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WORKING DOCUMENT

From: General Secretariat of the Council
To: Working Party on Financial Services and the Banking Union (Digital Euro Package)
Financial Services Attachés

N° prev. doc.: WK 14032/2025 and WK 14191/2025

Subject: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the legal tender of euro banknotes and coins
- Member States replies on Presidency discussion notes for WP meeting of 28 October (ddl 4 November 2025)

Delegations will find attached the consolidated comments by IT, IE, HR, FI, ES, EL, EE, DE, CZ, BE, AT, PCY, FR, SK, SI, PT, PL, NL, LT on the questions contained in the Presidency discussion notes for the WP meeting on 28 October 2025 on penalties (WK 14032/2025) and on unmanned points of sale (WK 14191/2025).

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Thank you for your cooperation!

Presidency Questions	Comments
Legal tender – Presidency discussion note on penalties (Article 12)	
Q1. Do Member States support adding the proposed recital text?	IT (Comments): IT. We support the PCY proposal since in our opinion it strikes a good balance between ensuring effective, proportionate and dissuasive system of penalties as provided in the regulation and leaving to the MSs a certain room of flexibility in order to set out the features and the implementation measures of these penalties as well. FI (Comments): Yes, but we can be flexible with the additions. ES (Comments):

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	<p>yes</p> <p>EL (Comments): Yes we support adding the recital text proposed.</p> <p>EE (Comments): EE: We could in principle agree with the Presidency proposal, as it confirms Member States’ competence and allows for sufficient flexibility. However, our support is conditional – the recital should not give the impression of prescribing or limiting the types of penalties or the categories of addressees (e.g. natural persons).</p> <p>We could therefore support the Presidency proposal on the condition that it is clarified that the list of possible penalties is illustrative only, or that the list is shortened to avoid specifying the substantive types of sanctions.</p> <p>We would also be comfortable if the following wording were deleted altogether: “such penalties could include financial penalties, warnings, reprimands or orders...”.</p> <p>DE (Comments): General remark: Overall, while we recognise great progress in the parallel discussions on the digital euro, on the LTCR we continue to recognise the need for further discussions on key elements of the Regulation. We reaffirm our concerns that with the LTCR unnecessary and disproportionate burdens will likely be established for European</p>

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	<p>businesses. We wonder how this is going to align with the simplification agenda.</p> <p>We remain concerned about the potential excessive administrative burdens that will be established with this piece of legislation.</p> <p>Moreover, we continue to question the approach adopted under this Regulation regarding the interaction between existing national civil law, the freedom of contract and the far-reaching modifications introduced in the context of acceptance obligations.</p> <p>Before addressing the questions raised by the PCY on penalties and vending machines, we would like to make one more general observation: We have read with great interest the PCY's comments regarding MS' right to impose restrictions on the use of cash at national level, in particular where the organisation of public administration is concerned.</p> <p>This is a key aspect and we wish to formulate two requests here:</p> <p>First, we request from the Council Legal Service a <i>written</i> legal analysis of the possibility for Member States to adopt measures at national level even after the LTCR would have entered into force.</p> <ul style="list-style-type: none"> ○ This analysis shall include an analysis of precise examples, as it is given in the PCY Note. In particular, we request from the legal service an analysis as to whether national measures may include situations such as purchasing a ticket on board of public transport (possible justification: safety concerns) or limiting acceptance of cash in fuel stations (especially in evening and night hours) (possible justification: safety and security) – as maintained in the PCY Note. Also other ways how to address the Member States concern's should be analysed, including, for example, further exceptions in Article 5 (1).

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	<ul style="list-style-type: none"> ○ Importantly, we request that this analysis shall take into consideration the legal situation which would prevail <i>after</i> the adoption of the LTCR. We wonder whether the Judgement of the Court in Hessischer Rundfunk will continue to be applicable and relevant to the identical extend once the LTCR would be in place. The Court issued the judgement in a situation where no relevant secondary legislation on how to further interpret and apply the legal tender status existed at EU level (left aside the Regulation on the acceptance of more than 50 coins). Hence, the Court considered a situation for Member States as well as for payers and payees where almost no secondary legislation existed at EU level. ○ With the LTCR this situation would fundamentally change. While it is argued that the rules in the LTCR would only apply to ‘payers and payees’, nevertheless, the legal landscape would change entirely. We presume that the very detailed provisions in the LTCR will have an impact on how the Court might, in the future, assess the possibility for Member States to adopt measures in the field of shared competences. ○ In essence, we fear a conflict of legal obligations: As the LTCR should apply universally to any payer and payee, this would establish detailed legal obligations for any payer and payee irrespective of national laws. ○ Taking the example of public transport: public transport companies would be subject to the acceptance obligations under the LTCR. We wonder, if a Member State could adopt, at national level, rules which would deviate from the basic principles established in the LTCR? If the public transport company is obliged to accept cash under the

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	<p>LTCR, how could a MS maintain or introduce national laws deviating from this clear rule in the LTCR?</p> <ul style="list-style-type: none"> ○ Therefore, we request a thorough legal written analysis of the possibility for Member States to continue adopting national measures based on the criteria of the Court in Hessischer Rundfunk. <p>Second, we propose the following amendments to the Regulation to reflect the understanding introduced by the PCY Note:</p> <ul style="list-style-type: none"> ○ In order to make pragmatic progress on this key issue, w reference to Article 2(4) should be introduced also in Article 5 (1). It should read: Article 5(1) <i>By way of derogation from Article 4(2) <u>and without prejudice to Article 2(4)</u>, a payee shall be entitled to refuse euro banknotes and coins in any of the following cases:</i> <p>On the question: We do not support the PCY’s reasoning and proposal for Article 12. We propose to delete Article 12 altogether.</p> <p>We would like to begin by thanking the PCY for taking due account of our and other MS’s concerns about the administrative burden associated with mandatory enforcement and for seeking to address them through its proposal for a new recital 8b.</p> <p>Indeed, the issue of penalties continues to be of very high importance to us. We see a considerable risk that the administrative effort required for</p>

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	<p>such an enforcement would be excessive, as it would often necessitate proactive and undercover on-site inspections of points of sale. Such controls would hardly be feasible without a significant deployment of staff. These resources would then be unavailable for tasks that are vital to strengthening European competitiveness, such as speeding up administrative authorisation and approval procedures.</p> <p>It is our firm conviction that such an allocation of public resources is no longer in line with today's policy priorities. The highest political leaders in the EU have repeatedly and unequivocally emphasized the need to reduce administrative complexity and streamline administrative procedures wherever possible. Our legislative efforts, even in the details, must reflect this guiding principle, to ensure that political commitments are translated into concrete action rather than remaining empty promises.</p> <p>For this reason, we consider the proposed solution via a recital to be insufficient, as it would provide MS with only very limited room for manoeuvre.</p> <p>Instead, we continue to advocate for abandoning Article 12 altogether. We believe, MS should be granted the greatest possible flexibility in determining whether or not sanctions for individual cases of non-compliance with the Regulation should be introduced.</p> <p>As the PCY rightly pointed out, MS are already obliged under the principle of sincere cooperation to ensure compliance with the acceptance obligations. To put it simply: This obligation is enough.</p> <p>We should leave Member States greater discretion in determining how best to implement these obligations in practice. After all, civil liability claims, competition law remedies, and consumer protection can also</p>

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	<p>serve as effective and powerful enforcement tools. We believe that this would ensure a proportionate approach.</p> <p>This approach would also be more consistent with the fact that, in their current form, the cash acceptance obligations are most likely to be understood as being of a civil law nature. A public-law penalty for breaches of this obligations would, at least under German law, be unprecedented. Enforcement through civil law proceedings is thus far more appropriate.</p> <p>Therefore, we would like to ask the COM and the CLS for a confirmation that the introduction of civil law remedies would be considered sufficient as a penalty under Article 12? We propose to make a direct reference to civil law remedies also in the Recital</p> <p>A similar approach is taken with the European general framework for equal treatment in employment and occupation, which is implemented in Germany through the General Equal Treatment Act (AGG), where violations are likewise addressed through civil law remedies.</p> <p>Finally, we have one final remark on the way forward: We took note that in the draft text for the entire legislative Proposal which was circulated by the PCY, a new proposal for the Article on cash resilience was contained [Article 8a]. As this was discussed quite intensively in the last CWP, we request a follow-up discussion in this issue in the next CWP.</p> <p>BE (Comments): No strong opinion</p> <p>FR (Comments):</p>

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	<p>We agree.</p> <p>- We already have the legal tender imposed by the Monetary and Financial Code with penalties defined in the Criminal Code.</p> <p>SK (Comments):</p> <p>We agree with the proposed wording.</p> <p>NL (Comments):</p> <p>We agree with the PCY that the rules on legal tender should be enforceable. However, we believe that MS should have the choice to primarily organize this enforcement through civil law and civil courts. We propose some targeted drafting suggestions to clarify this.</p> <p>LT (Comments):</p> <p>LT supports the proposed recital text.</p>
<p><u>(8b) To ensure the effective protection of the legal tender of, and access to, euro banknotes and coins throughout the euro area, rules on penalties for infringements should be laid down and applied in the Member States. Since this Regulation does not harmonise the system of penalties and only requires that penalties are effective, proportionate and dissuasive, Member States enjoy a margin of discretion in framing those penalties and also in applying them in individual cases, as recognised by established case law of EU courts. Subject to the requirements of being effective, proportionate and dissuasive, such penalties could include financial penalties, warnings, reprimands or orders to bring business practices into compliance with the obligations imposed by this Regulation. In addition, when laying down rules on enforcement and imposing 5 penalties in</u></p>	<p>IE (Comments):</p> <p>IE supports the added recital.</p> <p>HR (Comments):</p> <p>HR: Croatia suggests that the provisions on penalties should explicitly require the inclusion of financial penalties among the measures available to Member States. The effectiveness of the Regulation depends on the existence of tangible and enforceable consequences for non-compliance, particularly in cases of repeated or systematic breaches of mandatory cash acceptance or related obligations.</p>

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<p><u>individual cases, Member States enjoy procedural autonomy subject to principles of effectiveness and equivalence.</u></p>	<p>At the same time, Croatia underlines that national sanctioning frameworks should allow for the application of the principle of opportunity, enabling competent authorities to exercise discretion and to take into account the specific circumstances of each case, the degree of seriousness, and the proportionality of enforcement measures.</p> <p>Financial penalties, applied in line with this principle, would ensure that the sanctioning system remains effective, proportionate, and dissuasive, while also preserving flexibility for national authorities. Such an approach would also contribute to the harmonized and consistent treatment of cash across the euro area, strengthening legal certainty and public confidence in the uniform use of euro cash.</p> <p>DE (Comments): DEU Drafting Proposal:</p> <p><u>(8b) To ensure the effective protection of the legal tender of, and access to, euro banknotes and coins throughout the euro area, rules on penalties for infringements should be laid down and applied in the Member States. Since this Regulation does not harmonise the system of penalties and only requires that penalties are effective, proportionate and dissuasive, Member States enjoy a margin of discretion in framing those penalties and also in applying them in individual cases, as recognised by established case law of EU courts. Subject to the requirements of being effective, proportionate and dissuasive, such penalties could include financial penalties, warnings, reprimands, civil law remedies or orders to bring business practices into compliance with the obligations imposed by this Regulation. In addition, when laying down rules on enforcement and imposing 5 penalties in individual cases, Member States enjoy procedural autonomy subject to principles of effectiveness and equivalence.</u></p>

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	<p>CZ (Comments): CZ: We are not against the proposed drafting.</p> <p>AT_PCY (Comments): Yes, AT agrees with adding the proposed recital text clarifying there is a margin of discretion. We welcome, that Art. 12 still foresees the obligation to implement penalties that shall be effective, proportionate and dissuasive.</p> <p>SK (Comments): With regards to the Recital 8b, we would welcome clarification, that penalties could include „for example“ financial penalties, warnings etc. As it is up to MS to set effective, proportionate and dissuasive penalties, it should not suggest that only given scope of measures can be taken to fulfill the condition, but rather should emphasize that the scope of that measures is fully at discretion of the MS.</p> <p>SI (Comments): We agree with the approach proposed in this PCY discussion note. Slovenia has consistently advocated for such an approach, i.e., that sanctions are an integral part of the proposed LTCR and need to be envisaged. We believe that the proposed content of Article 12 (as currently formulated – using the term “shall” instead of “may”) allows enough flexibility for Member States to define the type and level of penalties (which do not necessarily have to be of a financial nature and/or high).</p> <p>As concerns the proposed recital text (8b) we do not see the real necessity of including it in LTCR, but given the diversity of opinions between member</p>

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	<p>states and exchanged argumentation we do not oppose if this is included in the final text of LTCR.</p> <p>PT (Comments):</p> <p>We consider that the proposed recital is not necessary. The text of Article 12 is like other EU legislative acts, where a Recital as the one proposed was not introduced. It may seem that where the same Recital was not introduced, Member States do not keep their margin of discretion.</p> <p>Moreover, we have difficulties in accepting the arguments presented regarding the supposed high administrative burden related to enforcement resulting from Article 12. Monitoring compliance with the rules set out in this Regulation can be carried out in ways that do not entail such burden, namely through complaints from payers. Finally, Member States are, either way, required to ensure compliance with the Regulation.</p> <p>Nonetheless, <i>for the sake of compromise, we are open to accept the inclusion of the proposed Recital, as well as the change in the deadline from 1 to 2 years.</i></p> <p>PL (Comments):</p> <p>PL: We assume that the question to Member States does not concern countries outside the euro area. For this reason we would like to emphasize that in the provisions regarding the scope of the regulation on the legal tender of euro banknotes and coins, it should be clearly indicated that the proposed regulation will apply only in Member</p>

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	<p>States whose currency is the euro. This is even more important because new recital 8b refers to the euro area (“To ensure the effective protection of the legal tender of, and access to, euro banknotes and coins throughout the euro area (...”).</p> <p>NL (Comments):</p> <p>(8b) To ensure the effective protection of the legal tender of, and access to, euro banknotes and coins throughout the euro area, rules on penalties for infringements should be laid down and applied in the Member States. Since this Regulation does not harmonise the system of penalties and only requires that penalties are effective, proportionate and dissuasive, Member States enjoy a margin of discretion in framing those penalties and also in applying them in individual cases, as recognised by established case law of EU courts. Subject to the requirements of being effective, proportionate and dissuasive, such penalties could include <u>civil law remedies brought before court by the payer</u>, financial penalties, warnings, reprimands or orders to bring business practices into compliance with the obligations imposed by this Regulation. In addition, when laying down rules on enforcement and imposing 5 penalties in individual cases, Member States enjoy procedural autonomy subject to principles of effectiveness and equivalence.</p>
<p>Legal tender – Presidency discussion note on unmanned points of sale</p>	<p>IT (Comments):</p> <p>IT. Firstly, we reiterate our concerns about the possibility of excluding the unmanned services from the scope of the LTC Regulation. As stated many times in the past, excluding unmanned services could hamper the mandatory acceptance of cash and weaken the effectiveness of the Regulation, as the acceptance of cash would be subject to a business decision of the payee. Thus,</p>

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	<p>the risk of circumventing the mandatory acceptance of cash will be high. Additionally, it could have a negative impact on financial inclusion. However, if the majority of MSs support such an exclusion as a second best we are open to a compromise solution. In any case we believe the Regulation should: i) first, maintain the fundamental principle of preserving the general acceptance of cash; ii) secondly, drafting a clear and legally sound UPS' exclusion, not to excessively open up to possible circumventions.</p> <p>NL (Comments):</p> <p>We thank the PCY and the CLS for their clarifications of the room for national exceptions. We believe that a written confirmation of the CLS standpoint shared during the WP would be beneficial to further discussion. Also, we support the German proposals to further clarify the room for national exceptions in the text, along with the given reasoning:</p> <p>Article 5(1): <i>By way of derogation from Article 4(2) <u>and without prejudice to Article 2(4)</u>, a payee shall be entitled to refuse euro banknotes and coins in any of the following cases:[...]</i></p> <p>Recital 4a: <i>... Such exercise of own competences in a public interest includes the organisation of the public administration by regulating, under public or private law, the procedures for settling pecuniary obligations towards the public administration <u>(e.g. payment of taxes or payment of services performed in the public interest, such as public transport)</u>.</i></p>
<p>Q1. Which option would Member States prefer?</p>	<p>IT (Comments):</p> <p>IT. We have a slight preference for option 3, whose wording in our understanding would be clearer in identifying and border the exemption.</p>

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	<p>IE (Comments): Option 2</p> <p>FI (Comments): Option 2 is our most preferred option but we have some flexibility towards other options if necessary.</p> <p>ES (Comments): Depends on the answer to Q2:</p> <ul style="list-style-type: none"> - If we are going to allow them not to accept cash (not only transitorily) in Q2, we would go for option 2. It is important that the definition remains tech neutral, so option 3 does not seem a good option and option 1 could be too broad. In any case, in the case we opt for an exception to mandatory acceptance of these machines in the long term (not only transitorily) we would accompany this exception with a safeguard to guarantee that users can still pay with cash with that merchant (e.g. imagine a parking with various machines where you can pay, we could oblige the parking to have at last one machine that accepts cash, not necessarily all of them, or oblige the parking have a person – e.g. the person in charge of supervision – to whom users can pay in cash) - If we are going to support a grandfathering clause in Q2, we would not see the importance of tech neutrality in the definition since the exception to mandatory acceptance would only be temporary. In that case, option 3 seems the most suitable; otherwise, option 2, but option 3 is too broad. <p>EL</p>

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	<p>(Comments):</p> <p>We welcome the effort of the Presidency to provide a definition regarding the vending machines. We prefer Option (3) with some adjustment.</p> <p>In our opinion, there is a difference between vending machines or other devices and the point of sales or the unmanned point of sales. To delineate “point of sales” from “unmanned point of sales” is difficult and delicate; it may create interpretation problems that will give the retailers the opportunity to exclude cash and therefore to endanger the main objective of the Regulation, which is to protect the acceptance of cash.</p> <p>Hence the term “unmanned point of sales should be avoided and we should refer specifically to the types of vending machines.</p> <p>Moreover, the self-service station should not be included in the definition otherwise; wrong incentives will be given to the retailers who would decide to arrange their businesses to avoid the obligation to accept cash. The retail outlet designs that would primarily rely on the self-service and self-scanning of products can install terminals where customers can pay by using also banknotes and coins. These self-service smart tills are available at low/reasonable prices and would not question the viability of such unmanned retail outlets.</p> <p>EE</p> <p>(Comments):</p> <p>EE: We prefer a balanced definition, according to which a vending machine is a device or system where a service is provided without the physical presence of a seller (e.g. automated machines). Such a definition ensures clarity and flexibility, allowing for technological and practical variations.</p> <p>Our preference is therefore for option 2 – the balanced definition – as it is sufficiently clear without being overly rigid. This helps to avoid interpretative</p>

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	<p>disputes while leaving room for technological development. This is in line with a principle that exemptions should be clearly stated in the regulation, while Member States should retain flexibility in assessing implementation, and that such flexibility should remain proportionate and justified (consistent with case law).</p> <p>Option 3 could be acceptable as a compromise, but it is not preferred because it is very specific and restrictive. Option 1 is likely too broad and vague.</p> <p>DE (Comments):</p> <p>At present, we have a preference for option 2, although we can also see merit in certain aspects of option 1. Regarding option 3, we share the PCY's view that the wording might be too narrowly defined to be future proof.</p> <p>In detail:</p> <p>It is important for us to find a tailored solution for vending machines, parking meters etc. What we want to avoid, however, is inadvertently creating an incentive for businesses to circumvent the cash acceptance requirement by automating their payment processes.</p> <p>For this reason, we want to make sure that the definition of unmanned points of sale does not focus solely on the absence of cashiers but of all staff, including, for example, personnel in cleaning, customer advisory, or security roles. From our perspective, the wording in option 1 (i.e. "without the continuous physical presence of staff or personnel") does not provide sufficient certainty, as staff in areas such as cleaning could potentially be deployed only on a temporary or limited basis.</p> <p>At the same time, we should make sure that the wording "without the physical presence of any staff or agents of the payee" is not too</p>

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	<p>narrow. After all, vending machines and the like need to be services and restocked from time to time. This could perhaps be clarified by adding a phrase such as “except as required for maintenance and restocking”.</p> <p>Furthermore, we suggest that, in the interest of technological neutrality, the definition should refer to “location” rather than “device” as was proposed for option 1. This appears to provide greater flexibility for the development of new automated offerings in the future.</p> <p>CZ (Comments): <i>Generally, we prefer a flexible solution that does not hinder technological progress. Moreover, we believe that an unmanned point of sale should also include unmanned stores, not just machines. This approach ensures we do not restrict the operation of already established and functioning self-service shops, where customers enter only after verifying their identity via a dedicated app and currently pay exclusively using cashless methods. (Option 1)</i></p> <p>BE (Comments): We support Option 2</p> <p>FR (Comments): We prefer option 1, which covers all physical locations.</p> <p>- We particularly want to cover essential purchases (food, petrol) and leave no loopholes for shops that refuse cash.</p> <p>SK</p>

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	<p>(Comments):</p> <p>As a general comment, we would like to express the concern, that provisions are getting overly detailed. Though supporting the level playing field in general, we should acknowledge, that the starting position is unequal between MSs, and acceptance of cash varies largely. Therefore, overly detailed provisions might miss the target, create tensions and bring unproportionate costs to the economy.</p> <p>PT</p> <p>(Comments):</p> <p>General remarks:</p> <p>In Portugal, although we do not have specific data to share on the acceptance of cash at “<i>unmanned points of sale</i>”, we would say that the situation is quite different from what is described in the Discussion Note, with most of these points of sale accepting cash. Therefore, we are afraid that the proposed approach would significantly change this <i>status quo</i>, what we believe is not desirable.</p> <p>We are of the opinion that, at the current stage of the discussions, this is an issue that should already have been settled, particularly because this aspect has been discussed extensively before, without broad support.</p> <p>Moreover, we do not agree with some of the arguments presented in the Discussion Note, namely:</p>

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	<p>First, from our perspective, when defining the concept of legal tender, the proposed Regulation does not introduce new elements but rather clarifies existing/implicit rules. Therefore, it is not the case that these “<i>unmanned points of sale</i>” will be required to accept cash because of the entry into force of this Regulation, when previously they were not required to do so.</p> <p>Second, the Discussion Note frequently raises the topic of more restrictive approaches not being flexible enough to allow for future technological developments. While this argument seems to suggest caution and a need to avoid overly narrow approaches, we question whether the existence of legal tender status (which is not a new concept) has in fact hindered innovation. To our knowledge, it has not. Most of us probably have an app on our phones that allows us to request transportation. This example illustrates that innovation and digital solutions have progressed without being hindered by the existence of legal tender status of euro cash. This happens because there is an exception that allows for payer and payee to agree on excluding cash as a means of payment, not because we have a subjective exception to these “<i>unmanned points of sale</i>”.</p> <p>Third, the introduction of “<i>unmanned points of sale</i>” raises significant concerns. Considering that the current draft Regulation should seek to preserve the financial inclusion of vulnerable groups who depend on cash payments, this proposal is potentially inconsistent with what we believe should be an overarching objective. For instance, in the case of “<i>unmanned points of sale</i>”</p>

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	<p>such as parking meters, a significant segment of the population, in the Portuguese context, although holding a driving licence, still lacks access to electronic means of payment. Our main concern is that what we are introducing will create further uncertainty.</p> <p>Fourth, in the Discussion Note, it is stated that:</p> <p><i>“The options described below would be without prejudice for Member States to enact more strict cash acceptance requirements in national law pursuant to their own competences and subject to the above conditions.”</i></p> <p>Well, we find it very difficult to accept that the approach under discussion is consistent with this sentence. Indeed, the more specific the wording of the Regulation becomes, particularly by introducing exceptions such as the one now proposed for “<i>unmanned points of sale</i>”) the less discretion Member States will have to act at the national level. This is particularly evident regarding Option 2 of Q2, for instance.</p> <p>Nonetheless, for the sake of compromise, we will address the questions presented by the DK Presidency. In our view, these are the options that allow us to keep our national specificities, as well as the legal tender status of the euro.</p> <p><i>We support Option 3, with the proposed drafting suggestions below.</i></p> <p>PL (Comments):</p>

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	<p>PL: No strong view.</p> <p>NL (Comments):</p> <p>We prefer option 2, it is well-balanced. We would be in favour of referring to the location instead of the individual point of sale. This ensures that fully unmanned points of sale are excluded from mandatory acceptance, but partly staffed locations are still included, to prevent undesirable incentives to move to unstaffed checkouts in stores.</p>
<p>Comments on drafting or concrete drafting suggestions:</p>	<p>EL (Comments):</p> <p>Unmanned vending station systems means a vending machine, ticketing machine, or similar devices via which goods or services are provided directly to the payer by or on behalf of the payee, without the physical presence of any staff or agents of the payee, in return for payment. This does not include self-service or scanning smart tills at the point of sale where the payer should have the right to discharge the payment obligation by using cash.</p> <p>SI (Comments):</p> <p>In accordance with the views presented in the rest of this document, we do not fundamentally support any of the proposed definitions of the term »unmanned point of sale«, as we believe that the LTCR should also treat unmanned points of sale as other physical points of sale where cash acceptance is, in principle, mandatory (with possible exceptions which are proportionate and justified established on national level). In our opinion, the purpose of the LTCR is not to establish a sufficiently broad interpretation of individual terms, which in the future, in the spirit of technological development / innovation, could further restrict the acceptance of cash at points of sale, but to establish rules that will</p>

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	<p>protect the status of cash as a legal tender and give consumers the option to choose their preferred means of payment.</p> <p>We propose that the definition of the term »unmanned point of sale« is not included in the text of the LTCR.</p>
New Article 3(13)	
<p>Option 1 Unmanned point of sale means any physical location, facility, or system in which goods, services, or information are provided directly to the payer by or on behalf of the payee, without the continuous physical presence of staff or personnel, and where the payer independently initiates, accesses, or completes transactions, operations, or interactions with the payee, typically through automated systems, vending machines, kiosks, or similar technologies.</p>	<p>IE (Comments): IE does not support this definition and believes the scope to be too broad. While IE sees the importance of accounting for future technological developments in unmanned POS, an overextended definition would undermine the objectives of the regulation if unmanned POS were excluded from the regulation.</p> <p>Conversely, it would be overburdensome for operators of new unmanned POS if it was the case that cash acceptance was mandatory for unmanned POS (option 4 Q2), defined by option 1.</p> <p>NL (Comments): If this option is chosen (which is not our preference), we suggest the following amendments: <i>Unmanned point of sale means any physical location, facility, or system in which goods, or services, or information are provided directly to the payer by or on behalf of the payee, without the continuous physical presence of staff or personnel any staff or agents of the payee, and where the payer independently initiates, accesses, or completes transactions, operations, or interactions with the payee, typically through automated systems, vending machines, kiosks, or similar technologies.</i></p>

Presidency Questions	Comments
	<p>We suggest aligning the text “any staff or agents of the payee” with options 2 and 3. Also, we think that “information” is not necessary, as the provision of information constitutes a service under the Treaties.</p>
<p>Option 2 Unmanned point of sale means any physical device, facility, or system via which goods or services are provided directly to the payer by or on behalf of the payee, without the physical presence of any staff or agents of the payee, in return for payment. This includes vending machines, automated systems, terminals, or similar technologies.</p>	<p>IE (Comments): IE supports this definition and sees value in providing legal clarity through a definition of unmanned POS, while allowing for future innovation.</p> <p>IE believes this definition achieves an appropriate balance.</p> <p>HR (Comments): HR: Croatia supports Option 2 - definition as the preferred definition of “unmanned point of sale.” This broader formulation, which refers to any physical device, facility, or system through which goods or services are provided directly to the payer without the physical presence of staff, ensures sufficient flexibility and legal clarity.</p> <p>Such an approach is consistent with the objectives of Option 4 – how to address unmanned POS in Regulation, which provides for mandatory cash acceptance at unmanned points of sale while introducing a transitional (“grandfathering”) clause for existing installations. The broader definition under Option 2 allows the Regulation to cover both current and emerging types of automated and self-service systems, ensuring that the framework remains technologically neutral and adaptable to future market developments.</p> <p>At the same time, the definition retains a clear focus on physical points of sale, thereby ensuring that the provisions on cash acceptance and related exemptions can be applied in a proportionate and practical manner.</p>

Presidency Questions	Comments
	<p>Croatia therefore considers that Option 2 – the definition – provides the most balanced, forward-looking, and implementable approach.</p> <p>FI (Comments): This is our preferred option.</p> <p>ES (Comments): In Spanish legislation on retail trade (law 7/1996, of January 15, on the Regulation of Retail Trade), there is a definition of automatic sale that is very similar to this option 2 that could also be used: <i>...is the form of retail distribution in which the product or service is made available to the consumer so that they may purchase it by operating any type of mechanism and upon prior payment of its price.</i></p> <p>DE (Comments): DEU drafting proposal: Unmanned point of sale means any physical device-location, facility, or system in which goods or services are, typically automatically, provided directly to the payer by or on behalf of the payee, without the physical presence of the payee, of any staff of the payee or agents acting on behalf of the payee, in return for payment. This includes vending machines, automated systems, terminals, or similar technologies.</p> <p>AT_PCY (Comments): AT prefers option 2. A definition of a location like in option 1 would lead to more legal uncertainty and could – dependent on the agreement on the further options for a compromise on unmanned point of sale – lead to the strategy of</p>

Presidency Questions	Comments
	<p>businesses to leave points of sale unmanned (e.g. supermarkets) to circumvent the obligation to the payment of cash. Option 2 is preferable to Option 3, since option 3 is too narrow and only would be eligible to already-in-use technologies.</p> <p>SK (Comments):</p> <p>Answer to the question 1 is closely linked to the option chosen under question 2. While we prefer the definition under Option 2, this is subject to the assumption that grandfathering clause is adopted under Question 2. If the way forward on question 2 is the exemption of unmanned POS than broader definition would be more difficult to accept.</p> <p>NL (Comments):</p> <p>1. We suggest to refer to location instead of device, for the reasons indicated above.</p> <p>2. We suggest to add all examples to the last sentence, because this gives more clarity.</p> <p><i>Unmanned point of sale means any physical device location, facility, or system via in which goods or services are provided directly to the payer by or on behalf of the payee, without the physical presence of any staff or agents of the payee, in return for payment. This includes vending machines, ticketing machines, self-service stations, kiosks, automated systems, terminals, or similar technologies.</i></p>
<p>Option 3 Unmanned point of sale means a vending machine, ticketing machine, self-service station, or similar devices via which goods or services are provided directly to the payer by or on behalf of the payee, without the physical presence of any staff or agents of the payee, in return for payment.</p>	<p>IE (Comments):</p> <p>IE does not support this definition and believes the scope to be too narrow. All future technologies excluded from the definition would be subject to mandatory cash acceptance, which IE believes is not feasible.</p>

Presidency Questions	Comments
	<p>IE would like to clarify that option 3 is the least preferred option of the 3.</p> <p>EL (Comments): Unmanned vending station systems means a vending machine, ticketing machine, or similar devices via which goods or services are provided directly to the payer by or on behalf of the payee, without the physical presence of any staff or agents of the payee, in return for payment. This does not include self-service or scanning smart tills at the point of sale where the payer should have the right to discharge the payment obligation by using cash.</p> <p>PT (Comments): The reference to “or similar devices” should be deleted. It is not possible to clearly determine what we are referring to, and this will only create legal uncertainty.</p> <p>Drafting suggestions (in blue): Unmanned point of sale means a vending machine, ticketing machine, self-service station, or similar devices via which goods or services are provided directly to the payer by or on behalf of the payee, without the physical presence of any staff or agents of the payee, in return for payment.</p> <p>LT (Comments): The preferred option for LT would be No. 3. The definition of unmanned point of sale should be as specific as possible so that it cannot be applied to retail stores.</p>

Presidency Questions	Comments
<p>Q2: Member States are invited to share their views on the proposed options, including stating which option they would prefer.</p>	<p>IT (Comments): IT. Please, see the following answers.</p> <p>ES (Comments): We would prefer option 2 as long as it is accompanied with a safeguard: stating that the exception to mandatory acceptance would only apply as long as the merchant selling goods or services to the public offers the possibility to pay with cash. E.g. In the case of a supermarket: there can be machines that do not accept cash, but users must have the possibility to pay with cash in a cashier with a person or there must be at least one cashier in the supermarket accepting cash for those users who wish to pay with cash.</p> <p>If it is not accompanied with the aforementioned safeguard, we fear that the principle of mandatory acceptance could be undermined, especially in economies that are becoming increasingly automated, where we can expect that machines increasingly replace persons in counters.</p> <p>If no safeguard is included, we would support the grandfathering clause (option 4), which allows MSs to adapt progressively to the cash acceptance in this machines, without imposing an obligation from day 1 that would be disproportionate.</p> <p>We see risks in option 3: It might affect the narrative of the D€ project presenting the D€ as a substitute instead of a complement for cash. Especially for the users in countries where all vending machines accept cash, a sudden shift to digital euro could impact the view on the project.</p>

Presidency Questions	Comments
	<p>Option 2 seems a more straightforward way than options 1.1 and 1.2. to achieve the same objective.</p> <p>EL (Comments): We support Option (4) with some phrasal adjustment and the exclusion of the self-service or scanning smart tills. In the spirit of compromise, the self-service or scanning smart tills that have been put into operation before the entry into force of this Regulation could be exempted from the mandatory acceptance of cash.</p> <p>EE (Comments): EE: Our official position appears to align best with option 2 – a clear, legally defined exemption. This option is legally clear (matching our preference to avoid interpretative risks), flexible (allowing for technological and security considerations), and consistent with the principles established in the Hessischer Rundfunk case (an exemption is permissible if justified and proportionate). Option 1 seems too open to interpretation and uncertain. Option 3 – linking to the digital euro is perhaps too forward-looking and does not provide clarity at present, though it could be acceptable in the long term. Option 4 could be considered as a temporary compromise, but not as a long-term solution. Moreover, it would still require investments, and it is uncertain whether these would be justified.</p> <p>CZ (Comments): <i>We prefer the establishment of an unambiguous rule rather than a complex structure of exceptions and prohibitions. At this point in the negotiation, Option 1. 1 appears to be in line with our position.</i></p> <p>BE</p>

Presidency Questions	Comments
	<p>(Comments):</p> <p>We support Option 2</p> <p>FR</p> <p>(Comments):</p> <p>We prefer option 4, but with some adjustments, notably to focus the obligation on essential purchases (food, petrol) and services (catering) and avoid excessive side effects.</p> <p>Option 4 establishes the principle of mandatory acceptance but allows for restrictions on grounds of public order, particularly security.</p> <ul style="list-style-type: none"> - Option 1 allows for ‘no-cash signs’. We could support it if it allows Member States to maintain their local rules and does not aim for total harmonisation. We do not want case law in another State to apply on our territory. - Option 2 allows for unstaffed shops, particularly food shops, to refuse cash, which is not acceptable to us. - Option 3 fuels the narrative of replacing cash with the digital euro. Legal tender status for cash is acceptable for reasons of public order and, in this case, financial inclusion enabled by the physical nature of cash. We reject the argument of financial inclusion for the digital euro, which is irrelevant here. <p>SK</p> <p>(Comments):</p> <p>We could also support the retainment of the status quo, if such option is tabled by other MSs.</p> <p>PT</p> <p>(Comments):</p> <p>We consider Option 3 to be the only alternative that ensures the euro’s legal tender status (both physical and digital).</p>

Presidency Questions	Comments
	<p>For the sake of compromise, we are <i>open to accept introducing the new Recital 4b</i>. From a legal perspective, the proposed recital appears to have limited impact, as it simply reaffirms the legal significance of certain behaviours, which is already framed by national civil law.</p> <p>NL (Comments): We prefer option 2, as it seems to give the most legal clarity, but are flexible to options 1.1 and 1.2. Option 3 might run counter to the goals of this regulation to reinforce the position of cash as a complement of the digital euro. We are against option 4, as grandfathering does not alleviate administrative burden (only extends the timeframe for machines to be refitted) and does not take into account the risks of vandalism and robbery of unmanned points of sale.</p>
<p>Comments on drafting or concrete drafting suggestions:</p>	<p>AT_PCY (Comments): AT prefers option 2 as we are of the opinion that the best suited place and legally sound solution to the issue is an exception in Art. 5.</p> <p>SI (Comments): General comment: Regarding the treatment of unmanned points of sale, it is initially necessary to look at the broader context. In the age of digitalization and with the aim of reducing company costs, we are increasingly encountering a trend where the 'human hand' in the sale of goods and provision of services is increasingly being replaced by machines and other forms of impersonal sales experience. Many things can be done “impersonally” – via terminals, vending machines or remotely. From this perspective, it is necessary to understand that the basic</p>

Presidency Questions	Comments
	<p>understanding proposed in the DK PCY discussion note, that it is only obligatory to accept cash at points of sale where both the seller and the buyer are physically present, and otherwise, where only the buyer is present then there is no obligation to accept cash – this would most certainly lead to a (rapid) degradation of the status of legal tender of cash. This is fundamentally contrary to the basic purpose of LTCR, which aims to "protect" cash and ensure that it remains available to the public for free choice of a payment method. After all, companies are already exploiting this legal loophole in the provision regarding the status of cash as legal tender, and at many points of sale (especially unmanned points of sale) they no longer accept payments in cash (based on their arbitrary decision). And this important aspect of the status of legal tender of cash led us to the very situation we are in today – where quite a few European countries are deciding on various (national) implementations of regulations to protect the status of cash as legal tender. The same applies in Slovenia, where it appears that the right to use cash will even be enshrined in the Constitution. The proponents of this constitutional inclusion in Slovenia, i.e., the population, based their interpretation of the demand, among other things, also on the inability to pay with cash at parking machines or other automated terminals without the presence of staff. From this perspective and considering the explanations of the individual proposed options in the DK PCY discussion note, we cannot confirm any of these four (4) options as preferable or acceptable.</p> <p>Further comments on individual proposed options are added below.</p> <p>PL (Comments): PL: We would prefer option 1, but we are a little concerned that it may be interpreted too flexibly.</p>
Addition to recital 4b	IT

Presidency Questions	Comments
<p>(4b) The payer and payee may agree on a means of payment different from cash. The voluntary nature, and the existence of an agreement on the use of a different means of payment should be determined in accordance with the applicable national law of contracts. <u>In the case of unmanned points of sale (such as vending machines, ticketing machines, unmanned service stations et al.), a monetary debt from the payer to the payee is usually created and settled at the moment of payment. In these situations, where such machines do not accept cash but the payer proceeds with the transaction nevertheless, it can be considered that the payee and payer have agreed to accept a payment method other than cash.</u> Member States should regularly monitor that the use of this exception, in its overall effect, does not lead to widespread and structural refusals of cash that are undermining the principle of mandatory acceptance of cash across their territory. Where necessary, the Member States should take appropriate measures to ensure that the mandatory acceptance of euro banknotes and coins in their territory is upheld.</p>	<p>(Comments):</p> <p>IT. The proposed wording is based on a legal fiction. In effect, the payer who wishes to purchase goods sold through UPS is forced to pay with means other than cash. The wording linking this situation to the occurrence of an agreement between the parties seems not viable to us. Consequently, we do not support the proposed clarification in recital 4b.</p> <p>FI (Comments):</p> <p>The addition is ok for us.</p> <p>EL (Comments):</p> <p>We are reluctant to support the proposed addition. We cannot fully understand the differential treatment between the “no cash sign” which is prohibited and the unmanned point of sales with machines that not accept cash. We consider both cases to be “an ex ante unilateral exclusion of payment in cash”. In our opinion, the availability only of machines that do not accept cash should not consider as an agreement of the payer to other payment methods or a contract.</p> <p>DE (Comments):</p> <p>DEU drafting proposal:</p> <p>(4b) The payer and payee may agree on a means of payment different from cash. The voluntary nature, and the existence of an agreement on the use of a different means of payment should be determined in accordance with the applicable national law of contracts. For example, in the case of unmanned points of sale (such as vending machines, ticketing machines, unmanned service stations et al.), a monetary debt from the payer to the payee is usually created and settled at the moment of payment. In these situations,</p>

Presidency Questions	Comments
	<p><u>but not limited also to potential other scenarios, where such machines do not accept cash but the payer proceeds with the transaction nevertheless, it can be considered that the payee and payer have agreed to accept a payment method other than cash.</u> Member States should regularly monitor that the use of this exception, in its overall effect, does not lead to widespread and structural refusals of cash that are undermining the principle of mandatory acceptance of cash across their territory. Where necessary, the Member States should take appropriate measures to ensure that the mandatory acceptance of euro banknotes and coins in their territory is upheld.</p> <p>Explanation: It should be clarified that this interpretation of unmanned vending machines is not binding on the national civil law of the Member States. Also we wonder this issue might be better placed in a separate Recital.</p> <p>SI (Comments):</p> <p>In general, we consider option No. 1 from the DK PCY discussion note inappropriate, particularly in the sense that an unmanned point of sale would be allowed to impose a sort of a "no cash sign," policy, something we have strongly worked to prohibit during the development of the LTCR. This would de facto mean that unmanned points of sale would not be obliged to accept cash, which is in the end similar to option No. 2.</p> <p>Even in case the proposed option No. 1 would be pursued in further alignments, the proposed addendum of recital 4b (bold and underlined text) is in our opinion not necessary and should be deleted as the existing text of this recital already gives member states enough room for national interpretations – relating to applicable national law of contracts.</p> <p>We would consider option No. 1 as better suited if the matter of unmanned points of sale would indeed be largely open to interpretations (what is</p>

Presidency Questions	Comments
	<p>currently proposed under option No. 1 does not give enough room for interpretations). Given the diversity of opinions of member states in this regard, we believe that it would be best to continue with the existing legacy text of LTCR, prepared by the PL PCY, and not to supplement it with respect to unmanned points of sale in any way, thus adopting the general position/understanding that the acceptance of cash is in principle mandatory also at unmanned points of sale. However, since the obligation to accept cash is not absolute, member states with the relevant situation should, on the basis of the presented understanding in the DK PCY discussion note, establish exceptions to this rule at the national level, which will be justified and proportionate. The following rationale should be followed (excerpt from the discussion note):</p> <p>"The Presidency notes that the Regulation will not affect the existence of own competences of the Member States. In other words, even after the adoption of the Regulation, the Member States will be able, subject to compliance with the above conditions, to adopt measures that may exclude the possibility of discharging a payment obligation in EU banknotes and coins. Such situations may include purchasing a ticket on board of public transport (possible justification: safety concerns), limiting acceptance of cash in fuel stations (especially in evening and night hours) (possible justification: safety and security)."</p> <p>This would in our opinion allow member states to individually exclude certain unmanned points of sale from the obligation to accept cash and to avoid causing high costs to industries which would otherwise stem from the need of re-establishing mandatory acceptance of cash on these unmanned points of sale.</p> <p>PT (Comments):</p>

Presidency Questions	Comments
	<p>The reference to “et al.” should be deleted. It is not possible to clearly determine what we are referring to, and this will only create legal uncertainty.</p> <p>Drafting suggestions (in blue):</p> <p>Addition to recital 4b</p> <p>(4b) The payer and payee may agree on a means of payment different from cash. The voluntary nature, and the existence of an agreement on the use of a different means of payment should be determined in accordance with the applicable national law of contracts. <u>In the case of unmanned points of sale (such as vending machines, ticketing machines, unmanned service stations et al.), a monetary debt from the payer to the payee is usually created and settled at the moment of payment. In these situations, where such machines do not accept cash but the payer proceeds with the transaction nevertheless, it can be considered that the payee and payer have agreed to accept a payment method other than cash.</u> Member States should regularly monitor that the use of this exception, in its overall effect, does not lead to widespread and structural refusals of cash that are undermining the principle of mandatory acceptance of cash across their territory. Where necessary, the Member States should take appropriate measures to ensure that the mandatory acceptance of euro banknotes and coins in their territory is upheld.</p> <p>NL</p>

Presidency Questions	Comments
	<p>(Comments): We would support this addition.</p>
<p>Option 1.1 Addition to Article 4a(1) In order to ensure the mandatory acceptance of cash for the purpose of Article 4(2) and without prejudice to the exceptions provided in Article 5, ex ante unilateral exclusions of cash shall be prohibited in transactions where retailers or service providers offer goods and services in public premises and the consumer <u>and payee both are</u> physically present.</p>	<p>IT (Comments): IT. We can be open to consider this option.</p> <p>IE (Comments): IE does not support this option and would like to note that there would not be a need to define unmanned POS with this option. IE reiterates the value in defining unmanned POS and providing legal certainty surrounding such.</p> <p>FI (Comments): Option 1 is our preferred option (both option 1.1. and 1.2 are acceptable to us). However, we have some flexibility towards option 2 if necessary.</p> <p>EL (Comments): Wrong incentives will be given to the retailers who could decide to rearrange their businesses with no staff presence in order to avoid the obligation to accept cash.</p> <p>DE (Comments): Comment: In our view, option 1.1 leaves too much room for interpretation as to when the presence of the payee can be assumed. As mentioned before, we attach great importance to avoiding any</p>

Presidency Questions	Comments
	<p>unnecessary incentives for staff reductions. Option 1.1 does not sufficiently rule out such risk, and we therefore do not support it.</p> <p>SK (Comments):</p> <p>In the spirit of compromise, we could support Option 1.</p> <p>SI (Comments):</p> <p>We do not agree with the proposed basic understanding (and added text in bold and underlined) that it is only obligatory to accept cash at points of sale where both the seller and the buyer are physically present, and otherwise, where only the buyer is present then there is no obligation to accept cash – this would most certainly lead to a (rapid) degradation of the status of legal tender of cash, i.e. to widespread and structural refusals of cash that are undermining the principle of mandatory acceptance of cash which we are trying to prevent.</p>
<p>Option 1.2 New Article 4a(3) would be inserted: <u>This article shall not apply to unmanned point of sale.</u></p>	<p>IE (Comments):</p> <p>IE gives first preference to this option, on the basis that unmanned POS are defined by option 2 in Q1. This drafting would provide sufficient legal clarity.</p> <p>However, IE would not support this option if defined by Option 1 of the definitions, due to the excessively broad scale of the definition.</p> <p>EL (Comments):</p> <p>This proposal requires a clear, limited in scope, definition of vending machines</p> <p>DE (Comments):</p>

Presidency Questions	Comments
	<p>Due to the reference to the defined term “unmanned points of sale”, we do not see any such risks with option 1.2 as long as we get the definition right in the first place. This means, it should be clearer the definition of unmanned points of sale does not focus solely on the absence of cashiers but of all staff, including, for example, personnel in cleaning, customer advisory, or security roles. We can therefore support option 1.2 at this stage.</p> <p>SI (Comments): Please refer to the explanation provided in the context of recital 4b above. We do not support this option.</p>
<p>Option 2 New article 5(1)(c) would be inserted: <u>(c) where the point of sale is an unmanned point of sale.</u></p>	<p>IT (Comments): IT. We oppose to this option, since such it would constitute an explicit exception to the principle of mandatory cash acceptance, introduced solely on the basis of a cost assessment, which in our view would be too far-reaching.</p> <p>IE (Comments): IE supports this option. Similarly to option 1.2, IE would see this as a suitable option given unmanned POS are defined by option 2, and could not support if defined by option 1.</p> <p>FI (Comments): Our preferred option is option 1 but we have flexibility to consider also option 2 as proposed here in case its supported by the majority of the Member States.</p>

Presidency Questions	Comments
	<p>ES (Comments): We can support with a safeguard to ensure users can still pay with cash (c) where the point of sale is an unmanned point of sale as long as the merchant offers the users the possibility to pay with cash.</p> <p>EL (Comments): This proposal requires a clear, limited in scope, definition of vending machines</p> <p>DE (Comments): We can also support option 2, as it ensures harmonised application across jurisdictions.</p> <p>SI (Comments): Certainly, based on all aforementioned, option No. 2 (Introduction of a specific exception of unmanned points of sale in the LTCR) is not acceptable for us and we strictly oppose this option. This inevitably leads to widespread and structural refusals of cash that are undermining the principle of mandatory acceptance of cash which we are allegedly trying to prevent – to a situation where no vending machine, automated systems, terminals or similar technologies would accept cash anymore as also other merchants which currently did not yet unilaterally impose their payment policy of not accepting cash to customers would be “incentivised” to do so (to avoid costs, personnel and not to lose their competitive advantage to those who already do not offer cash as a payment option). This proposal is in our opinion counter productive to the current work concerning the preparation of LTCR, with its primary goal of strengthening the legal tender status of cash.</p>

Presidency Questions	Comments
	<p>Even if the text of LTCR would still offer member states to act in case they observe widespread and structural refusals of cash that are undermining the principle of mandatory acceptance of cash across their territory, there is no turning back if unmanned points of sale would be included in LTCR as a specific exception.</p> <p>If such an option would be seriously considered as the favourable one, then it would be better for Slovenia to leave things “unregulated” as they currently are – and work further with the legislation that is currently already in place (without the new LTCR).</p> <p>LT (Comments): The preferred option for LT would be No. 2, provided that this exception does not apply to retail stores.</p>
<p>Option 3 New Article 5(1)(d) would be inserted: <u>(d) Where the point of sale is an unmanned point of sale that accepts payments in the digital euro.</u></p>	<p>IT (Comments): IT. While we understand and support the PCY intention to promote the outspread of the digital euro, we fear that this option could be misinterpreted as way for the digital euro to replace cash. This would not be aligned with the narrative of the digital euro project.</p> <p>IE (Comments): IE does not support this option.</p> <p>FI (Comments): We are not supportive of option 3.</p>

Presidency Questions	Comments
	<p>ES (Comments): We do not support</p> <p>EL (Comments): This solution could be problematic for the elderly or other groups of people</p> <p>DE (Comments): We believe the timeline for this option to be somewhat unclear. What would apply to vending machines, parking meters or unmanned petrol stations until the first issuance of the digital euro? Would they all need to be converted to accept cash in the meantime? Quite apart from this, we also reject this option in view of communication risks involved. As the PCY rightly pointed out, if acceptance of the digital euro were made the key criterion, this could easily create the impression that the digital euro is intended as a substitute for cash. Such an interpretation would run directly counter to the objectives of the LTCR.</p> <p>SK (Comments): Option 3 is highly sensitive from the political standpoint, and we would not support it. We should not in any way suggest, that digital euro is going to have broader legal tender status than cash. Option 3 would provide potential ammunition to the opponents of the digital euro and could cause public backlash against the project.</p> <p>SI (Comments):</p>

Presidency Questions	Comments
	<p>We can also not support option No. 3 from the DK PCY discussion note, which would allow merchants and machine owners to refuse cash payments if digital euro payments were accepted at the unmanned point of sale. Even if cash and digital euro from the perspective of legal issuer (ECB and national central banks) could somehow be considered equivalents, this still means citizens would most likely not be able to freely choose their preferred means of payment (if they wish to settle their debt in cash). This option in its core contradicts the entire communication campaign that the designers of the digital euro are conveying to the public. Especially, taking into account the continued scepticism around the digital euro and its “hidden agenda” to replace cash. If such an option would be pursued, it is then only a small step to implement the same at other “regular” physical points of sale where seller and buyer are both physically present.</p>
<p>Option 3 continued Addition to recital (5) (5) The acceptance of euro banknotes and coins tendered as means of payment can exceptionally be refused if the refusal is made in good faith, based on legitimate grounds and concrete circumstances, which are beyond the control of the payee, and if the refusal is proportionate. For example, the refusal can be justified if for the settlement of a monetary debt the tendered euro banknote is disproportionate compared to the amount owed to the payee, such as the tendering of a two hundred euro banknote for the settlement of a debt of less than five euro. In accordance with Council Regulation 974/98, except for the issuing authority and for those persons specifically designated by the national legislation of the issuing Member State, no party should be obliged to accept more than 50 coins in any single payment. <u>The digital euro is perfectly adapted to situations like vending machines, ticketing machines, unmanned service stations or other modalities of payment where the payer is present but the payee is not present. In such cases, if the payee is already accepting digital euro, it is not necessary to require that euro cash also be accepted.</u></p>	<p>EL (Comments): .</p> <p>DE (Comments): See comment above.</p> <p>SI (Comments): See above.</p>

Presidency Questions	Comments
<p>Option 4 New recital <u>(new) Given that retrofitting of existing unmanned points of sale, such as vending machines, ticketing machines or unmanned service stations to accept cash would entail disproportionate costs and given that the acceptance of cash in the existing unmanned points of sale cannot be considered to be necessary for the use of the euro as a single currency, it is appropriate to provide that machines and stations that have been put into operation before the entry into force of this Regulation should be exempted from the mandatory acceptance of cash.</u></p>	<p>IT (Comments): IT. In case there is a preference for option 4, we would be open to consider it subject to some amendments. Specifically, rather than the current wording, we would support that most of the existing vending and ticketing machines can keep working until they will have to be replaced anyway by new machines (this time with a cash option) at the end of their lifecycle. In other words, we would suggest amending this option to consider a transitional period for the existing unmanned services so that after an adequate period of time all UPSs can accept also cash. In this way the existing vending machines would be replaced at the end of their life cycle thus minimizing replacement costs.</p> <p>IE (Comments): IE does not support option 4. While unmanned POS already in operation would not be subject to mandatory acceptance, IE believes it is not reasonable to force mandatory acceptance on unmanned POS entering operation after this regulation enters into force, by any definition, excessively harming any possibilities for future innovation.</p> <p>HR (Comments): HR Croatia supports the general approach under Option 4, which maintains the principle of mandatory cash acceptance while providing a reasonable transitional exemption (“grandfathering clause”) for existing unmanned points of sale. This approach ensures legal certainty, proportionality, and effective access to</p>

Presidency Questions	Comments
	<p>euro cash, in line with the objectives of the LTCR and the jurisprudence of the Court of Justice (Hessischer Rundfunk case).</p> <p>At the same time, in order to guarantee practical availability of cash payments for consumers in increasingly automated retail environments, Croatia proposes that Member States be allowed to introduce quantitative or proportional availability requirements for cash-accepting machines.</p> <p>Specifically, Croatia suggests that: <i>“In clusters or networks of unmanned points of sale (such as vending machines, ticketing machines or other self-service devices) operated by the same provider or located within the same premises, Member States may require that a proportion of such points of sale, for example at least one or two out of five, shall be equipped to accept euro banknotes and coins. This proportion shall be determined in a manner ensuring that access to cash payments remains effective and non-discriminatory in practice, while avoiding disproportionate administrative or financial burdens on operators.”</i></p> <p>This formulation would:</p> <ul style="list-style-type: none"> • preserve the principle of mandatory acceptance of cash under Article 4, • provide consumer access to cash in practical terms, even in unmanned environments, • respect the principle of proportionality and allow flexibility for technological and business models, and • enable Member States discretion in setting national requirements in accordance with their local market structures and existing cash infrastructure. <p>FI (Comments): We are not supportive of option 4. ES</p>

Presidency Questions	Comments
	<p>(Comments):</p> <p>We can support</p> <p>EL</p> <p>(Comments):</p> <p>Option 4 New recital (new) Given that retrofitting of existing unmanned vending station systems, such as vending machines and ticketing machines, to accept cash would entail disproportionate costs and given that the acceptance of cash in the existing vending systems cannot be considered to be necessary for the use of the euro as a single currency, it is appropriate to provide that these unmanned vending station systems that have been put into operation before the entry into force of this Regulation should be exempted from the mandatory acceptance of cash.</p> <p>DE</p> <p>(Comments):</p> <p>Finally, the proposal for a grandfathering clause can at best be considered a fall-back solution. While it would address the issue of costs associated with potential retrofitting of vending machines etc., the security concerns linked to cash acceptance remain unresolved. In this respect, options 1.2 and 2 are clearly preferable, as they would provide a consistent and harmonised solution to this issue also in the future.</p> <p>SK</p> <p>(Comments):</p> <p>We can support option 4, with the grandfathering clause, which is currently our preferred option, but we must ensure to not leave the space for the worsening of the acceptance levels.</p> <p>SI</p> <p>(Comments):</p>

Presidency Questions	Comments
	<p>We also believe that in general option No. 4 is not suitable, as it discriminates between providers who have already automatically and unilaterally implemented an exception for not accepting cash some time ago, against those providers to whom this exception will not be granted (after the LTCR comes into effect). Additionally, it is extremely difficult to determine the current market status under this option.</p> <p>We would consider option No. 4 as better suited if the retrofitting of existing unmanned points of sale, such as vending machines, ticketing machines or unmanned service stations to accept cash would be coordinated and established gradually – with the main goal to eventually return acceptance of cash where deemed necessary and for other unmanned points of sale establish an exception where considered proportionate and justified. One option in this respect (although with its own drawbacks) would be not to demand from existing unmanned points of sale that do not accept cash to immediately re-introduce this payment option, rather this should be linked to their investment cycle. When current machines, terminals, unmanned systems would be replaced with new ones or when their major upgrade is scheduled, they should also include an option to re-introduce acceptance of cash.</p> <p>In our opinion any proposal put forward should follow the general principle that acceptance of cash is mandatory, whether it is a point of sale where the merchant is physically present or the unmanned point of sale. The only spectre that it is not covered by the LTCR is the purchase of goods and services at a distance.</p> <p>The new recital could thus read (one example): Given that retrofitting of existing unmanned points of sale, such as vending machines, ticketing machines or unmanned service stations to accept cash would entail disproportionate costs and given that the acceptance of cash in the existing unmanned points of sale cannot be considered to be necessary for the use of the euro as a single currency, it is appropriate to provide that</p>

Presidency Questions	Comments
	<p>machines and stations that have been put into operation before the entry into force of this Regulation <u>are not obliged to accept cash until these machines and stations are not replaced with new ones or their major upgrade is executed (alternatively: over a certain transitional period). The owners of such machines and stations or unmanned terminals should ensure that following their next investment cycle these machines and stations should also accept cash as a payment option.</u> should be exempted from the mandatory acceptance of cash</p>
<p>Option 4 continued New article 16 – Transitional provisions: <u>Unmanned points of sale that have been put to operation prior to the date of entry into force of this Regulation shall not be subject to mandatory acceptance pursuant to Article 2.</u></p>	<p>HR (Comments):</p> <p>HR: Croatia proposes the following addition to the newly proposed Article 16: <input type="checkbox"/></p> <ul style="list-style-type: none"> • For the purposes of this Regulation, when installing new unmanned points of sale, such as vending machines, ticketing machines or other self-service devices, operated by the same provider or located within the same premises, Member States may require that a certain proportion of such points of sale be equipped to accept euro banknotes and coins. • That proportion shall be established in a manner that ensures effective and non-discriminatory access to cash payments in practice, while avoiding disproportionate administrative or financial burdens on operators. <p>EL (Comments):</p> <p>Option 4 continued New article 16 – Transitional provisions: Unmanned vending station systems that have been put to operation prior to the date of entry into force of this Regulation shall not be subject to mandatory acceptance pursuant to Article 2.</p>

Presidency Questions	Comments
	<p>SI (Comments): Should be reflected in accordance with the comment above. The idea is not to exempt such unmanned points of sale from accepting cash permanently.</p>
	<p>EL (Comments): Option 4 continued New Article 3(13) Unmanned vending station systems means a vending machine, ticketing machine, or similar devices via which goods or services are provided directly to the payer by or on behalf of the payee, without the physical presence of any staff or agents of the payee, in return for payment. This does not include self-service or scanning smart tills at the point of sale where the payer should have the right to discharge the payment obligation by using cash.</p>
<p>END</p>	<p>IT (Comments): END IE (Comments): END HR (Comments): END FI (Comments): END</p>

Presidency Questions	Comments
	ES (Comments): END EL (Comments): END EE (Comments): END DE (Comments): END CZ (Comments): END BE (Comments): END AT_PCY (Comments): END FR (Comments): END SK

Presidency Questions	Comments
	<p>(Comments):</p> <p>END</p> <p>SI</p> <p>(Comments):</p> <p>END</p> <p>PT</p> <p>(Comments):</p> <p>END</p> <p>PL</p> <p>(Comments):</p> <p>END</p> <p>NL</p> <p>(Comments):</p> <p>END</p> <p>LT</p> <p>(Comments):</p> <p>END</p>