## Basic information

| | |
|---|---|
| **2023/0208(COD)**<br>COD - Ordinary legislative procedure (ex-codecision procedure)<br>Regulation | Awaiting Parliament's position in 1st reading |
| Legal tender of euro banknotes and coins<br>**Subject**<br>5.20.02 Single currency, euro, euro area<br>**Legislative priorities**<br>Joint Declaration 2023-24 | |

## Key players

### European Parliament

| Committee responsible | Rapporteur | Appointed |
|---|---|---|
| ECON Economic and Monetary Affairs | NAVARRETE ROJAS Fernando (EPP) | 16/12/2024 |
| | Shadow rapporteur<br>PAPANDREOU Nikos (S&D)<br>ZIJLSTRA Auke (PfE)<br>BARTULICA Stephen Nikola (ECR)<br>BOYER Gilles (Renew)<br>BOESELAGER Damian (Greens/EFA)<br>TRIDICO Pasquale (The Left)<br>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 | | |
| 23/06/2026 | Vote in committee, 1st reading | | |
| 23/06/2026 | Committee decision to open interinstitutional negotiations with report adopted in committee | | |
| 26/06/2026 | Committee report tabled for plenary, 1st reading | A10-0184/2026 | Summary |
| 06/07/2026 | Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72) | | |
| 08/07/2026 | Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 72) | | |

## Technical information

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| **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 |
| **Other legal basis** | Rules of Procedure EP 165 |
| **Mandatory consultation of other institutions** | European Central Bank |
| **Stage reached in procedure** | Awaiting Parliament's position in 1st reading |
| **Committee dossier** | ECON/10/00244 |

## Documentation gateway

**European Parliament**

| Document type | Committee | Reference | Date | Summary |
|---|---|---|---|---|
| Committee draft report | | PE758.001 | 11/01/2024 | |
| Amendments tabled in committee | | PE758.713 | 29/01/2024 | |
| Committee draft report | | PE778.137 | 03/11/2025 | |

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|---|---|---|---|---|
| Amendments tabled in committee | | PE781.237 | 19/12/2025 | |
| Committee report tabled for plenary, 1st reading/single reading | | A10-0184/2026 | 26/06/2026 | Summary |

**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<br>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 |
|---|---|---|---|---|
| BOYER Gilles | Shadow rapporteur | ECON | 04/02/2026 | Ryanair Holdings |
| 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 |

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|---|---|---|---|---|
| BOYER Gilles | Shadow rapporteur | ECON | 15/11/2023 | Banking & Payments Federation Ireland |

### Other Members

| Transparency | | |
|---|---|---|
| **Name** | **Date** | **Interest representatives** |
| FERBER Markus | 15/07/2026 | Denaria Europe |
| FERNÁNDEZ Jonás | 14/07/2026 | Fundación Denaria |
| DE MASI Fabio | 20/05/2026 | bargelderhalt.eu |
| KELLEHER Billy | 09/04/2026 | Ryanair Holdings |
| HADJIPANTELA Michalis | 25/03/2026 | Ryanair Holdings |
| FERBER Markus | 28/01/2025 | Giesecke+Devrient |

# Legal tender of euro banknotes and coins

2023/0208(COD) - 28/06/2023 - Legislative proposal

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.

# Legal tender of euro banknotes and coins

2023/0208(COD) - 26/06/2026 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs adopted the report by Fernando NAVARRETE ROJAS (EPP, ES) on the proposal for a regulation of the European Parliament and of the Council on the legal tender of euro banknotes and coins.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

*Subject matter*

This proposed regulation will apply to Member States **whose currency is the euro**. It establishes detailed rules on the scope and effects of the legal tender of, and access to, euro banknotes and coins, in order to ensure its effective use as a single currency.

*Exceptions to the principle of mandatory acceptance of euro banknotes and coins*

In accordance with the mandatory acceptance of cash, the payee should not refuse euro banknotes and/or coins tendered in payment to comply with that obligation. **By way of derogation**, a payee should be entitled to refuse euro banknotes and coins in any of the following cases:

- where a refusal is made in good faith and where such refusal is based on legitimate grounds in line with the principle of proportionality in view of concrete circumstances beyond the control of the payee;

- where, prior to the payment, the payee has agreed with the payer on a different means of payment, without prejudice to Article 5a;

- where the goods or services are provided to the payer at an unmanned point of sale, in view of the mechanical and security constraints inherent in such points of sale, taking into account the need to have access to essential services.

The **burden of proof** regarding the existence of such legitimate grounds in a given case and the proportionality of the refusal of euro banknotes and coins will lie with the beneficiary.

**Legitimate reasons** may include situations in which, before payment, the beneficiary notices that the characteristics of the banknotes or coins presented by the payer do not comply with Council Regulation (EC) No 1338/2001 laying down measures necessary for the protection of the euro against counterfeiting or are not fit for circulation.

*Prohibition of ex ante unilateral exclusions of payments in cash*

Any contractual terms relied on by payees subject to the obligation to accept euro banknotes and coins, which have the object or effect of excluding the use of euro banknotes and coins by payers of monetary debts denominated in euro, shall be negotiated individually. The payees should **not engage in commercial practices (e.g. 'no cash' signs)** that have the object or effect of excluding the use of euro banknotes and coins by payers of monetary debts denominated in euro.

Contractual terms and commercial practices prohibited under the Regulation shall not be binding on the payer.

*Access to cash*

Member States should ensure **effective access to cash throughout their territory**, in all their different regions, including the outermost regions, in both urban and non-urban, in particular sparsely populated, areas, paying particular attention to the needs of vulnerable groups, such as older persons, persons with disabilities, people with low income or low digital skills and unbanked persons.

In order to ensure effective access to species, Member States should monitor access to species throughout their territory on the basis of established common indicators and assess the situation continuously.

In carrying out the monitoring and assessment, Member States may be guided, *inter alia*, by the availability and accessibility of cash services, including the presence of ATMs and overthecounter services, cash-back agreements and mobile offices, with special attention to their geographical distribution, opening hours, affordability and compliance with accessibility requirements.

Member States may take adequate measures to **raise public awareness** about the right and benefits, such as security or resilience, of using cash as legal tender and the available means to access cash services, with a focus on **persons with disabilities**, functional limitations or limited digital skills, and the elderly.

*Resilience of cash*

Member States should ensure that a cash **resilience plan** is established in order to ensure effective access to cash in situations where there is widespread and severe disruption of the continuity of digital means of payments or a credible and imminent risk of such disruption that affects or threatens to affect, in whole or in part, a Member State or the euro area.