



Mr Fabio Panetta
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By email: Fabio.Panetta@ecb.europa.eu

11 May 2020

Dear Mr. Panetta,

Re: Your blog of 28 April: Beyond monetary policy – protecting the continuity and safety of payments during the coronavirus crisis

We have read and very much welcome your blog of 28 April 2020 “*Beyond monetary policy – protecting the continuity and safety of payments during the coronavirus crisis*”, and particularly the affirmation that access to cash is critical to a number of economic activities. Also very welcome is your point that “*adequate availability of cash is crucial for the functioning of the economy*”.

We were also very pleased to read in your blog the reassurance that banknotes do not represent any special risk of infection compared with other surfaces with which people come into contact in daily life. Our organisations have been continuously stressing this point since the beginning of the Covid-19 crisis, so the confirmation from the ECB is a major input to close this debate.

Unfounded and unproven fears of contamination through cash, adding unnecessarily to the extreme stress and fears of the population at a time when many European countries are going through unprecedented measures restricting the people’s freedom, are taking their toll on the use of cash, in a way which may be lasting after this crisis is over.

It is therefore very regrettable that in many countries misguided calls were made to prefer contactless payments, using the fear of an increased likelihood of contamination from cash, in the pursuit of commercial interests by e-payment operators, while in reality contactless is rarely totally contact less, and in any case offers no additional protection against contamination. Sometimes such calls were even supported by public authorities. In this regard, the statement in the ECB blog is very welcome.

The current crisis has highlighted two issues *inter alia* which would deserve attention from the ECB and the Eurosystem.

The first is that, as mentioned above, acceptance of cash has been adversely affected by unfounded claims that cash might spread the virus, or conversely that cards might protect against it. Not only are such calls unsubstantiated, but, as your blog shows, they have been proven totally inaccurate and are, therefore, pseudo-science. Because of the public nature of cash as a means of payment and of the fact that a substantial part of the population can only rely on cash for day to day life, we would submit that monetary authorities should look into this in more detail, with a view to protecting the public from being “herded” away from using cash. People’s confidence in using cash should be protected and reinforced, particularly against competing commercial interests, thereby strengthening the credibility of the public money supply in circulation.

Second, there have been numerous reports that in some retail outlets, cash was widely refused as a means of payment, based on the misconceived risk of increased contamination. We do not think that this should have happened, nor that it should have been considered acceptable. We believe that this should have triggered a strong and unambiguous reaction from central banks from the Eurosystem for these calls against cash to be stopped: central banks should have communicated accordingly to their national retail organisations and to the general public.

There may be an easy and readily acceptable answer to this issue in a clarification of what legal tender, as provided in Article 128 TFEU, should mean in relation to payments. We are aware of the subtlety, and possibly the sensitivity, of the matter. However, as much as the crisis has shown that it was possible to implement extreme measures which not so long ago would have been considered as just *unthinkable*, we believe that the crisis has demonstrated the necessity to fundamentally revisit the definition of legal tender in a way which would aim to protect the ability for people to use cash as they see appropriate. This would in our view be fundamental to maintaining trust in the Euro currency.

Our organisations would be happy to contribute to this and to outline why we think that a public good as valuable as cash should be explicitly granted the highest level of protection offered by our legal systems.

Sincerely yours,



Mike Lee
CEO
ATMIA



Andrea Nitsche
Chair
Cash Matters



**Thierry
Lebeaux**
Sec. Gen.
ESTA



Patrice Rullier
Chairman
EURICPA



Dr W. Seideman
Chairman
ICA

Information on the organisations co-signing this letter

ATM Industry Association

ATMIA is the leading non-profit trade association representing the entire global ATM industry. ATMIA serves more than 11,000 members from over 650 companies located in 70 countries spanning the entire ATM ecosphere, including financial institutions, independent ATM deployers, equipment manufacturers, processors and a plethora of ATM service and value-added solution providers.

<https://www.atmia.com/>

Cash Matters

CashMatters is a pro-cash advocacy movement, which channels the voices that support the existence and relevance of cash as an integral part of the payment landscape now and in future.

<https://www.cashmatters.org/>

Euricpa

European Intelligent Cash Protection Association. Represents the leading European manufacturers of intelligent solutions for secure cash transportation & storage

<https://www.euricpa.org/>

European Security Transport Association

ESTA is the European Cash Management Companies Association. ESTA is the recognized voice of the industry ensuring that cash is safe, available and an efficient means of payment.

<https://www.esta-cash.eu/>

International Currency Association

The International Currency Association exists to create a coherent voice for the currency industry – covering design, production, manufacturing and distribution. We are the first industry body of its kind with a membership made up of businesses that span the sector.

<https://currencyassociation.org/>