



Europe Proposes “Restrictions On Payments In Cash”

On the road to energy currency, cash is methodically being withdrawn from society in order to convert to a 100 percent digital system. After that is accomplished, then they can do whatever they want. □ TN Editor

Having [discontinued its production of EUR500 banknotes](#), it appears Europe is charging towards the utopian dream of a cashless society. Just days after [Davos’ elites discussed why the world needs to “get rid of currency,”](#) the [European Commission](#) has introduced a proposal enforcing “restrictions on payments in cash.”

With Rogoff, Stiglitz, Summers et al. all calling for the end of cash - ***because only terrorists and drug-dealers need cash (nothing at all to do with totalitarian control over a nation’s wealth)*** - we are not surprised that this [proposal from the European Commission](#) (sanctuary of statism) would appear...

*The Commission published on 2 February 2016 a Communication to the Council and the Parliament on an Action Plan to **further step up the fight against the financing of terrorism** (COM (2016) 50). The Action Plan builds on existing EU rules to adapt to new threats*

and aims at updating EU policies in line with international standards. In the context of the Commission's action to extend the scope of the Regulation on the **controls of cash entering or leaving the Community**, reference is made to the appropriateness to **explore the relevance of potential upper limits to cash payments.**

The Action Plan states that **"Payments in cash are widely used in the financing of terrorist activities... In this context, the relevance of potential upper limits to cash payments could also be explored. Several Member States have in place prohibitions for cash payments above a specific threshold."**

Cash has the important feature of offering anonymity to transactions. Such anonymity may be desired for legitimate reason (e.g. protection of privacy). But, such anonymity can also be misused for money laundering and terrorist financing purposes. The possibility to conduct large cash payments facilitates money laundering and terrorist financing activities because of the difficulty to control cash payment transactions.

...

Potential restrictions to cash payments would be a mean to fight criminal activities entailing large payment transactions in cash by organised criminal networks. Restricting large payments in cash, in addition to cash declarations and other AML obligations, would hamper the operation of terrorist networks, and other criminal activities, i.e. have a preventive effect. It would also facilitate further investigations to track financial transactions in the course of terrorist activities. Effective investigations are hindered as cash payments transactions are anonymous. Thus restrictions on cash payments would facilitate investigations. However, as cash transactions are moved to the financial system, it is essential that financial institutions have adequate controls and procedures in place that enable them to know the person with whom they are dealing. Adequate due diligence on new and existing customers is a key part of these controls in, line with the AMLD.

Terrorists use cash to sustain their illegal activities, not only for illegal transactions (e.g. the acquisition of explosives) but also for payments which are in appearance legal (e.g. transactions for accommodation or transport). While a restriction on payments in cash would certainly be ignored for transactions that are in any case already illegal, the restriction could create a significant hindrance to the conduct of transactions that are ancillary to terrorist activities.

...

*Organised crime and terrorism financing rely on cash for payments for carrying out their illegal activities and benefitting from them. **By restricting the possibilities to use cash, the proposal would contribute to disrupt the financing of terrorism, as the need to use non anonymous means of payment would either deter the activity or contribute to its easier detection and investigation.** Any such proposal would also aim at harmonising restrictions across the Union, thus creating a level playing field for businesses and removing distortions of competition in the internal market. It would additionally foster the fight against money laundering, tax fraud and organised crime.*

And then right at the end, they mention “fundamental rights”...

[Read full story here...](#)