



## FACTSHEET Everyone needs to make payments The importance of inclusive payment methods

Bank branches and ATMs are disappearing, and cash is no longer accepted as a payment method in many places, including public services. For many consumers, this means reduced independence in their daily payments. A study by the [Norwegian Consumer Council](#) shows that in 2022, 10-25% of consumers faced digital obstacles when paying for goods and services. Another [study - from the Dutch National Bank](#) - shows that one in six adults are unable to do all their banking on their own.

### Who are the people behind these figures?

Various factors prevent consumers from using digital payment methods:

- **Low digital skills:** While the use of basic applications (e.g., messenger services) is widespread among all population groups, those with low digital skills face safety concerns using digital payment services. In Belgium, a [study of the King Baudouin Foundation](#) estimates that in 2022, 46% of the adult population faced digital vulnerability.
- **Low financial literacy:** Online banking is often rife with complex language, making it difficult to use for people with low financial literacy, non-native speakers, people with an intellectual disability or low education levels.
- **Cost of hardware and subscriptions:** Banking applications often require consumers to own new devices such as smartphones, creating barriers for those with low incomes or not comfortable with smartphones.
- **Lack of internet connection:** In many rural areas, internet connection is still too slow to support digital payments apps.
- **Lack of access to a bank account/BankID:** Basic payment accounts are often still more expensive than normal bank accounts, costing sometimes more than €200/year as [Stiftung Warentest finds](#). In addition, high security requirements (e.g. having a permanent address) prevent refugees and homeless people from receiving an eID/BankID required to make payments online.
- **Lack of accessibility of users' interfaces:** Online banking and ATMs are still too often not adapted for persons with disabilities (e.g., visual impairment). The disappearance of ATMs and bank branches has a particularly strong impact on persons with reduced mobility and older people.
- **Budget management:** Consumers living on a low budget often use cash to keep track of their expenses in a more tangible way. According to a [survey by vzbv](#), 35% of consumers cited this as the most important reason for them to use cash.

Despite what some claim, this is not a generational issue which would disappear once all consumers have become digital natives. Even in countries where almost all citizens are online, about 20% of consumers face difficulties, for example dealing with small font sizes and adapting to constantly changing user interfaces.



## What are the solutions?

**Cash remains the preferred payment method** for many consumers: the [European Central Bank's SPACE study](#) shows that, in 2022, 59% of payments at point of sale were made in cash in Europe (with considerable variations between countries). It is thus important to keep an efficient cash infrastructure alive to respect consumers' preferences and serve as a backup option in case of power or internet disruption.



This requires a dense network of ATMs and bank branches as well as the obligation for merchants, public services and essential services such as healthcare and public transport to accept cash.

AGE and BEUC members call for political measures to prevent cash from disappearing (Examples: [Consumer's Union of Finland](#), [Joint Testachats– OKRA and Financité campaign](#)).

### **In a society which becomes increasingly digital, a digital form of cash will be needed.**

- The so-called '**digital euro**' could boost digital financial inclusion if designed to be accessible and to create a public solution for consumers in digital retail payments.
- Similarly to cash, an inclusive digital euro would rely on a dense network of ATMs and bank branches allowing consumers without digital skills or personal devices to use their digital euros and receive personal support if needed by bank staff.
- To ensure broad acceptance, a digital euro should be recognised as legal tender. As for cash, there will be a systemic cost, but using the digital euro for day-to-day payments should be free of charge for all consumers.

Ensuring full accessibility will be challenging for a digital euro and requires therefore a specific focus. The digital euro must fully comply with the European Accessibility Act ensuring that authentication methods and user interfaces are easy to use by persons with functional limitations and older persons.

Onboarding processes must be as easy as possible without compromising safety, and consumers should be able to tailor their digital euro accounts to their needs (e.g., for online or offline use, for low value transactions). Public and non-profit payment service providers should also offer digital euro accounts and be mandated to target consumers at risk of financial exclusion in particular.

