

This text is meant purely as a documentation tool and has no legal effect. The Union's institutions do not assume any liability for its contents. The authentic versions of the relevant acts, including their preambles, are those published in the Official Journal of the European Union and available in EUR-Lex. Those official texts are directly accessible through the links embedded in this document

► B REGULATION (EU) 2018/1672 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 23 October 2018
on controls on cash entering or leaving the Union and repealing Regulation (EC) No 1889/2005
(OJ L 284, 12.11.2018, p. 6)

Corrected by:

► C1 Corrigendum, OJ L 435, 23.12.2020, p. 79 (2018/1672)



**REGULATION (EU) 2018/1672 OF THE EUROPEAN
PARLIAMENT AND OF THE COUNCIL**

of 23 October 2018

**on controls on cash entering or leaving the Union and repealing
Regulation (EC) No 1889/2005**

Article 1

Subject matter

This Regulation provides for a system of controls with respect to cash entering or leaving the Union to complement the legal framework for the prevention of money laundering and terrorist financing laid down in Directive (EU) 2015/849.

Article 2

Definitions

1. For the purposes of this Regulation, the following definitions apply:

(a) ‘cash’ means:

- (i) currency;
- (ii) bearer-negotiable instruments;
- (iii) commodities used as highly-liquid stores of value;
- (iv) prepaid cards;

(b) ‘entering or leaving the Union’ means coming from a territory which is outside the territory covered by Article 355 TFEU to the territory which is covered by that Article, or departing the territory covered by that Article;

(c) ‘currency’ means banknotes and coins that are in circulation as a medium of exchange or that have been in circulation as a medium of exchange and can still be exchanged through financial institutions or central banks for banknotes and coins that are in circulation as a medium of exchange;

(d) ‘bearer-negotiable instruments’ means instruments other than currency which entitle their holders to claim a financial amount upon presentation of the instruments without having to prove their identity or entitlement to that amount. Those instruments are:

- (i) traveller’s cheques; and
- (ii) cheques, promissory notes or money orders that are either in bearer form, signed but with the payee’s name omitted, endorsed without restriction, made out to a fictitious payee, or otherwise in such form that title thereto passes upon delivery;

▼B

- (e) ‘commodity used as a highly-liquid store of value’ means a good, as listed in point 1 of Annex I, that presents a high ratio between its value and its volume and that can easily be converted into currency through accessible trading markets while incurring only modest transaction costs;
- (f) ‘prepaid card’ means a non-nominal card, as listed in point 2 of Annex I, that stores or provides access to monetary value or funds which can be used for payment transactions, for acquiring goods or services or for the redemption of currency where such card is not linked to a bank account;
- (g) ‘competent authorities’ means the customs authorities of the Member States and any other authorities empowered by the Member States to apply this Regulation;
- (h) ‘carrier’ means any natural person entering or leaving the Union carrying cash on their person, in their luggage or in their means of transport;
- (i) ‘unaccompanied cash’ means cash making up part of a consignment without a carrier;
- (j) ‘criminal activity’ means any of the activities listed in point (4) of Article 3 of Directive (EU) 2015/849;
- (k) ‘Financial Intelligence Unit (FIU)’ means the entity established in a Member State for the purposes of implementing Article 32 of Directive (EU) 2015/849.

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 15 of this Regulation in order to amend Annex I to this Regulation to take account of new trends in money laundering, as defined in Article 1(3) and (4) of Directive (EU) 2015/849, or terrorist financing, as defined in Article 1(5) of that Directive, or to take account of best practices in preventing money laundering or terrorist financing or to prevent the use by criminals of commodities used as highly-liquid stores of value and of prepaid cards to circumvent the obligations laid down in Articles 3 and 4 of this Regulation.

*Article 3***Obligation to declare accompanied cash**

1. Carriers who carry cash of a value of EUR 10 000 or more shall declare that cash to the competent authorities of the Member State through which they are entering or leaving the Union and make it available to them for control. The obligation to declare cash shall not be deemed to be fulfilled if the information provided is incorrect or incomplete or if the cash is not made available for control.

2. The declaration referred to in paragraph 1 shall provide details about the following:

▼B

- (a) the carrier, including full name, contact details, including address, date and place of birth, nationality and identification document number;
- (b) the owner of the cash, including the full name, contact details, including address, date and place of birth, nationality and identification document number, where the owner is a natural person, or the full name, contact details, including address, registration number and, where available, value added tax (VAT) identification number, where the owner is a legal person;
- (c) where available, the intended recipient of the cash, including the full name, contact details, including address, date and place of birth, nationality and identification document number, where the intended recipient is a natural person, or the full name, contact details, including address, registration number and, where available, VAT identification number, where the intended recipient is a legal person;
- (d) the nature and the amount or value of the cash;
- (e) the economic provenance of the cash;
- (f) the intended use of the cash;
- (g) the transport route; and
- (h) the means of transport.

3. The details listed in paragraph 2 of this Article shall be provided in writing or electronically, using the declaration form referred to in point (a) of Article 16(1). An endorsed copy of the declaration shall be delivered to the declarant upon request.

*Article 4***Obligation to disclose unaccompanied cash**

1. Where unaccompanied cash of a value of EUR 10 000 or more is entering or leaving the Union, the competent authorities of the Member State through which the cash is entering or leaving the Union may require the sender or the recipient of the cash, or a representative thereof, as the case may be, to make a disclosure declaration within a deadline of 30 days. The competent authorities may detain the cash until the sender or the recipient, or a representative thereof, makes the disclosure declaration. The obligation to disclose unaccompanied cash shall not be deemed to be fulfilled where the declaration is not made before the deadline expires, the information provided is incorrect or incomplete, or the cash is not made available for control.

2. The disclosure declaration shall provide details about the following:

▼B

- (a) the declarant, including full name, contact details, including address, date and place of birth, nationality and identification document number;
- (b) the owner of the cash, including the full name, contact details, including address, date and place of birth, nationality and identification document number, where the owner is a natural person, or full name, contact details, including address, registration number and, where available, the VAT identification number, where the owner is a legal person;
- (c) the sender of the cash, including the full name, contact details, including address, date and place of birth, nationality and identification document number, where the sender is a natural person, or the full name, contact details, including address, registration number and where available, VAT identification number, where the sender is a legal person;
- (d) the recipient or intended recipient of the cash, including the full name, contact details, including address, date and place of birth, nationality and identification document number, where the recipient or intended recipient is a natural person, or the full name, contact details, including address, registration number and, where available, VAT identification number, where the recipient or intended recipient is a legal person;
- (e) the nature and the amount or value of the cash;
- (f) the economic provenance of the cash; and
- (g) the intended use of the cash.

3. The details listed in paragraph 2 of this Article shall be provided in writing or electronically, using the disclosure form referred to in point (a) of Article 16(1). An endorsed copy of the disclosure declaration shall be delivered to the declarant upon request.

*Article 5***Powers of the competent authorities**

1. In order to verify compliance with the obligation to declare accompanied cash laid down in Article 3, the competent authorities shall have the power to carry out controls on natural persons, their luggage and their means of transport, in accordance with the conditions laid down in national law.

2. For the purposes of implementing the obligation to disclose unaccompanied cash laid down in Article 4, the competent authorities shall have the power to carry out controls on any consignments, receptacles or means of transport which may contain unaccompanied cash, in accordance with the conditions laid down in national law.

3. If the obligation to declare accompanied cash under Article 3 or the obligation to disclose unaccompanied cash under Article 4 has not been fulfilled, the competent authorities shall compose, in writing or in an electronic form, an *ex officio* declaration which shall contain to the extent possible the details listed in Article 3(2) or 4(2), as the case may be.

▼B

4. The controls shall be based primarily on risk analysis, with the purpose of identifying and evaluating the risks and developing the necessary countermeasures, and shall be performed within a common risk management framework in accordance with the criteria referred to in point (b) of Article 16(1) which shall also take into account the risk assessments established by the Commission and the FIUs under Directive (EU) 2015/849.

5. For the purposes of Article 6, the competent authorities shall also exercise the powers conferred on them under this Article.

*Article 6***Sub-threshold amounts suspected to be related to criminal activity**

1. Where the competent authorities detect a carrier with an amount of cash below the threshold referred to in Article 3 and that there are indications that the cash is related to criminal activity, they shall record that information and the details listed in Article 3(2).

2. Where the competent authorities find that unaccompanied cash below the threshold referred to in Article 4 is entering or leaving the Union and that there are indications that the cash is related to criminal activity, they shall record that information and the details listed in Article 4(2).

*Article 7***Temporary detention of cash by competent authorities**

1. The competent authorities may temporarily detain cash by means of an administrative decision in accordance with the conditions laid down in national law where:

- (a) the obligation to declare accompanied cash under Article 3 or the obligation to disclose unaccompanied cash under Article 4 has not been fulfilled; or
- (b) there are indications that the cash, irrespective of the amount, is related to criminal activity.

2. The administrative decision referred to in paragraph 1 shall be subject to an effective remedy in accordance with procedures provided for in national law. The competent authorities shall notify a statement of reasons for the administrative decision to:

- (a) the person required to make the declaration in accordance with Article 3 or the disclosure declaration in accordance with Article 4; or
- (b) the person required to provide the information in accordance with Article 6(1) or (2).

3. The period of temporary detention shall be strictly limited under national law to the time required for competent authorities to determine whether the circumstances of the case warrant further detention. The period of temporary detention shall not exceed 30 days. After the competent authorities carry out a thorough assessment of the necessity and proportionality of a further temporary detention, they may decide to extend the period of temporary detention to a maximum of 90 days.

▼B

Where no determination is made regarding further detention of the cash within that period or if a determination is made that the circumstances of the case do not warrant further detention, the cash shall be immediately released to:

- (a) the person from whom the cash was temporarily detained in the situations referred to in Article 3 or 4; or
- (b) the person from whom the cash was temporarily detained in the situations referred to in Article 6(1) or (2).

*Article 8***Information campaigns**

Member States shall ensure that persons who enter or leave the Union or persons who send unaccompanied cash from the Union or who receive unaccompanied cash in the Union are informed of their rights and obligations under this Regulation and shall, in cooperation with the Commission, develop appropriate materials aimed at those persons.

Member States shall ensure that sufficient funding is made available for such information campaigns.

*Article 9***Provision of information to the FIU**

1. The competent authorities shall record the information obtained under Article 3 or 4, Article 5(3) or Article 6 and transmit it to the FIU of the Member State in which it was obtained, in accordance with the technical rules referred to in point (c) of Article 16(1).
2. The Member States shall ensure that the FIU of the Member State in question exchange such information with the relevant FIUs of the other Member States in accordance with Article 53(1) of Directive (EU) 2015/849.
3. The competent authorities shall transmit the information referred to in paragraph 1 as soon as possible, and in any event no later than 15 working days after the date on which the information was obtained.

*Article 10***Exchange of information between competent authorities and with the Commission**

1. The competent authority of each Member State shall, by electronic means, transmit the following information to the competent authorities of all the other Member States:
 - (a) *ex officio* declarations composed under Article 5(3);
 - (b) information obtained under Article 6;
 - (c) declarations obtained under Article 3 or 4, where there are indications that the cash is related to criminal activity;

▼B

(d) anonymised risk information and risk analysis results.

2. Where there are indications that the cash is related to criminal activity which could adversely affect the financial interests of the Union, the information referred to in paragraph 1 shall also be transmitted to the Commission, to the European Public Prosecutor's Office by the Member States participating in enhanced cooperation pursuant to Regulation (EU) 2017/1939 and where it is competent to act under Article 22 of that Regulation, and to Europol where it is competent to act under Article 3 of Regulation (EU) 2016/794.

3. The competent authority shall transmit the information referred to in paragraphs 1 and 2 in accordance with the technical rules referred to in point (c) of Article 16(1) and using the form referred to in point (d) of Article 16(1).

4. The information referred to in points (a), (b), and (c) of paragraph 1 and in paragraph 2 shall be transmitted as soon as possible and in any event no later than 15 working days after the date on which that information was obtained.

5. The information and results referred to in point (d) of paragraph 1 shall be transmitted on a six-monthly basis.

*Article 11***Exchange of information with third countries**

1. For the purpose of this Regulation, Member States or the Commission may, within the framework of mutual administrative assistance, transmit the following information to a third country, subject to the written authorisation of the competent authority which originally obtained the information, provided that such transmission complies with the relevant national and Union law on the transfer of personal data to third countries:

(a) *ex officio* declarations composed under Article 5(3);

(b) information obtained under Article 6;

(c) declarations obtained under Article 3 or 4, where there are indications that the cash is related to money laundering or terrorist financing.

2. Member States shall notify the Commission of any transmission of information pursuant to paragraph 1.

*Article 12***Professional secrecy and confidentiality and data security**

1. The competent authorities shall ensure the security of the data obtained in accordance with Articles 3 and 4, Article 5(3) and Article 6.

▼B

2. All information obtained by the competent authorities shall be covered by the duty of professional secrecy.

*Article 13***Personal data protection and retention periods**

1. The competent authorities shall act as controllers of the personal data they obtain by operation of Articles 3 and 4, Article 5(3) and Article 6.

2. The processing of personal data on the basis of this Regulation shall take place only for the purposes of the prevention and fight against criminal activities.

3. The personal data obtained by operation of Articles 3 and 4, Article 5(3) and Article 6 shall be accessed only by duly authorised staff of the competent authorities and shall be adequately protected against unauthorised access or transmission. Unless otherwise provided for in Articles 9, 10 and 11, the data may not be disclosed or transmitted without the express authorisation of the competent authority which originally obtained them. However, that authorisation shall not be necessary where the competent authorities are required to disclose or transmit that data pursuant to the national law of the Member State in question, particularly in connection with legal proceedings.

4. The competent authorities and the FIU shall store personal data obtained by operation of Articles 3 and 4, Article 5(3) and Article 6 for a period of five years from the date on which the data were obtained. The personal data shall be erased upon the expiry of that period.

5. The period of retention may be extended once by another period which shall not exceed three additional years if:

- (a) after it has carried out a thorough assessment of the necessity and proportionality of such further retention and considers it to be justified for the fulfilment of its tasks with respect to the fight against money laundering or terrorist financing, the FIU determines that further retention is required; or
- (b) after they have carried out a thorough assessment of the necessity and proportionality of such further retention and consider it to be justified for the fulfilment of their tasks with respect to providing effective controls as regards the obligation to declare accompanied cash or the obligation to disclose unaccompanied cash, competent authorities determine that further retention is required.

*Article 14***Penalties**

Each Member State shall introduce penalties which shall apply in the event of failure to comply with the obligation to declare accompanied cash laid down in Article 3 or the obligation to disclose unaccompanied cash laid down in Article 4. Such penalties shall be effective, proportionate and dissuasive.



Article 15

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
2. The power to adopt delegated acts referred to in Article 2(2) shall be conferred on the Commission for an indeterminate period of time from 2 December 2018.
3. The delegation of power referred to in Article 2(2) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.
5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
6. A delegated act adopted pursuant to Article 2(2) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Article 16

Implementing acts

1. The Commission shall adopt, by means of implementing acts, the following measures to ensure the uniform application of controls by competent authorities:
 - (a) the templates for the declaration form referred to in Article 3(3) and for the disclosure form referred to in Article 4(3);
 - (b) the criteria for the common risk management framework referred to in Article 5(4) and, more specifically, the risk criteria, standards, and priority control areas, based on the information exchanged pursuant to point (d) of Article 10(1), and Union and international policies and best practice;
 - (c) the technical rules for the effective exchange of information under Article 9(1) and (3) and Article 10 of this Regulation via the CIS established by Article 23 of Regulation (EC) No 515/97;
 - (d) the template for the form for the transmission of information referred to in Article 10(3); and

▼B

(e) the rules and the format to be used by Member States for providing to the Commission with anonymised statistical information on declarations and infractions pursuant to Article 18.

2. The implementing acts referred to in paragraph 1 of this Article shall be adopted in accordance with the examination procedure referred to in Article 17(2).

*Article 17***Committee procedure**

1. The Commission shall be assisted by a Cash Controls Committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.

*Article 18***Transmission of information relating to the implementation of this Regulation**

1. By 4 December 2021, Member States shall transmit the following to the Commission:

- (a) the list of competent authorities;
- (b) the details of the penalties introduced pursuant to Article 14;
- (c) anonymised statistical information regarding declarations, controls and infractions, using the format referred to in point (e) of Article 16(1).

2. Member States shall notify the Commission of any subsequent changes to the information referred to in points (a) and (b) of paragraph 1 at the latest one month after those changes take effect.

The information referred to in point (c) of paragraph 1 shall be provided to the Commission at least every six months.

3. The Commission shall make the information referred to in point (a) of paragraph 1 and any subsequent changes to that information pursuant to paragraph 2 available to all the other Member States.

4. The Commission shall annually publish the information referred to in points (a) and (c) of paragraph 1 and any subsequent changes to that information pursuant to paragraph 2 on its website and shall inform users, in a clear way, about the controls with respect to cash entering or leaving the Union.

*Article 19***Evaluation**

1. ►**C1** By 3 June 2024, and every five years thereafter, ◀ the Commission shall, on the basis of the information regularly received from the Member States, submit a report to the European Parliament and to the Council on the application of this Regulation.

▼B

The report referred to in the first subparagraph shall, in particular, evaluate whether:

- (a) other assets should be included within the scope of this Regulation;
- (b) the disclosure procedure for unaccompanied cash is effective;
- (c) the threshold for unaccompanied cash should be reviewed;
- (d) the information flows in accordance with Articles 9 and 10 and the use of the CIS, in particular, are effective or whether there are obstacles to the timely and direct exchange of compatible and comparable information between competent authorities and with FIUs; and
- (e) the penalties introduced by Member States are effective, proportionate and dissuasive and in line with the established case-law of the Court of Justice of the European Union and whether they have an equivalent deterrent effect across the Union on the infringement of this Regulation.

2. The report referred to in paragraph 1 shall include, where available:

- (a) a compilation of information received from Member States regarding cash related to criminal activities which adversely affect the financial interests of the Union; and
- (b) information on exchange of information with third countries.

*Article 20***Repeal of Regulation (EC) No 1889/2005**

Regulation (EC) No 1889/2005 is repealed.

References to the repealed Regulation shall be construed as references to this Regulation and shall be read in accordance with the correlation table in Annex II.

*Article 21***Entry into force and application**

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 3 June 2021. However, Article 16 shall apply from 2 December 2018.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

▼B

ANNEX I

Commodities used as highly-liquid stores of value and prepaid cards which are considered cash in accordance with point (a)(iii) and (iv) of Article 2(1)

1. Commodities used as highly-liquid stores of value:
 - (a) coins with a gold content of at least 90 %; and
 - (b) bullion such as bars, nuggets or clumps with a gold content of at least 99,5 %.
2. Prepaid cards: P.M.

*ANNEX II***CORRELATION TABLE**

Regulation (EC) No 1889/2005	This Regulation
Article 1	Article 1
Article 2	Article 2
Article 3	Article 3
—	Article 4
Article 4(1)	Article 5
Article 5(2)	Article 6
Article 4(2)	Article 7
—	Article 8
Article 5(1)	Article 9
Article 6	Article 10
Article 7	Article 11
Article 8	Article 12
—	Article 13
Article 9	Article 14
—	Article 15
—	Article 16
—	Article 17
—	Article 18
Article 10	Article 19
—	Article 20
Article 11	Article 21
—	Annex I
—	Annex II