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**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
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and of the Council of 16 November 2011 on the professional cross-border transport of
euro cash by road between euro-area Member States pursuant to article 26 of this
Regulation**

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1. INTRODUCTION

Regulation (EU) No 1214/2011 of the European Parliament and of the Council of 16 November 2011 on the professional cross-border transport of euro cash by road between euro-area Member States¹ entered into force on 30 November 2012. Article 26 of Regulation (EU) No 1214/2011 requires the Commission to submit a report on its implementation to the European Parliament and the Council by 1 December 2016 and every five years thereafter. The report must, in particular, examine the possibility of establishing common training requirements for the carrying of arms by security staff of cash-in-transit ('CIT') companies and of amending Article 24 of that Regulation in the light of Directive 96/71/EC², take due account of technological progress in the area of IBNS³, consider the potential added value of granting Union CIT licences on a group basis and assess whether Regulation (EU) No 1214/2011 should be revised accordingly⁴.

A first review was done in 2016⁵. For this review, based on questionnaires, the Commission consulted the stakeholders in the sector including the social partners as well as Member States⁶. The report is based on the replies to the questionnaires.

2. GENERAL BACKGROUND

2.1. Context

2.1.1. Set of common rules applying to cross-border transport of euro cash

The introduction of the euro has increased the need for cross-border transport of cash by road in euro area Member States. Within the euro area, banks, the retail sector and other professional cash handlers should be able to contract with CIT companies that offer the best price and/or service and to take advantage of the cash services of the nearest national central bank branch or CIT cash centre, even if it is located in another Member State. Furthermore, Member States whose currency is the euro

¹ OJ L 316, 29.11.2011, p. 1.

² Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services (OJ L 18, 21.1.1997, p. 1).

³ IBNS stands for 'intelligent banknote neutralisation system'.

⁴ Article 26 of Regulation (EU) No 1214/2011.

⁵ COM(2017) 5 final, 11.01.2017.

⁶ Questionnaires were sent to all Member States, CIT companies holding a cross-border licence under the CIT Regulation, and relevant European stakeholders (European Cash Management Companies Association (ESTA), the European Central Bank (ECB), European Federation of Retail, Wholesale and International Traders (Eurocommerce), European Intelligent Cash Protection Association (EURICPA), and the European Trade Union Confederation (ETUC)). Contributions were received from the above-mentioned stakeholders (with the exception of Eurocommerce and ETUC), from UNI Europa and from Cennox-EURICPA. For the questionnaires sent see Annex I.

('participating Member States') have arranged or may want to arrange for euro banknotes and coins to be produced abroad. Retailers and banks located in border areas may wish to obtain their supplies from the cash centre nearest to them, which is not necessarily in the same Member State. The very principle of a single currency implies the freedom to move cash between participating Member States.

A full harmonisation of CIT transport in participating Member States was not considered feasible, nor was a system considered appropriate where authorisation in one Member State would be valid in all Member States ('mutual recognition'). Therefore, Regulation (EU) No 1214/2011 lays down a set of common rules valid in all Member States, without prejudice to national rules for certain aspects explicitly indicated in the Regulation. It does not involve full harmonisation as the common rules apply only to cross-border transport.

2.1.2. *Application to transport by road of participating Member States and of Member States that prepare to adopt the euro*

Regulation (EU) No 1214/2011 applies to transport of euro cash by road, given that it is the most common (if not the only) transport arrangement for euro cash in border regions and the only one for which a need for a set of common rules on cross-border CIT was identified. Transport by air and sea is not covered⁷. Therefore, Regulation (EU) No 1214/2011 applies de facto only to cross-border transport between participating Member States which have a land border with another participating Member State⁸. In a cross-border transport, the cross-border dimension could arise from one or more of three elements: the Member State of origin of the CIT company, the host Member State (other than the Member State of origin) in which a CIT company provides the transport service, and/or the Member State of transit which the vehicle crosses in order to reach the host Member State or to return to the Member State of origin.

The rules on cross-border transport of euro cash laid down by Regulation (EU) No 1214/2011 only apply in relation to participating Member States⁹.

In the run-up to the euro changeover in a Member State, euro cash may need to be transported from participating Member States to the Member State preparing for the changeover. Therefore, pursuant to Regulation (EU) No 55/2013¹⁰, Regulation (EU) No 1214/2011 applies also to Member States preparing to adopt the euro.

⁷ Transport of euro banknotes by air is mostly carried out for stock management in participating Member States, organised between national central banks, or for repatriation of notes from third countries to participating Member States. Transport by sea, not covered by Regulation (EU) No 1214/2011 either, is rare but, depending on geography, may be used for transport of euro coins to a Member State (without their own mint) preparing for the euro changeover. Both transport arrangements are excluded from Regulation (EU) No 1214/2011.

⁸ All euro area Member States apart from Finland, Greece, Ireland, Malta and Cyprus.

⁹ Given specific geographical circumstances, there may be cases where transport transiting another Member State may be more efficient for a CIT company than direct transport via the common borders between the participating Member States. Such an example not covered by Regulation (EU) No 1214/2011 would be transport of euro cash between Germany and Austria via the Czech Republic or between Austria and Slovakia via Hungary.

¹⁰ Council Regulation (EU) No 55/2012 concerning the extension of the scope of Regulation (EU) No 1214/2011 (OJ L 21, 21.1.2013, p. 1).

2.2. Core elements of Regulation (EU) No 1214/2011

2.2.1. Cross-border CIT licence

Given the potential threats to the security of security staff of CIT companies and the general public associated with the activity of transporting cash, the cross-border transport of euro cash is subject to holding a specific cross-border CIT-licence¹¹. National authorities must grant the licence for a period of five years subject to the conditions CIT companies must meet in line with Regulation (EU) No 1214/2011, such as defined requirements for CIT security staff or general CIT vehicle requirements and other prerequisites¹².

The CIT licences are registered in the Internal Market Information System (IMI) to allow public authorities to access the licences easily¹³.

CIT staff carrying out cross-border CIT transport under Regulation (EU) No 1214/2011 are entitled to the minimum rates of pay applying in host Member States under the conditions mentioned in Regulation (EU) No 1214/2011¹⁴.

2.2.2. Cross-border transport of euro cash

The cross-border CIT licence grants, within the limits set by Regulation (EU) No 1214/2011, the right to transport euro banknotes and coins cross-border by road, to be carried out during daylight and only if both the majority of the pick-up or delivery is in the host Member State and the value of euro cash is at least 80% of the total cash value transported in the vehicle¹⁵. It should be noted that some specific transport arrangements are explicitly exempted from the scope of the Regulation notwithstanding the fact that they fall within the definition of cross-border transport of euro cash by road, such as point-to-point transports to and from national central banks or cash production sites¹⁶.

2.2.3. Applicable transport arrangements

Regulation (EU) No 1214/2011 provides for five types of transport arrangements for euro banknotes and two for euro coins, defining the conditions of each, such as vehicle armouring, the use of Intelligent Banknotes Neutralisation Systems (IBNS) or the presence of CIT security staff¹⁷. The participating Member States decide which of those transport arrangements to apply in their territory¹⁸.

¹¹ Article 4 of Regulation (EU) No 1214/2011. The cross-border licence shall be held in addition to the national CIT licence that is required in most participating Member States, the form of which this Regulation does not harmonise.

¹² Article 4(2) of Regulation (EU) No 1214/2011.

¹³ Article 11(2) of Regulation (EU) No 1214/2011.

¹⁴ Article 24 of Regulation (EU) No 1214/2011.

¹⁵ Article 1(b) of Regulation (EU) No 1214/2011

¹⁶ Article 2(1)(a) of Regulation (EU) No 1214/2011.

¹⁷ Articles 14 - 20 of Regulation (EU) No 1214/2011.

¹⁸ In its White Paper of 18 May 2009 on professional cross-border transportation of euro cash by road between Member States in the euro area - COM(2009) 214 final - the Commission proposed to let the CIT choose the convenient transport arrangement (page 7).

2.2.4. *Role of Intelligent Banknotes Neutralisation Systems (IBNS) and removal of neutralised banknotes*

Regulation (EU) No 1214/2011 seeks to facilitate the use of IBNS, as the use of IBNS is expected to improve CIT security for CIT security staff and the public¹⁹. CIT companies operating under Regulation (EU) No 1214/2011 must remove neutralised banknotes from circulation, to ensure that such notes are no longer used for payment operations²⁰.

2.2.5. *Host country rules applying to transport: national police force, public security rules and carrying of firearms*

CIT aspects not covered by the common rules of Regulation (EU) No 1214/2011 are governed by national law, subject to the general rules of the Treaty (such as the principle of non-discrimination) and must be respected in the host country by the CIT company carrying out the cross-border transport. Such national rules concern the role of the police force (such as prior notification, escorting or distant remote tracking)²¹, security rules on cash delivery or pick-up at locations²² and rules on firearms²³.

2.3. **Notification and information duties**

Regulation (EU) No 1214/2011 provides for a range of information duties for CIT licence holders, participating Member States and the Commission.

Licence holders must inform the participating Member State of the intended start of cross-border transport. Participating Member States must inform each other of cross-border business notified by the CIT companies acting under Regulation (EU) No 1214/2011²⁴. The Commission publishes on the Europa website²⁵ all information on IBNS homologated by participating Member States²⁶, the national rules on the role of police forces and on security of locations where the cash is delivered to or picked up, the national CIT training requirements²⁷, the credentials of the national granting authority and the host administration to which the start of cross-border transport has to be notified²⁸. Finally, the Commission publishes the applicable transport arrangements as chosen by the participating Member States in the *Official Journal of the European Union*²⁹.

2.4. **Compliance checks, penalties and emergency security measures**

In order to guarantee a high level of security in cross-border CIT transport, participating Member States can carry out compliance checks on CIT companies acting in their territory under Regulation (EU) No 1214/2011³⁰. Penalties can be applied in case of non-compliance further to the conditions laid down in Article 22 of Regulation (EU) No 1214/2011. Finally, temporary security measures can be decided

¹⁹ Recital 4 of Regulation (EU) No 1214/2011.

²⁰ Article 10 of Regulation (EU) No 1214/2011.

²¹ Article 8 of Regulation (EU) No 1214/2011.

²² Article 9 of Regulation (EU) No 1214/2011.

²³ Article 6 of Regulation (EU) No 1214/2011.

²⁴ Article 12(1) of Regulation (EU) No 1214/2011.

²⁵ [Euro cash in transit | European Commission \(europa.eu\)](https://european-commission.europa.eu)

²⁶ Article 11(1) of Regulation (EU) No 1214/2011.

²⁷ Article 11(4) of Regulation (EU) No 1214/2011.

²⁸ Article 11(7) of Regulation (EU) No 1214/2011.

²⁹ [OJ C 139, 4.5.2017, p. 14](#), in line with Article 13(5) of Regulation (EU) No 1214/2011.

³⁰ Article 21 of Regulation (EU) No 1214/2011.

by the competent authorities in the event of an urgent problem significantly affecting the security of CIT operations³¹.

3. IMPLEMENTATION OF REGULATION (EU) NO 1214/2011 AND OF THE RECOMMENDATIONS OF THE 2016 REPORT

3.1. Application for and granting of cross-border CIT licences

3.1.1. Application for and granting of cross-border CIT licences

In line with the findings of the 2016 report, the administrative procedure for licence granting seems to work smoothly. On the whole, CIT companies did not report specific issues³² with regard to the provision of documents and evidence needed for application. Furthermore, Member State authorities did not encounter particular problems with issuing the cross-border CIT licenses. All licence applications by responding CIT companies resulted in granted licenses³³ and there have been no noteworthy incidents with registration in the IMI.

The vast majority of participating Member State authorities and a majority of licence holders consider the five-year duration of the cross-border CIT licence appropriate, and do not see a need for extension of its validity. One Member State and 4 of the 11 CIT companies responding to the survey consider that a ten-year duration would be more appropriate for the validity of the CIT license³⁴.

In general, most responding stakeholders do not see added value in granting CIT licences on a group basis. As outlined by Member States in the consultation, such a possibility would imply giving licences for companies acting in different Member States without knowing if regulations in those Member States are complied with. Another difficult aspect to manage in the context of group licences mentioned in the consultation is related to sanctions for infringement: if the licence would be withdrawn for one of the companies in the group, how would that influence the licences of the other companies in the group? However, as one responding Member State suggests, a simplified procedure among companies of the same group could be more suitable under certain conditions. While acknowledging that different national legislation would make group licenses difficult to implement, 4 of the 11 responding CITs consider that these group licenses would make things easier for them. Overall, the Commission understands that such licences would result in a lack of oversight on and control in CIT companies and would complicate checking measures in place. Therefore, the Commission does not consider granting of CIT licences on a group basis a viable option in the near future.

3.1.2. CIT licences in numbers and figures

Eight Member States (out of the 14 participating Member States) have issued CIT licences to date. Eleven licences were issued within one year of the entry into force of Regulation (EU) No 1214/2011. To date³⁵, 22 cross-border CIT licences have

³¹ Article 23 of Regulation (EU) No 1214/2011.

³² Only one responding CIT company complained about the time-consuming and costly process for providing the necessary documents.

³³ Survey data, for the survey questions see Annex I.

³⁴ Arguments in favour of a 10-year license: administrative requirements and associated expenses; similarity with the SBS operating license.

³⁵ As of 21.02.2022

been granted and are currently active: France (3), Germany (6), Italy (3), the Netherlands (1), Austria (2), Spain (1), Slovakia (4) and Slovenia (2)³⁶. Germany has granted the largest proportion of licences (27%), followed by Slovakia (18%), together accounting for nearly half of all licences³⁷. Interestingly, there are no licences from Belgium and Luxembourg, although both Member States belong to an area with six geographically concentrated borders, within a radius of less than 250 km, having a high population density, a large concentration of businesses, and they are surrounded by one small and two large neighbouring participating Member States³⁸.

According to the survey responses, 4 of the 11 responding CIT companies are using their licenses daily or several times per month. 2 CITs did not provide a response to this question, and 5 said that they did not use their licence. Several CIT licence holders report that they have not yet used their licences yet, as the business opportunities they expected to gain with the licence did not materialise (they had no demand for cross-border cash transport services).

3.1.3. *Notification of and information on cross-border CIT activity and requirements*

Three responding Member States (out of 13 respondents) confirm that, after having granted a CIT cross-border licence to a CIT company, they have been notified about the start of its cross-border activity. At the same time, 4 responding Member States say they have been notified through information from another euro area Member State about a CIT company from that Member State preparing to carry out a CIT cross-border activity in their country. Considering the contributions of the Member States to the 2021 consultation, it can be concluded that Member States find it difficult to acquire a clear overview on cross border CIT actually carried out on their territory.

The Commission has published all relevant cross-border CIT information as required by Regulation (EU) No 1214/2011³⁹.

In its 2016 report, the Commission recommended that participating Member States should put appropriate procedures in place to get a better overview on cross-border CIT transport taking place on their territory. This would increase the quality of data needed for a continued discussion on the implementation of Regulation (EU) No 1214/2011 and on options for possible legislative amendments. However, the 2021 consultation shows that Member States did not follow this recommendation.

3.2. **Use of IBNS when transporting euro banknotes and technical progress of IBNS technology**

Almost half of the CIT companies responding to the questionnaire report that they use IBNS in cross-border CIT transport, when it is obligatory⁴⁰ in the host, transit or home country. Belgium is the only participating Member States in which vehicles equipped with IBNS must be used to transport banknotes.

³⁶ See Annex II.

³⁷ See Annex II.

³⁸ For an overview of the two 'high potential regions' for cross-border transport of euro cash, see Annex II.

³⁹ https://ec.europa.eu/info/business-economy-euro/euro-area/euro-coins-and-notes/euro-cash-transit_en

⁴⁰ One responding CIT company says it would use IBNS even if it were not mandatory, as it is a tool that can very effectively deter potential perpetrators from their attempts to steal cash.

Several responding stakeholders consider that that the homologation or certification of IBNS systems should be further streamlined, i.e. through a uniform IBNS certification valid for the entire euro area.

While other technologies are also used by CIT companies⁴¹, staining devices are the most common IBNS technologies used⁴² and are expected to remain the preferred technology in the market in the coming years⁴³.

3.3. CIT staff remuneration at the minimum rate of pay of host Member State at least

CIT licence holders did not report any problems with the application of remuneration rules of Regulation (EU) No 1214/2011. Pursuant to Article 24 of the Regulation, cross-border CIT security staff are subject to the relevant minimum rates of pay, including overtime rates, of the host Member State. Given that the relevant provisions of Directive 96/71/EC⁴⁴, to which Article 24 of Regulation (EU) No 1214/2011 refers, have been changed between the entry into force of this Regulation and this review, the Commission notes that the rights of the CIT staff falling under this Article have been strengthened. The reference made to Directive 96/71/EC is a dynamic one, which means that the changes made to it by Directive (EU) 2018/957 are applicable to the text of Article 24 and thus guarantee all the relevant rights to CIT staff falling under the scope of this Article.

As a consequence, CIT security staff carrying out cross-border transport now have the right to “remuneration”, which includes “all the constituent elements of remuneration rendered mandatory” by law or universally or otherwise applicable collective agreements in the host Member State.

3.4. Compliance with the law of the Member State of origin, transit and host Member State

3.4.1. Rules on role of the police force and security rules on cash delivery or pick-up

The Commission has not been made aware of any noteworthy incidents or problems related to the obligation to abide by host Member State rules on the role of the police force (such as prior notification, escorting or distant remote tracking) or security rules on cash delivery or pick-up at location. Thus, the Commission sees no need to suggest changes in that regard.

⁴¹ Two CIT companies mention using a system that prevents the forced withdrawal of values through the automatic release of a two-component resin Spumablok, also through shot sensors on the vehicle windows, as well as through remote control by the operations centre.

⁴² https://ec.europa.eu/info/business-economy-euro/euro-area/euro-coins-and-notes/euro-cash-transit_en

⁴³ According to EURICPA, the European Intelligent Cash Protection Association.

⁴⁴ Directive 96/71/EC was amended by Directive (EU) No 2018/957. Article 3(1)(c), to which Article 24 of the CIT Regulation refers, now reads “remuneration, including overtime rates; [...]” instead of “the minimum rates of pay, including overtime rates; [...]”.

3.4.2. *Carrying of firearms*

The national rules on the carrying of firearms of the host Member State apply during cross-border CIT transport. Those rules vary widely, with some Member States allowing the carrying of firearms, while others either require or prohibit it, or permit a mixture of options according to each distinct transport arrangement. Two of the four responding CITs which use their licences said that this diversity limits certain cross-border CIT opportunities. One CIT (which is performing activities in Italy and in Vatican) said that it did not have issues because the rules are the same in both states. Another CIT said that – in principle – it did not encounter difficulties to abide by the rules applying in the neighbouring countries.

Responding Member States confirmed that, given the existing differences in national legislation with regard to the carrying of firearms, there is no added value to common training requirements.

3.5. **Transport arrangements set by the host Member State**

As the participating Member States may choose which transport arrangement for euro banknotes applies to its territory for cross-border CIT, a very heterogeneous cross-border playing field has emerged⁴⁵. This results in some situations in which the respective applicable transport arrangements of the Member State of origin and host Member State match poorly, making cross-border CIT transports subject to major investment on the provider side or unprofitable given their occasional character. As an example, IBNS equipment is mandatory for CIT transports in Belgium whereas in Germany it is not. CIT companies operating in Austria transport euro banknotes in unarmoured CIT vehicles of ordinary appearance equipped with IBNS but when transporting to Germany they need a fully-armoured CIT vehicle with three CIT security staff.

Three responding Member States consider that the last review's suggestion to possibly consider the introduction of the Member State of origin principle for transport arrangements could be beneficial and could lead to enhancing the potential of cross-border CIT transport: the demand for the cross border CIT licence and the number of cross-border CIT transports would increase in practice.

3.6. **Compliance checks, possible sanctions and special measures by participating Member States**

No problems were brought to the Commission's notice with regard to compliance tests and random inspections, it being understood that some participating Member States lack information on cross-border CIT transports actually taking place in their territory. Furthermore, the Commission was not informed of any emergency security measures or of any application of sanctions. The Commission therefore considers the relevant rules in Regulation(EU) No 1214/2011 appropriate.

⁴⁵ For an overview of the transport arrangements applied by each participating Member State see https://ec.europa.eu/info/sites/default/files/economy-finance/cash_in_transit_-_article_13-5.pdf

3.7. Information campaign contributing to the efficiency of Regulation (EU) No 1214/2011 and possibly increasing the number of CIT licences

The 2016 report recommended that an information campaign targeting the cash demand side (banks, supermarkets, retailers) and CIT companies to make more use of matching transport arrangements should be carried out to contribute to the efficiency of Regulation (EU) No 1214/2011 and to possibly increase the number of CIT licences. None of the responding Member States has yet followed this recommendation.

3.8. Environmental impact of the CIT operations

In their responses to the 2021 consultation, CIT companies commented that they have not undertaken any recent, specific ‘greening’ measures in order to make their CIT transports more ecologically friendly, as such measures would be unlikely to result in increased cross-border operations. Several companies added that they use the latest vehicle models in their operations, and that these models are more environmental friendly.

4. CONCLUSIONS

4.1. Points of review specifically indicated in Article 26

With regard to the points of specific examination stipulated in Article 26 of Regulation (EU) No 1214/2011, the conclusions of the report are as follows:

- 1) there is currently no need for common training requirements for the carrying of arms by CIT staff given the diversity of national rules for the carrying of firearms,
- 2) the relevant provisions of Directive 96/71/EC to which Article 24 refers have been changed between the entry into force of this Regulation and this review in a way that strengthens the rights of posted workers.⁴⁶ Article 24 on remuneration does not need to be amended as the reference made to Directive 96/71/EC is a dynamic one and thus all the relevant rights deriving from the amending Directive (EU) 2018/957 are equally applicable to the CIT staff concerned.
- 3) a system that allows for licence granting on a group basis is not needed, and 4) there is no major technological change in the area of IBNS which would imply a revision of Regulation (EU) No 1214/2011. The Commission has therefore not needed to make use of its empowerment to adopt delegated acts⁴⁷ on IBNS to date, nor have there been any indications of a need for delegated acts on other security features such as vehicle armoured and bulletproof vests.

⁴⁶ Directive 96/71/EC was amended by Directive (EU) No 2018/957 (see also footnote 44).

⁴⁷ Article 27 of Regulation (EU) No 1214/2011.

4.2. **Optimisation of professional cross-border transport of euro cash by road**

Regulation (EU) No 1214/2011 entered into force on 29 November 2012. It is necessary that participating Member States put procedures in place to get a better overview on cross-border CIT transport actually taking place in their territory. However, the fact that only 22 licences are currently⁴⁸ active in just 8 of the 14 participating Member States seems to indicate that Regulation (EU) No 1214/2011 is not implemented to its full potential, especially because in one geographically concentrated border area characterised by both a high population density and a high concentration of businesses (Benelux and neighbouring countries) very little cross-border transport seems to take place. A better implementation of the Regulation resulting in more cross-border CIT licences and a larger choice of companies carrying out cross-border CIT transports would also accommodate a potential need for contingency planning. Options for an improved implementation of the CIT Regulation are a simplified definition of cross-border transport and the application of a 'Member State of origin principle' to transport arrangements.

4.2.1. *Better definition of cross-border transport by road*

The current definition of cross-border transport (Article 1(b) of Regulation (EU) No 1214/2011⁴⁹) may be at the origin of the limited number of licence holders as it excludes potential cross-border CIT transports.

As part of the definition, a majority rule must be respected according to which the majority of euro cash deliveries/pick-ups made by a CIT vehicle during the same day is carried out on the territory of the host Member State to qualify for cross-border CIT transport under Regulation (EU) No 1214/2011. This hinders smaller CIT companies, which mainly carry out CIT transports in their Member State of origin, from entering the cross-border CIT market given that 'occasional' (minority) CIT transports in the host Member State do not qualify for the cross-border licence. This prevents them from testing the foreign market and making new customers.

The same consideration goes for the restriction set by Article 1(b) pursuant to which, to qualify for the licence, non-euro cash transported in the CIT vehicle must not exceed 20% of the total value of cash transported in the same CIT vehicle.

According to the replies to the consultations carried out in the context of the current report, a better definition of cross-border transport by road could lead to an increase of the sector's activity.

4.2.2. *Application of transport arrangements*

Another proposal to better use the potential of cross-border CIT transport could be to apply the Member State of origin principle for transport arrangements.. A CIT company licenced in its participating Member State of origin would then be in a position to use its CIT vehicle for cross-border CIT transports to the host country following one of the transport arrangements provided for in Regulation (EU) No 1214/2011. Such an approach would spare CIT companies unnecessary financial investments (such as upgrading to IBNS or diversifying its CIT vehicle fleet) they

⁴⁸ February 2022

⁴⁹ Also, Regulation (EU) No 1214/2011 applies only to CIT transports where the majority of euro cash deliveries/pick-ups made by a CIT vehicle during the same day is carried out on the territory of the host Member State.

would currently have to make in order to satisfy host Member State transport arrangements that mismatch with transport arrangements in the Member State of origin.

However, as the results of the consultation for this report show, domestic regulations reflect risk patterns within each countries which could be difficult to harmonise. Furthermore, should the Member State of origin principle be applied, there could be a risk that a number of companies would try to operate in highly regulated Member States from low regulated Member States, thus distorting competition⁵⁰.

4.2.3. *Broadening the scope of the CIT license*

The consultation for this report gathered stakeholders' views on the possibility to broaden the scope of the CIT license to cover also other types of professional cross-border CIT in the euro area which are not falling under the current CIT Regulations. All stakeholders which replied to this question agree that there is no need for such a broadening of the scope.

5. RECOMMENDATIONS ON THE WAY FORWARD

The results of the present review are very similar to the ones of the 2016 report, therefore the recommendations of this report are also in line with the ones of the 2016 review of the implementation of Regulation (EU) No 1214/2011:

- Participating Member States should increase their efforts to put appropriate procedures in place to get a better overview on cross-border CIT transport taking place on their territory. This would increase the quality of data needed for a continued discussion on the implementation of Regulation (EU) No 1214/2011 and on suggestions under consideration for possible legislative amendments.
- An information campaign targeting the cash demand side (banks, supermarkets, retailers) and CIT companies to make more use of matching transport arrangements should be carried out to contribute to the efficiency of Regulation (EU) No 1214/2011 and to possibly increase the number of CIT licences.
- Participating Member States should seek to apply a wider range of applicable transport arrangements provided for by Regulation (EU) No 1214/2011 on their territory to enhance the potential of cross-border CIT transport under the Regulation in its present form for the benefit of euro cash users.
- The Commission will commission an external study in order to assess the current economic situation on the cross-border CIT market, review the rules in place in Member States and assess the level of disparities between them. The study should also evaluate the economic costs and benefits of following options for enhancing cross-border CIT activity by legislative improvements of Regulation (EU) No 1214/2011:
 - *Appropriate definition of cross-border transport focusing on the cross-border aspect and common rules applying in the host Member State and Member State of transit:*

⁵⁰ According to ESTA's response to the 2021 consultation.

- a. *A review of the rule that cross-border transportation of euro cash by road is only covered by the CIT licence if the majority of cash deliveries or pick-ups are carried out in the host Member State.*
 - b. *A reexamination of the condition that non-euro cash transported in the CIT vehicle must not be more than 20% in relation to the total value of cash transported in the same CIT vehicle.*
 - c. *A review of the remuneration and application of terms and conditions of employment of CIT security staff carrying out cross-border transport (Article 24) in light of the amendments of Article 3(1)(c) of Directive 96/71/EC by Directive (EU) 2018/957.*
- *Without prejudice to the national firearms rules applying to the participating Member States, application of the Member State of origin principle to the transport arrangements provided for in Regulation (EU) No 1214/2011, including appropriate harmonisation requirements.*
 - *Should the Commission conclude, in light of its assessment of the conclusions of this external study and in line with the principles of better regulation, that an overall revision of Regulation (EU) No 1214/2011 is needed, this revision should also include the necessary amendments to article 24 in light of the amendments made to Directive 96/71/EC by Directive (EU) 2018/957, in order to guarantee legal clarity and certainty.*