The Cash Management Companies Association

Currency Associations Welcomed Decision by EU to Suspend Legislation on Cash Payment Limitations

No link between cash and the financing of crime and terrorism

Brussels, June 20, 2018 – The associations related to currency – ATM Industry Association (ATMIA), European Security Transport Association (ESTA), European Intelligent Cash Protection Association (EURICPA), International Currency Association (ICA) and Intergraf – welcomed the decision by the EU commission to suspend legislation on Cash Payment Limitations (CPLs).

With the publication of its study on the impact of CPLs issued by the DG ECFIN, the EU Commission announced to no longer pursue legislation with the aim of harmonising CPLs throughout the European Union. The associations welcomed the outcome of the study, which had reached the unequivocal conclusion that there was no data to link the use of cash to “crime and the financing of terrorism”. This outcome is of no surprise to the associations, because during the public consultation last year they had submitted academic papers and studies which – by collating facts, figures and data – clearly demonstrated that cash was no more to blame for criminal activities than any other means of payment. Their submissions also raised the question whether CPLs were compatible with the existing EU laws and treaties.

The associations suggest that the EU, Instead of contemplating new controls, focus on ensuring that existing legislation – e.g. the Anti Money Laundering Directive which stipulates that every suspicious cash transaction, independent of its transaction value, and all transactions from 10,000 Euros onwards must be registered with the authorities – be properly enforced. Consistent law enforcement activities within this legal framework would make more legislation, which also always means more bureaucracy, superfluous.

According to the latest figures by the World Bank, 139 million Europeans are unbanked or underbanked. CPLs would have meant depriving them of the only means of payment accessible to them for larger purchases, which is not conducive to the aim of financial inclusion.

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