Aim:** to determine the role of the European Network for Payments (ENP) in ensuring the strategic autonomy of the EU banking ecosystem and to substantiate the prospects for Ukraine's integration into the European payment landscape.

# Research objectives

| | |
|---|---|
| 1 | **Market structure.** Examine the European payments market: digital transformation trends, concentration, new payment models |
| 2 | **Card schemes.** Analyse the role of Visa and Mastercard: benefits and risks of reliance on global operators |
| 3 | **ENP drivers.** Identify the factors behind the ENP: strategic autonomy, instant cross-border payments, A2A, interoperability |
| 4 | **Ukraine.** Analyse integration opportunities: legislative harmonisation, open banking, wartime experience |
| 5 | **Recommendations.** Enhance interoperability of Ukraine's payment infrastructure with EU standards, cyber resilience and competitiveness |

# Research methodology

## Empirical basis

- ECB payments statistics for the euro area and ECB report on card schemes
- Eurosystem comprehensive payments strategy (ECB, 2026)
- ESAs report on major ICT-related incidents under DORA (2026)
- European Commission materials on digital finance and payment integration
- Period of analysis: 2019–2025

## Methods

- systemic and institutional approaches
- comparative analysis: centralisation, card vs A2A model, external dependence, cross-border compatibility, regulatory support
- structural and statistical analysis
- SWOT analysis
- structural-logical modelling and graphic visualisation

# Structure of euro area non-cash payments (H2 2025)

**83.5 bn**

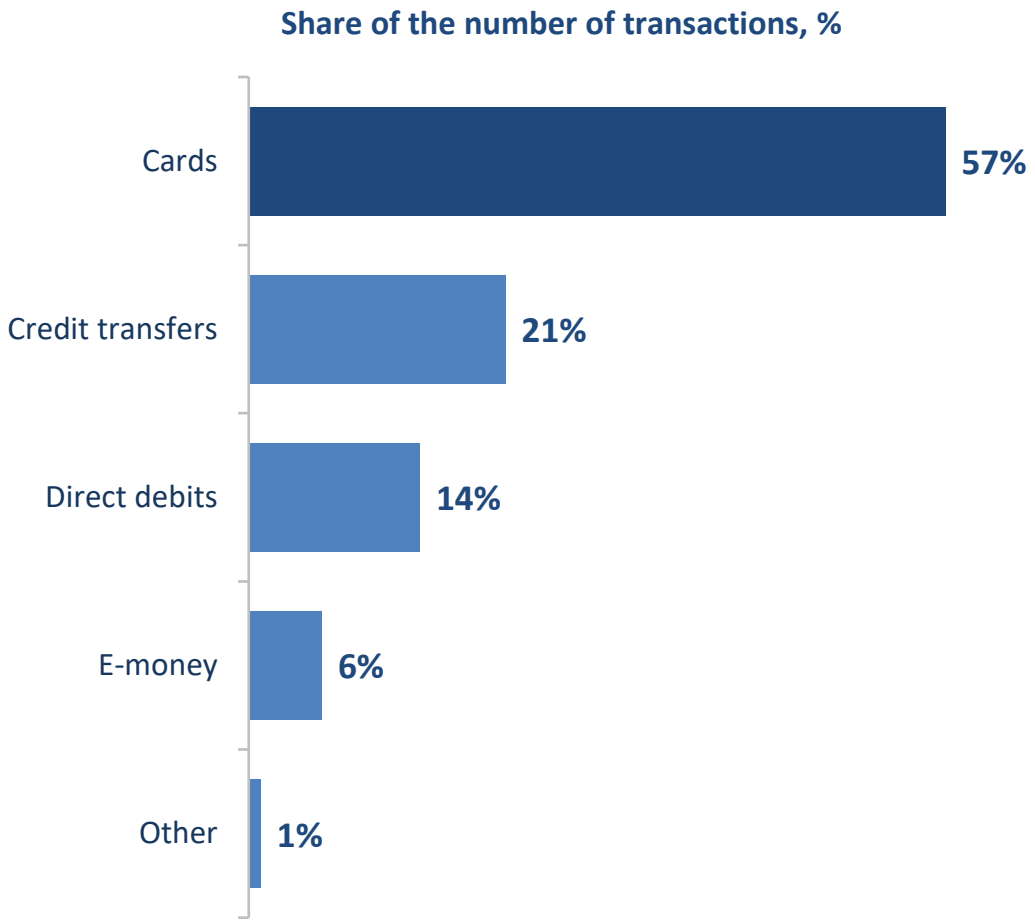
non-cash payments, +6.9% year on year

**€117.8 tn**

total value of non-cash payments

**60.1 bn**

transactions via 36 retail payment systems




Source: ECB, Payments statistics: second half of 2025 (22 July 2026). Other – cheques, money remittances and other services.

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# Scale of the card model and cyber risks

**47.8 bn**

card payments, +7.9% (H2 2025)

**€1.8 tn**

value; about €39 per payment

**32.9 bn**

contactless payments at POS, +11.9%

**872.7 m**

cards, about 2.5 per inhabitant

**3,383**

major ICT-related incidents in the EU financial sector in 2025 (≈282 per month)

- Credit institutions account for over 60% of major incidents, payment firms for 16%
- A single failure in a banking group can generate dozens of related reports, as subsidiaries share infrastructure
- Concentration of card processing in a few non-European networks turns an operational failure into a regional risk

Sources: ECB, Payments statistics: H2 2025; ESAs, 2025 report on major ICT-related incidents under DORA (June 2026).

# Indicators of card payment concentration

| Indicator | Value | Data year; source |
|---|---|---|
| International card schemes, share of euro area card payments | ≈61% | 2022; ECB (2025) |
| Euro area card transactions processed under rules set by non-European companies | more than ⅔ | …; ECB (2026) |
| Visa + Mastercard, share of euro area card payment value | 47% | 2025; GlobalData via Fortune (2026) |
| Euro area countries relying on international card schemes or mobile solutions for in-store payments | 13 of 21 | 2026; ECB (2026) |
| Euro area countries without a domestic digital payment solution | 15 of 21 | 2026; ECB via Fortune (2026) |
| National card schemes in the EU, each operating in only one Member State | 9 | 2024; ECB (2025) |
| United Kingdom: Visa + Mastercard, share of card transactions | ≈95% | …; Fortune (2026) |

Sources: ECB (28 Feb 2025), (31 Mar 2026); Fortune (1 Oct 2026). … – data year not specified in the source. Indicators differ in measure and year and are not directly comparable.

# Traditional card-based model vs the new A2A model

| Criteria | Card model (Visa/Mastercard) | New model (ENP / A2A) |
|---|---|---|
| **Infrastructure** | Proprietary, controlled by non-European operators | Open, European, based on SEPA Instant |
| **Commission costs** | Interchange fees: 0.2% (debit) and 0.3% (credit) under the IFR, not for all card categories | Direct account-to-account transfers without card interchange fees |
| **Settlement speed** | 1–3 days for standard transactions; instant ones subject to limitations | Instant (real-time) settlement |
| **Technological dependence** | High: standards, protocols and security under US control | Low: European standards, ISO 20022 |
| **Geopolitical risks** | High: risk of disconnection due to sanctions | Low: European governance |
| **Cyber resilience** | Concentration of risk among a few non-European providers | Distributed architecture, DORA compliance |
| **Fragmentation** | Universal, but external | National solutions still fragmented; the ENP hub is designed to connect them |

Source: compiled by the authors; interchange caps – Regulation (EU) 2015/751, Art. 3–4; ENP – IT Finanzmagazin (30 Sep 2026).

# Classification of prerequisites by their functional role in the ENP project

| Prerequisite | Functional role | Comment |
|---|---|---|
| **Digital sovereignty** | Strategic goal (long-term) | Not so much a prerequisite as a desired outcome; a guiding concept that justifies the need for the ENP |
| **Need to reduce external dependency** | Driver (political-economic) | The immediate driver behind the ENP; closely intertwined with digital sovereignty but more specific |
| **Development of open banking** | Regulatory-technological prerequisite | Establishes the technical and legal framework for open access to accounts, enabling A2A payments |
| **Proliferation of instant payments** | Technological prerequisite | Instant payment infrastructure (SEPA Instant) forms the foundation for the ENP; partly a result of demand for rapid settlement |
| **Shift to the A2A model** | Business model / technological choice | Not a prerequisite but a method of implementing the ENP: a means to an end, not the reason for its creation |

Source: compiled by the authors.

# European Network for Payments: key facts

| | |
|---|---|
| **Founders** | Bancomat, Bizum, EPI Company (Wero), SIBS – MB WAY, Vipps MobilePay; equal shares, seat in Madrid |
| **Model** | Interoperability hub linking existing European payment solutions through a common technical and operational layer |
| **Technology** | European standards, including instant account-to-account (A2A) payments |
| **Reach** | About 130 million users in 13 European countries |
| **Timeline** | Letter of intent – February 2026; network announced – 30 September 2026; rollout: P2P → e-commerce → POS |
| **Goal** | Autonomous European payment ecosystem |

Source: IT Finanzmagazin (30 September 2026).

# Conceptual model of the European Network for Payments

| | |
|---|---|
| 1 | **EXTERNAL DRIVERS AND THREATS**<br>Geopolitics \| US sanctions \| Int'l card schemes ≈61% \| BigTech \| Cyber threats \| Fragmentation |
| 2 | **REGULATORY AND INSTITUTIONAL LEVEL**<br>European Commission \| ECB \| PSD2/PSD3/FIDA \| Digital euro \| SEPA Instant \| ISO 20022 / DORA / ENISA |
| 3 | **ECOSYSTEM PARTICIPANTS**<br>Banks \| Bizum \| Bancomat \| Wero \| SIBS – MB WAY \| Vipps MobilePay \| FinTech \| Retail |
| 4 | **CORE: ENP / A2A INFRASTRUCTURE**<br>ENP → A2A → Instant payments → API / Clearing → Cyber resilience |
| 5 | **SERVICES**<br>Phase 1: P2P → Phase 2: e-commerce → Phase 3: POS (QR/NFC) → Embedded finance |
| 6 | **RESULTS**<br>↓ Costs \| ↑ Speed \| ↓ Dependence on Visa/Mastercard \| ↑ Competition \| ↑ Resilience |
| 7 | **STRATEGIC GOAL**<br>EU digital sovereignty → Strategic autonomy → Resilient ecosystem |
| 8 | **UKRAINE**<br>SEPA application (by end-2026) → NBU SEP instant transfers \| PROSTIR → ENP |

Source: developed by the authors. Feedback loops: results ↻ regulation; goal ↻ participants; Ukraine ⟷ ENP core.

# SWOT analysis: strategic autonomy of the EU payment infrastructure

## S – Strengths

- own European payment infrastructure
- technological integration of national payment systems
- reduced dependence on global (US) operators

## W – Weaknesses

- high initial investment
- fragmented national payment markets
- competition with established card schemes
- need for scale and broad participation of banks and users

## O – Opportunities

- digital euro
- open banking (PSD2/PSD3/FIDA)
- instant payments (SEPA Instant, ISO 20022)
- integration of Ukraine

## T – Threats

- cyber threats
- geopolitical conflicts and sanctions
- technological competition, incl. BigTech

Source: developed by the authors.

# Four strategic vectors of EU payment autonomy

| | |
|---|---|
| 1 | Technological sovereignty and infrastructure independence |
| 2 | Regulatory integration and the creation of a unified payment area |
| 3 | Competitive transformation of the banking ecosystem |
| 4 | Expansion of the European payment ecosystem and integration of Ukraine |

Source: identified by the authors on the basis of the SWOT analysis; vector 4 is detailed on the following slides.

# Ukraine: prerequisites for integration (October 2026)

## Instant payments

Since 1 December 2024, the NBU's electronic payment system (SEP 4.1) supports instant credit transfers: up to 10 seconds, up to UAH 100,000 per transfer

Source: mind.ua, December 2024

## SEPA

Ukraine is not yet a SEPA member: according to the NBU Governor, the application under the simplified procedure must be filed by the end of 2026, after legislative alignment

Source: mind.ua, 16 October 2026

## PROSTIR

National card payment system – an alternative card scheme, not an instant (A2A) payment system

Source: PROSTIR (NBU)

## Wartime resilience

Uninterrupted payment services during the full-scale war, cyberattacks and blackouts; highly digitalised banking services

Source: NBU, SEP in 2022

# SWOT factors for Ukraine's integration into the European payment ecosystem

## S – Strengths

- highly digitalised banking
- developed national payment infrastructure
- uninterrupted payments during the war
- strong FinTech sector

## W – Weaknesses

- partial misalignment of payment regulation with EU standards
- harmonisation needed: open banking, data protection, cybersecurity
- limited investment capacity

## O – Opportunities

- integration into the European payment space via the ENP
- A2A, Instant Payments, Open Banking
- cheaper, faster payments with the EU

## T – Threats

- war-related risks to critical infrastructure
- cyber threats to payment systems
- limited readiness of EU infrastructure to scale
- barriers to onboarding new participants

Source: compiled by the authors. Strategy type: SO (digitalisation + EU infrastructure) and WO (EU support to close gaps).

# Logical model of the strategy to integrate Ukraine into the ENP

| Area | Implementation measures | Results |
|---|---|---|
| **1. Harmonisation of payment regulation with the EU framework** | EU standards in payments; Open Banking; regulation of payment institutions; user protection; cybersecurity and risk management | Compatible regulatory environment; higher trust; institutional conditions for joining EU payment mechanisms |
| **2. Technological interoperability of Ukrainian and EU infrastructures** | Alignment with EU standards; A2A solutions; instant cross-border payments; bank APIs; digital interoperability | Faster, more efficient payments; lower transaction barriers; Ukrainian banks in EU payment infrastructure |
| **3. Integration of banks and FinTech into the EU digital ecosystem** | Cross-border payment services; Open Banking solutions; digital identification; UA–EU FinTech cooperation; new products | More competitive banking sector; FinTech development; wider access to EU financial services |
| **4. ENP as a tool of Ukraine's financial European integration** | Joining EU payment mechanisms; cross-border services; institutional adaptation; cooperation with EU institutions | Cheaper international payments; investor confidence; faster integration into the EU internal market |

**Strategic impact:** Ukraine in the Single Euro Payments Area; efficient cross-border payments; modernised payment infrastructure; stronger resilience and cybersecurity; competitive banking and FinTech sector

Source: compiled by the authors.

# Conclusions

1. **Concentration.** International card schemes account for ≈61% of euro area card payments (2022); more than two-thirds of card transactions follow non-European rules; 13 of 21 euro area countries rely on international schemes or mobile solutions in shops.

2. **Dependence.** Global card schemes bring scale and universality, but also technological and operational dependence, fee burden and exposure to sanctions.

3. **ENP.** An interoperability hub of five European A2A solutions (≈130 million users, 13 countries) – a tool for moving from fragmented national platforms to an integrated ecosystem.

4. **Ukraine.** Prerequisites exist (instant transfers in the NBU's SEP since December 2024, digitalised banking, wartime resilience); SEPA accession and harmonisation are still to be completed.

5. **Strategy.** Four vectors; Ukraine's integration forms the external dimension of the EU's strategic autonomy.

Sources of figures: slides 7, 10 and 14.

# Limitations and further research

## Limitations

- The ENP is at an early stage: empirical data on its effect on stability and bank competitiveness are limited
- The analysis is mainly qualitative and comparative, so effects are hard to quantify
- Ukraine's integration depends on institutional, regulatory and political factors that are not always formalisable

## Further research

- Operationalise the Payment System Autonomy Index PSAI = f(DI, TI, CR, RC, IN): indicators, weights, calculation
- Scenario analysis: inertial, integration, transformational
- Impact of A2A payments on bank revenues
- Economic effects of cross-border payment services for Ukraine

DI – digital independence; TI – technological interoperability; CR – cyber resilience; RC – regulatory convergence; IN – innovation capacity.

# Practical value of the results

## National Bank of Ukraine

Improving regulation of payment infrastructure, its resilience and harmonisation with EU law

## Ukrainian banks

Modernisation strategies for payment services, innovative digital solutions, competitiveness

## Payment system operators

Architecture, operational resilience, cybersecurity and compatibility with European platforms

## EU bodies

Cross-border payment initiatives, integration of payment markets, interoperability with partner countries

# Sources of data


1. ECB (2026). Payments statistics: second half of 2025, 22 July

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4. ESAs (2026). 2025 report on major ICT-related incidents under DORA, June

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8. Mind.ua (2026). Ukraine must apply to join SEPA by the end of 2026 – NBU, 16 October

9. Mind.ua (2024). Instant payment system launched in Ukraine – NBU, December

10. NBU. SEP Effective and Without Disruptions in 2022 Despite War

11. PROSTIR. About us – National Payment System PROSTIR



# THANK YOU

for your attention!