



Ensuring Payment Choice: A Call to Protect Cash Payments on Jersey

While the Bank of England restricts the "Legal Tender" status of cash to debt settlement, many of the UK's neighbours have proactively safeguarded the public's right to use cash for everyday transactions. The UK's position is increasingly anomalous.

- **France:** it has long been illegal for businesses to refuse cash payments. This is rigorously enforced by Banque de France.
- **Spain:** in 2022, legislation came into force requiring businesses to accept cash for transactions up to 1,000 Euros.
- **Norway:** early in 2024, the legal measures already in place were strengthened. All retail businesses must now accept cash payments.
- **Ireland:** the government announced in 2024 their intention to bring in legal measures making cash acceptance obligatory.

The European Central Bank's "single currency package" clearly states that the public need a combination of access and acceptance of cash. This is in line with the European Court of Justice judgement in 2021 that "Legal Tender" entails the mandatory acceptance of cash.

The UK's Outlier Status: the UK is now surrounded by countries that recognise the public's desire and need to use cash. These nations also understand that cash usage enhances financial inclusion, allows the less well-off to manage their budgets more effectively, stimulates local economic activity and protects privacy.

The failure of successive UK governments to act means businesses are not compelled to provide goods and services to all consumers, including those who use cash.

The Jersey government need not copy that failure.

Surveys consistently show that the public opposes a cashless society.

A 2023 YouGov survey revealed that only 3% of UK adults strongly support a cashless UK, whereas 71% insist that they should have the legal right to use their cash whenever and wherever they choose.

A LINK ATM Scheme survey in July 2024 found that 81 % of adults want to retain the option to use cash for payments.

- **Cost-Neutral Implementation:** implementing Payment Choice legislation would incur no cost to the government. Businesses would have a grace period of up to 12 months to adapt, ensuring a smooth transition without immediate financial burden.
- **Popularity and Impact:** there is no other policy as universally popular that requires no government expenditure. Protecting the right to use cash aligns with the public's wishes and supports economic inclusivity.

Making cash acceptance obligatory in 2025 would demonstrate the Jersey governments commitment to the needs and preferences of both the Jersey public and visitors to the island, many of whom will come from countries where they enjoy Payment Choice.