

EU Court Ruling: Currency Sector Stands Ready To Contribute To The Future Discussion

Press Release – 26 January 2021

The principle that euro banknotes and coins are legal tender is enshrined in the EU Treaty since the birth of the single European currency. The ruling of the Court of Justice of the European Union on joint cases C-422/19 and C-423/19 published today in the wake of a case brought against a German broadcaster, is an important step in progressing the debate surrounding the principle of cash as legal tender.

In today's ruling on the case which had been referred by the German federal administrative court concerning the matter of settling payments of bills for radio & tv licenses, the EU Court sets out the correct interpretation of European Union law and the corresponding obligations regarding the availability and acceptance of cash as a means of payment. Importantly, the ruling **stresses that it must be possible, as a general rule, and in accordance with the concept of cash as legal tender, to be able to pay in cash for services and goods across the Eurozone.**

The ruling also stipulates that any restriction to the possibility of paying in cash must be justified on public interest grounds and underscores that any such **restrictions must always be proportional to the objective of meeting these public interest grounds.**

[Preceded by the Opinion of the Court's Advocate-General Pitruzella in September 2020](#), the ICA points to this ruling as providing important guidance for the development of further legislation to ensure the protection of cash as a public good and the general acceptance of cash. Notably, the ruling confirms the right of Member States of the eurozone to adopt a measure which to make acceptance of cash by public authorities mandatory.

The International Currency Association (ICA) Director General Jutta Buyse commented, "With this long-awaited ruling now in place, now is the time for policy makers to push forward with legislation that guarantees acceptance of cash. The ICA remain committed to contributing to further discussions on this crucial issue".

The ICA also look forward to the follow-up by European Institutions on the principles set out in this ruling, including by the European Commission which has stated in its 2020 Retail Payments Strategy that it will consider to take appropriate action to protect acceptance and availability of euro cash.

You can find the full ruling of the Court on joined cases C-422/19 and C-423/19 here:

<http://curia.europa.eu/juris/document/document.jsf?text=&docid=236962&pageIndex=0&doclang=EN&mode=lst&dir=&occ=first&part=1&cid=1553968>

View the Press Release from the Court on the ruling here:

<https://curia.europa.eu/jcms/upload/docs/application/pdf/2021-01/cp210008en.pdf>

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