DENARIA EUROPE

Executive Summary

Towards a Fair, Inclusive and Resilient European Payment Ecosystem

1. Europe's Evolving Payment Landscape

Cash use at the point of sale has dropped from 72% (2019) to 52% (2024) — a 20-point decline in five years driven by COVID-19, digitalisation and the commercial rise of new payment instruments.

Europe's payment ecosystem is undergoing one of the most significant transformations in its modern history. According to the ECB's SPACE 2024 study, cash was used in 72% of point-of-sale transactions in 2019. By 2024 this had fallen to 52% — a drop of 20 percentage points in just five years, significantly accelerated by the pandemic. New digital instruments — instant transfer services such as Bizum, MB WAY, Tikkie and MobilePay — have gained millions of users rapidly. Mobile payment apps grew from 4% to 7% of transaction value between 2022 and 2024 and continue to expand.

The issue is not digitalisation itself, but the asymmetric and unregulated way in which the transition is unfolding, progressively eroding the conditions that allow cash to function and excluding those who depend on it.

2. The Structural Imbalance: Why Cash Is Weakening

Cash is weakening not because citizens have rejected it, but because the commercial and regulatory ecosystem that sustains it is being dismantled — with no public framework to compensate.

Biased commercial environment

Large global technology and financial companies — Visa, Mastercard and American Express — invest extensively in marketing, sponsorships (Olympic Games, FIFA) and incentive schemes to accelerate card adoption. Visa reported revenues of $35.9bn and Mastercard $28.2bn in FY2024. Their returns derive not only from interchange fees but from the systematic monetisation of consumer behavioural data generated by every transaction. Cash generates no such data trail. 'Interest-free' offers and cashback promotions obscure the true economic model behind digital payments.

Deteriorating infrastructure

ATM networks and bank branches have contracted significantly across Europe. Between 2021 and 2024, the share of euro area companies accepting cash fell from 96% to 88% (ECB, 2024). In Italy, municipalities without any bank branch reached 7.8% of the national population — including, for the first time, towns of over 20,000 inhabitants.

Legal accountability gap

Despite cash's legal tender status, no European framework mandates minimum ATM infrastructure or assigns public responsibility for maintaining cash access. The European Commission's 2023 proposal on legal tender seeks to reinforce acceptance obligations, but leaves the infrastructure question unresolved. A few member states have acted independently (Spain, Ireland), but a coherent EU-level approach does not yet exist.

3. Why Cash Matters: A Social and Strategic Asset

Cash is the only public money universally accessible to every European citizen, with no preconditions. It remains essential for resilience, privacy, financial autonomy — and 62% of euro area citizens consider having the option to use it important or very important.

Cash was still the most frequently used payment method at the point of sale in 14 out of 20 euro area countries in 2024, used in 57% of transactions in restaurants and bars, 55% at vending machines and 53% in day-to-day shops. It is the only payment instrument that functions without electricity, internet or private infrastructure — making it an essential component of Europe's operational resilience. It provides privacy (cited by 41% of SPACE 2024 respondents as a key advantage) and supports financial discipline for households managing tight budgets.

Europe's growing dependence on a small number of predominantly non-European payment networks — principally Visa and Mastercard — also raises questions of strategic autonomy. A diverse payment system is inherently more resilient than one dependent on a single technological model.

4. Risks of an Increasingly Unbalanced Ecosystem

Digital payment fraud reached €4.2 billion in the EEA in 2024, up 20% since 2022. Cash fraud is negligible by comparison. The real fraud threat is digital — and growing rapidly alongside the concentration of payment power in a handful of private actors.

Fraud: the data tells a different story

According to the joint EBA–ECB Report (December 2025), total payment fraud in the European Economic Area reached €3.4bn (2022), €3.5bn (2023) and €4.2bn (2024), driven almost entirely by credit transfers and card payments. Detected digital fraud in Europe rose by 43% in 2024 alone, with social manipulation scams up 156% and phishing up 77% (Tietoevry Banking, 2025). FBI IC3 data shows US cybercrime losses reached $16.6bn in 2024, a 33% increase year-on-year. Eliminating cash does not reduce fraud — it concentrates economic activity in the environments where fraud grows fastest.

Social exclusion risks

The consequences of declining cash access are not evenly distributed:

- Older persons: those aged 65+ recorded the highest share of cash payments (57%) in SPACE 2024. Rapid digitalisation creates practical barriers for citizens who cannot or do not wish to adapt.
- Persons with disabilities: branch closures and app-based services have had measurable negative impacts on access to financial services for disabled people.

- Rural communities: the ERPB Working Group (ECB) confirmed growing access difficulties in rural, touristic and seasonal areas. In Italy, municipalities without any bank branch reached 7.8% of the population by 2024 (EBA, 2025).
- Digitally excluded citizens and small businesses: those without smartphones, internet or card terminals face growing systemic barriers as services migrate to digital-only environments.

5. Denaria Europe: Why This Platform Exists

Denaria Europe fills a representational gap: for the first time, a coordinated European civil society platform exists to defend payment diversity, ensuring citizens' voices — not only commercial interests — shape the future of European payments.

For decades, cash required no active promotion. The rapid acceleration of digitalisation since COVID-19 has changed that, creating a gap in representation that no existing actor was positioned to fill. Denaria Europe emerges as a European civil society platform committed to the defence, accessibility and acceptance of cash as part of a balanced, inclusive and resilient payment ecosystem.

Denaria Europe is not anti-digital. It advocates for a model of digitalisation that is fair, secure and socially sustainable — where technological innovation and physical money coexist. Its core principles:

- Freedom of payment choice: all citizens should be able to choose how they pay without facing practical barriers or exclusion.
- Accessible legal tender in practice: formal status must be matched by real-world infrastructure.
- Protection of vulnerable groups: payment systems must remain accessible to the whole population.
- Systemic resilience: a diverse payment ecosystem reduces dependency on any single infrastructure model.
- Strategic balance: Europe must preserve alternatives to non-European private payment networks.

6. How Denaria Europe Acts

Denaria Europe combines independent research, institutional dialogue and confederal alliance-building to provide a counterbalancing voice in a debate too often shaped by well-resourced commercial actors.

Denaria Europe generates knowledge through research, surveys, barometers and regulatory monitoring. It builds public awareness through conferences, forums and reports. It maintains structured dialogue with European institutions, regulators, central banks and parliamentary actors. And as a confederal platform, it connects national associations and civil society organisations — representing consumers, elderly citizens, people with disabilities, rural communities, small businesses and professional networks — across Europe.

7. Conclusions: Towards a European Framework for Payment Diversity

The evidence is clear: cash remains essential, digital fraud is rising, commercial interests are not neutral, and a legal gap must be closed. Europe needs a coherent framework that treats payment diversity as a strategic, social and democratic imperative.

Five conclusions emerge from the evidence:

- Cash remains deeply embedded in European life — used in 52% of POS transactions and considered important by 62% of citizens. It is a public infrastructure under commercial and regulatory pressure, not a payment method in social decline.
- The fraud argument does not support cash restriction. Digital payment fraud reached €4.2bn in the EEA in 2024; cash fraud is negligible. The real fraud risk is digital, and it is growing.
- Commercial interests are not neutral. Major networks invest billions to shift consumer behaviour and monetise transaction data — a dynamic largely invisible to citizens and absent from public debate.
- A legal accountability gap must be closed. No European framework yet mandates minimum cash infrastructure standards or assigns public responsibility for cash access, particularly in rural and underserved areas.
- Preserving payment diversity is a strategic, social and democratic imperative. Denaria Europe supports a coherent EU framework founded on minimum access standards, public accountability, payment inclusion as a social right, and open evidence-based policy dialogue.

Key Sources and References

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