





Basic information	
<p>2023/0208(COD)</p> <p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p>	Awaiting committee decision
<p>Legal tender of euro banknotes and coins</p> <p>Subject</p> <p>5.20.02 Single currency, euro, euro area</p> <p>Legislative priorities</p> <p>Joint Declaration 2023-24</p>	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ECON Economic and Monetary Affairs	NAVARRETE ROJAS Fernando (EPP)	16/12/2024
		Shadow rapporteur PAPANDREOU Nikos (S&D) ZIJLSTRA Auke (P/E) BARTULICA Stephen Nikola (ECR) BOYER Gilles (Renew) BOESELAGER Damian (Greens/EFA) TRIDICO Pasquale (The Left) LAYKOVA Rada (ESN)	
	Former committee responsible	Former rapporteur	Appointed
ECON Economic and Monetary Affairs	BERGER Stefan (EPP)	19/07/2023	
Former committee for opinion	Former rapporteur for opinion	Appointed	
JURI Legal Affairs	The committee decided not to give an opinion.		
Council of the European Union			

European Commission	Commission DG	Commissioner
	Economic and Financial Affairs	GENTILONI Paolo
European Central Bank		

Key events			
Date	Event	Reference	Summary
28/06/2023	Legislative proposal published	COM(2023)0364 	Summary
13/07/2023	Committee referral announced in Parliament, 1st reading		
13/11/2024	Resumption of business from the previous parliamentary term		

Technical information	
Procedure reference	2023/0208(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	Treaty on the Functioning of the European Union TFEU 133
Mandatory consultation of other institutions	European Central Bank
Stage reached in procedure	Awaiting committee decision
Committee dossier	ECON/10/00244

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee draft report		PE778.137	03/11/2025	
Amendments tabled in committee		PE781.237	19/12/2025	
European Commission				
Document type	Reference	Date	Summary	
Legislative proposal	COM(2023)0364 	28/06/2023	Summary	
Document attached to the procedure	SWD(2023)0233 	29/06/2023		
Document attached to the procedure	SWD(2023)0234 	29/06/2023		

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
ECB	European Central Bank: opinion, guideline, report	CON/2023/0031 OJ C 000 01.12.2023, p. 0000	13/10/2023	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency				
Name	Role	Committee	Date	Interest representatives
TANG Paul	Shadow rapporteur	ECON	22/03/2024	Banking & Payments Federation Ireland
BOYER Gilles	Shadow rapporteur	ECON	21/03/2024	Banking & Payments Federation Ireland
TANG Paul	Shadow rapporteur	ECON	19/01/2024	International Mint Industry Association
MACMANUS Chris	Shadow rapporteur	ECON	11/01/2024	Central Bank of Ireland
MACMANUS Chris	Shadow rapporteur	ECON	11/01/2024	Financial Services Union
BERGER Stefan	Rapporteur	ECON	09/01/2024	PROSEGUR COMPAÑÍA DE SEGURIDAD
TANG Paul	Shadow rapporteur	ECON	04/12/2023	Banking & Payments Federation Ireland
MACMANUS Chris	Shadow rapporteur	ECON	16/11/2023	ECB
BOYER Gilles	Shadow rapporteur	ECON	15/11/2023	Banking & Payments Federation Ireland

Other Members

Transparency		
Name	Date	Interest representatives
DE MASI Fabio	20/05/2026	bargelderhalt.eu
HADJIPANTELA Michalis	25/03/2026	Ryanair Holdings
FERBER Markus	28/01/2025	Giesecke+Devrient

Legal tender of euro banknotes and coins

PURPOSE: to establish detailed rules on the scope and effects of legal tender and access to euro banknotes and coins.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the arrival of the euro as the single European currency was a major step forward in European integration. Euro cash is a dominant means of payment, as citizens and retailers use euro cash in daily transactions to make payments or give change in the euro area. Cash is the only means of payment that allows direct in-person payments, with immediate settlement and without involvement of any third party or use of electronic equipment.

The growth of electronic payments, a trend accelerated by COVID-19, has led to a general decline in cash payments and the reduction of automated teller machine (ATM) networks in a number of Member States means there are risks to accessing cash. Thus, the issue of the scope and meaning of the legal tender status of cash has become more prominent in the EU policy agenda, as outlined in the Commission's Retail Payments Strategy and in view of the recent ruling of the Court of Justice of the European Union on the matter.

CONTENT: euro cash is legal tender in the euro area. The proposal clarifies what is meant by legal tender and sets out the rules for the mandatory acceptance of cash and any limited exceptions to this. In addition, it also defines what Member States must do to ensure that cash is widely accepted and **easily accessible**.

The proposal aims to safeguard the continued and widespread acceptance of cash throughout the euro area and also to ensure that citizens have sufficient access to cash to be able to pay in cash if they so wish.

Definition of legal tender and exceptions

The proposal establishes, for the **first time in secondary legislation**, a definition and regulation of legal tender for cash. It **codifies and clarifies the judgment of the Court of Justice** of the European Union of January 2021, which sets out the principles of legal tender. In line with that case law, the proposal defines the legal tender of cash as entailing mandatory acceptance, at full face value, with the power to discharge from a payment obligation. A payee shall not refuse euro cash tendered in payment unless the parties have agreed on a different means of payment or an exception applies.

Conditions are laid down under which a refusal to accept euro cash would be legally possible; such a refusal must be made in good faith, be based on legitimate grounds, and in line with the principle of proportionality in view of the concrete circumstances in which a payment is to be made. The burden of proof that these conditions are met for such good faith circumstantial exceptions is on the payee. The proposal sets out two legitimate grounds on which euro cash may be refused on that basis in a non-exhaustive list, namely the tendering of banknotes the value of which is manifestly disproportionate to the value of the amount to be settled, and in exceptional cases where, at the relevant time, the enterprise has no change available or if the enterprise would not have enough change available as a result of that payment to carry out its normal transactions.

Acceptance of payments in cash

The proposal aims to ensure that the fundamental legal tender principle of mandatory acceptance is not undermined by widespread cash non-acceptance levels through the unilateral and ex ante exclusion of cash by enterprises. Member States would be obliged to monitor the level of ex ante unilateral exclusions of payments in cash and to ensure the acceptance of cash fulfilling the principle of mandatory acceptance of cash. Member States would report annually their assessment to the Commission and the European Central Bank. If cash non-acceptance levels are deemed to undermine the mandatory acceptance of euro banknotes and coins, Member States would need to take remedial measures.

Access to cash

The proposal establishes the obligation on Member States to ensure sufficient and effective access to cash throughout their territory, in all their regions, including urban and non-urban areas. This is required to safeguard the effectiveness of the legal tender of euro cash in practice. Member States would have the obligation to monitor the access to cash. They would also need to assess annually the situation in their territory and report their assessment to the Commission and the European Central Bank. If sufficient and effective access to cash is not ensured, Member States would need to take remedial measures.

Procedural aspects

Procedural aspects are set out to effectively implement the obligations concerning the acceptance of payments in cash and access to cash. In this regard, all Member States are required to designate one or more national competent authorities, which would have the necessary administrative and regulatory powers as regards acceptance of payments in cash and access to cash.

The designated national competent authorities would be entitled to assess if the principle of mandatory acceptance of cash is not undermined by widespread cash non-acceptance levels through the unilateral and ex ante exclusion of cash by enterprises, and if the access to cash is sufficient and effective in the Member States' territories.

Interaction between euro banknotes and coins and the digital euro

The proposal requires the convertibility of cash and the digital euro into each other at par, and for the avoidance of doubt gives the payer the right to choose to pay in cash or digital euro where mandatory acceptance of both applies in accordance with this Regulation, including notably those provisions affecting mandatory acceptance, as well as with the [digital euro Regulation](#).