Dear MEPs Berger, Tang, Boyer, Hahn, Beck, Hoogeveen and MacManus,

29 February 2024

With this letter, the undersigned digital rights NGOs approach you as the Rapporteur and Shadow-Rapporteurs in charge of the proposal on the Legal Tender of Euro Banknotes and Coins (hereafter: "Right to Cash") and the proposal on the establishment of the Digital Euro. We call on you to split this Single Currency Package and to negotiate the two proposals separately.

Both dossiers have the potential to benefit European citizens by ensuring that privacy-friendly means of payment are available to everyone and are accepted at large. As expressed in our previous analysis<sup>1</sup>, while seeing potential for improvement we explicitly welcome the aim of both proposals and would like to see them adopted.

Since the Commission's announcement in June 2023 that both regulations together constitute the Single Currency Package, we have seen the negotiations on the two regulations progressing at very different speed. For the Digital Euro, on the one hand, the LIBE Committee has just adopted its opinion and the deadline for tabling amendments in the ECON Committee passed only last week. For the Right to Cash, on the other hand, the currently tabled amendments show an obvious compromise and a clear agreement on outstanding questions across political groups<sup>2</sup>.

The adoption of a first reading position on the Digital Euro before the Elections for the European Parliament in early June 2024 becomes less and less likely as time goes by. In the current legislative term, a meaningful agreement that delivers on the promise to voters that the Digital Euro is a privacy-friendly alternative to existing digital payment methods and as privacy friendly as cash<sup>3</sup>, has already become impossible to achieve.

Therefore, we call on you to split the package and negotiate each proposal based on its own merits. Before this year's crucial elections, the Right to Cash can alleviate concerns against the ongoing shift towards a cashless culture. The proposal for Digital Euro, however, is a much more complex and technical proposal that therefore requires in-dept scrutiny which is impossible to deliver in the few weeks left before the elections in June.

Sincerely,

<sup>1 &</sup>lt;a href="https://epicenter.works/en/content/your-right-to-cash-and-the-digital-euro">https://epicenter.works/en/content/your-right-to-cash-and-the-digital-euro</a> and <a href="https://edri.org/wp-content/uploads/2024/02/EDRi-position-paper-Digital-Euro-and-Rights-to-Cash.pdf">https://edri.org/wp-content/uploads/2024/02/EDRi-position-paper-Digital-Euro-and-Rights-to-Cash.pdf</a>

<sup>2 &</sup>lt;u>https://epicenter.works/en/content/analysis-of-amendments-on-the-right-to-cash-proposal</u>

<sup>3</sup> Exploratory Memorandum of 2023/0212 (COD) (page 3, point 1)

Epicenter.works – for digital rights (Austria)

European Digital Rights (Europe)

Homo Digitalis (Greece)

IuRe (Iuridicum Remedium) (Czechia)

Petites singularités (Belgium)

IT-Pol (Denmark)

Electronic Frontier Norway (Norway)