

# Singleness of Money and the Role of Central Banks

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## GENIUS Act and Digital Euro



### Statement from U.S. Secretary of the Treasury Scott Bessent on Enactment of the GENIUS Act (July 2025)

[Stablecoin technology will] "buttress the dollar's status as the global reserve currency, expand access to the dollar economy for billions across the globe, and lead to a surge in demand for US Treasuries, which back stablecoins."



### Speech of ECB Executive Board Member Philip Lane (March 2025)

"The benefits of a CBDC are more extensive compared to the calculus for an individual nation state with its own currency."

"The digital euro presents a unique opportunity to overcome the persistent fragmentation in retail payment systems across the euro area."

"The digital euro would also play a crucial role in strengthening the strategic autonomy of Europe in an increasingly fragmented geopolitical landscape."

Sources: U.S. Department of the Treasury, "Statement from U.S. Secretary of the Treasury Scott Bessent on Enactment of the GENIUS Act," July 18, 2025.  
Philip R. Lane, "The digital euro: maintaining the autonomy of the monetary system," March 20, 2025.

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## Checklist on the Future of Monetary System

- Technical feasibility
- Social costs and their allocation
- User convenience
- Resilience
- Compatibility with new technologies
- Competition and antitrust
- Financial stability
- Financial intermediation
- AML-CFT
- Elasticity of money
- Monetary policy
- Seigniorage
- The international monetary system

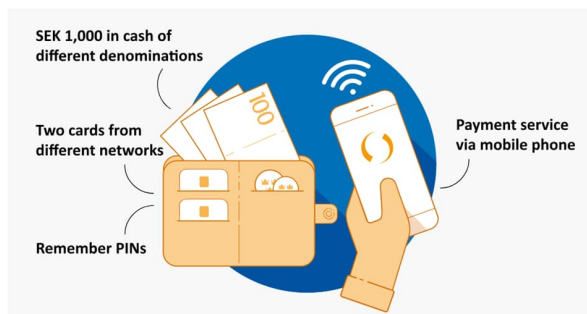
- Assessment assuming various scenarios and environments
- Allocation of power and control over information between the government, corporations, and individuals
- What is money?
- Why does fiat money work?
- Which functions of money should be preserved and cultivated?
- Singleness of money (today's topic)

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## Use of Cash: Recent Developments in Europe

### Sveriges Riksbank, "New recommendations for public payment preparedness," March 2026

- Keep a sum of SEK 1,000 in cash per adult at home to cover a week's worth of essential purchases.
- Hold cash in several different denominations.
- Use cash at regular intervals during normal times to keep the cash systems running.
- Have access to at least two cards from different card networks.
- Have access to payment service via mobile phone.
- Have physical cards and PINs easily accessible in case mobile phone discharges or stops working.



### Cash in Constitutions

#### Central European Countries

##### *Slovakia (June 2023):*

"All citizens have the right to make payments for the purchase of goods or the provision of services in cash, which is legal tender, and such payments may only be refused for reasonable or generally applicable reasons."

##### *Hungary (April 2025):*

"All citizens have the right to property, inheritance, and to make payments in cash."

##### *Slovenia (November 2025):*

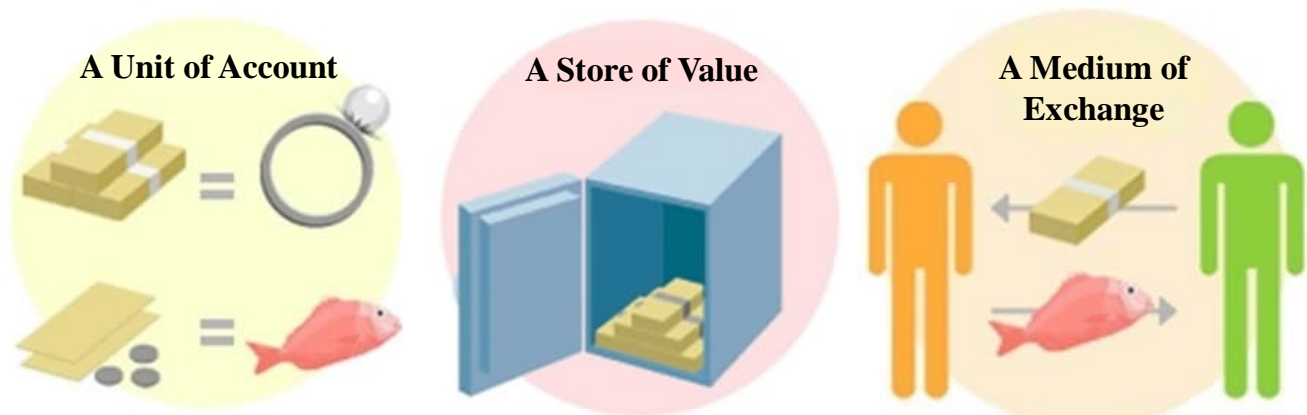
"All citizens have the right to use cash in banking and other legal transactions, in accordance with the law."

##### *Switzerland (March 2026):*

"The Swiss National Bank shall guarantee the supply of cash."

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## The Three Functions of Money



# 73 cashless payment brands were accepted at the Osaka-Kansai World Expo

**大阪・関西万博オリジナル電子マネー The Expo proprietary e-money**



**国際ブランド International credit card brands**



**電子マネー e-money**



**コード決済 code payment**



※ゆうちょペイ契約のため下記銀行ペイが利用

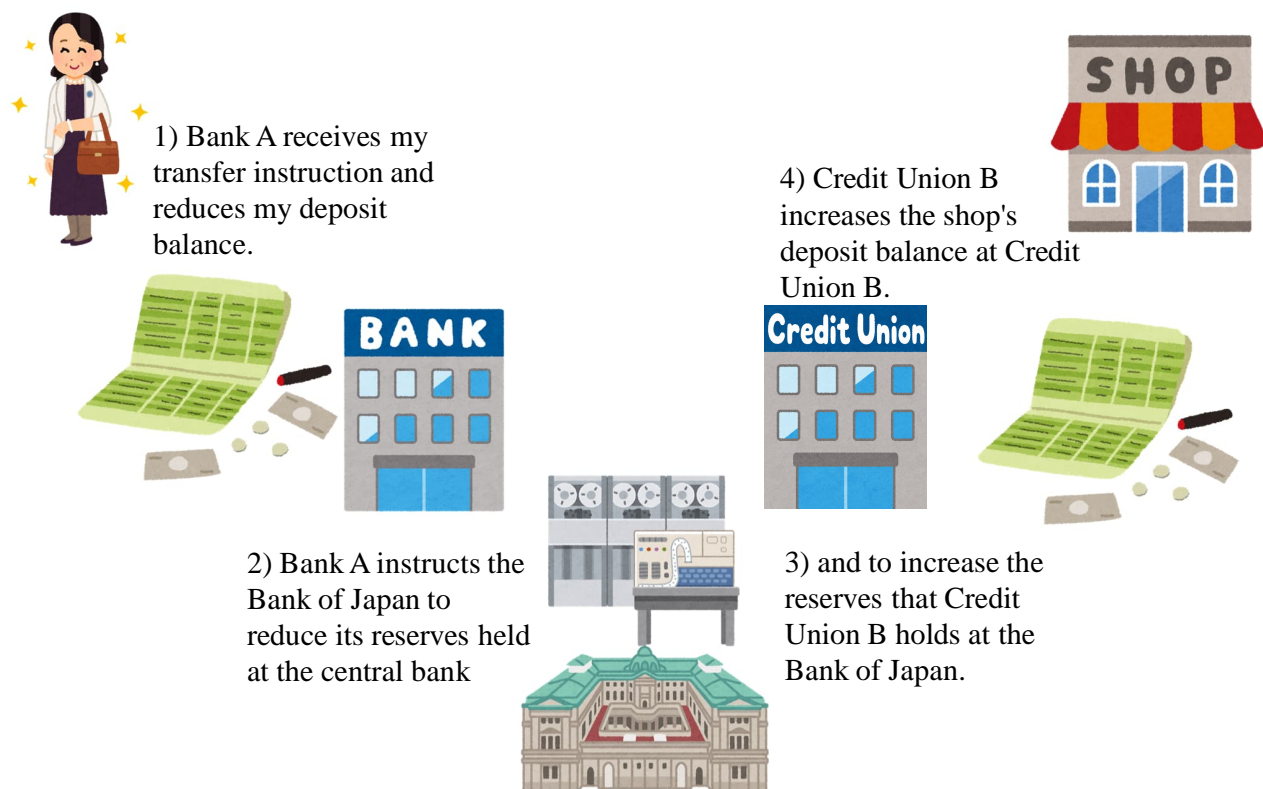


※Smart Code™ (スマートコード) は下記が利用可。




Source: Japan Association for the 2025 World Exposition.

# Bank Transfers and the Settlement Service by the Bank of Japan



## Three Patterns of Stablecoin Transaction

### Pay and accept one type of coin

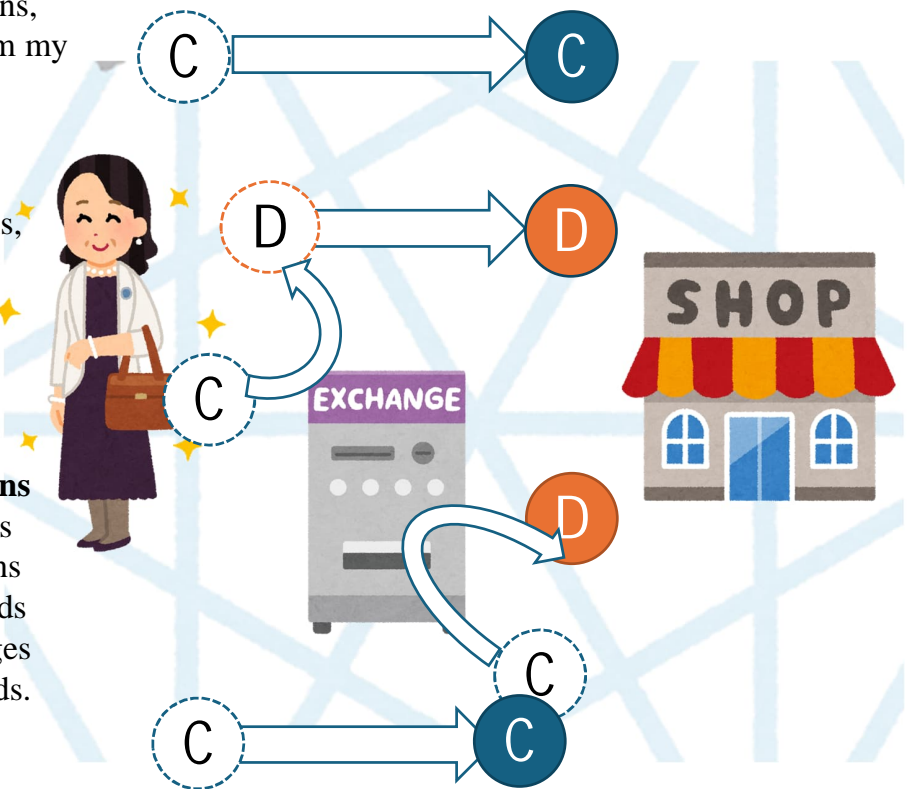
Both the shop and I use C-Coins, and I transfer my C-Coins from my wallet to the shop's.

### Exchange and pay

The shop accepts only D-Coins, and I exchange my C-Coins at an exchange and transfer the exchanged D-Coins to the shop's wallet.

### Receive multiple types of coins

The shop accepts both C-Coins and D-Coins, and I use C-Coins for the payment. The shop holds both types of coins or exchanges C-Coins for D-Coins afterwards.



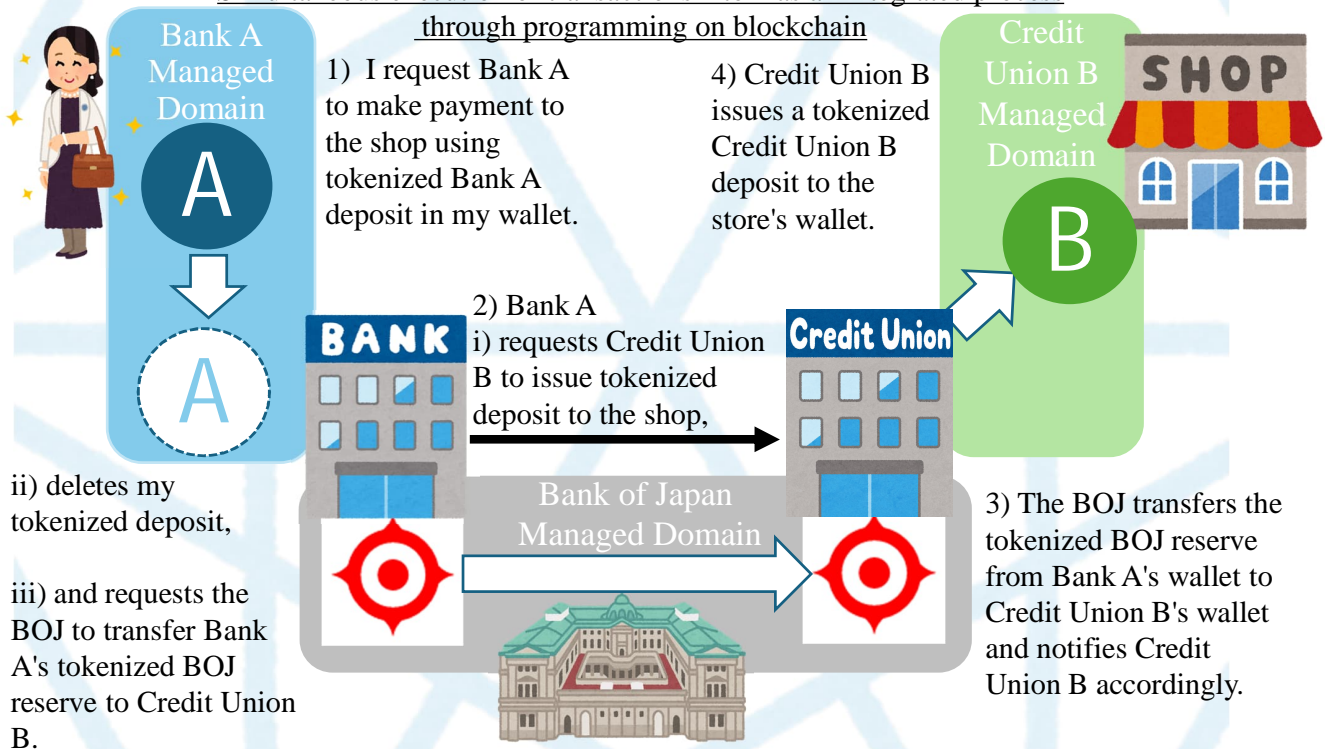
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## Level of Singleness Required for Money

BIS Reports	Bernhard and Haene of SNB
<ul style="list-style-type: none"> <li>Accept no room for doubt even on the possibility of micro-deviation from par.</li> <li>Money must be an <i>information-insensitive</i> instrument that can be accepted by economic agents with <i>no questions asked</i>.</li> <li>Even a small amount of adverse selection has the potential to reverberate through monetary exchange.</li> </ul>	<ul style="list-style-type: none"> <li>Payment assets are redeemed or exchanged often with fees and thus not necessarily at par.</li> <li>There exist diverse forms of payment assets that lack strict singleness such as regional gift certificates and vouchers.</li> </ul>

# Tokenized Deposit and Tokenized Bank of Japan Reserve: an Illustrative Example

Simultaneous execution of transactions 1 to 4 as an integrated process through programming on blockchain



Author's interpretation of Graph 4, Chapter III of 2025 BIS Annual Economic Report.