



Frequently Asked Questions - Banknotes and coins

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Banknotes

1. Can cash payments be refused?

As a rule, euro banknotes and coins must be accepted in all transactions, regardless of their nature. Creditors are obliged to accept any type of banknote or coin and, as a general rule, cannot refuse them. Refusing to accept euro banknotes and coins as a means of payment should only be possible if grounded in good faith (e.g. if the face value of the banknote tendered by the debtor is disproportionate to the amount owed to the creditor of the payment) or in case of agreement between the parties to use a different means of payment. This understanding reflects the provisions of Commission Recommendation of 22 March 2010 on the scope and effects of legal tender of euro banknotes and coins. The legal tender and discharging power of euro banknotes and coins, i.e. the fact that they can be used as a means of payment in the relevant territory, arise from the Treaty on the Functioning of the European Union and Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro. Nonetheless, there are legal restrictions to cash payments in Portugal: set out in Law No 92/2017 of 22 August 2017; in Decree-Law No 246/2007 of 26 June 2007, in accordance to which no one is obliged to accept more than 50 normal euro coins in any single payment, with the exception of the State, through Treasury cash offices, the Banco de Portugal and credit institutions the business of which is to take deposits from the public. There are no penalties for refusing to accept payments in euro banknotes and coins. However, this refusal has consequences for the contractual relationship between the parties. Under the Portuguese Civil Code, the debtor fulfils their obligation by making the payment due, and the creditor may be considered in arrears if they do not accept the payment offered without good reason.

2. If I pay with €100, €200 or €500 banknotes, do I have to provide proof of identity?

No. This type of procedure affects the legal tender of euro banknotes and undermines the public's trust in banknotes in circulation. You should notify the Banco de Portugal of the situation.

3. What should I do with damaged or mutilated banknotes?

Contact one of the Banco de Portugal's cash offices (or a cash office of another Eurosystem national central bank), which will check the banknote. If doubts remain

as to whether the banknote was intentionally mutilated or damaged, you must identify and explain in writing the cause of the mutilation or damage or what happened to the missing parts of the banknote. If the banknote has ink stains or is dirty, you must also give a written explanation of the circumstances in which this occurred.

4. Can merchants promote the use of escudo banknotes as a means of payment?

Yes. Nothing prevents merchants from organising this type of campaign. However, accepting escudo banknotes depends on the decision of the interested parties. Note that campaigns promoting the use of escudo banknotes as a means of payment must previously be communicated to the Banco de Portugal.

5. What is the expiry date of banknotes and coins?

The expiry date is the date from which banknotes or coins can no longer be exchanged by the respective national central banks.

6. Why a second series of euro banknotes?

The European Central Bank and the Eurosystem national central banks have a duty to safeguard the integrity of euro banknotes by continuing to update and improve their security features and by taking advantage of technological advances in banknote production. The introduction of the Europa series is part of this process to continuously develop the euro banknotes, in order to make them even more secure.

7. Why is the second series of euro banknotes called the Europa series?

This is because a number of security features in the new banknotes contain a portrait of Europa, a figure from Greek mythology whose name was given to Europe.

8. When was the Europa series of banknotes introduced?

The Europa series of banknotes has been introduced gradually over several years in ascending order. The first denomination of the Europa series, the €5 banknote, started circulating on 2 May 2013 in Portugal and the other euro area countries. This was followed by the €10 banknote on 23 September 2014, the €20 banknote on 25 November 2015 and the €50 banknote on 4 April 2017. Finally, the €100 and €200 banknotes entered into circulation on 28 May 2019. The Europa series will not have a €500 banknote.

9. Can I keep using euro banknotes of the first series?

Yes. The banknotes of the first series of banknotes and the Europa series will circulate in parallel. The date when the first series of euro banknotes ceases to be legal tender (i.e. the date from which they can no longer be used as a means of payment) will be announced well in advance. Even after this date, the banknotes of the first series will retain their value, as they can be exchanged for an unlimited period of time at the Eurosystem national central banks, including the Banco de Portugal.

10. The Governing Council of the European Central Bank has decided to stop issuing the €500 banknote. Can I keep using the €500 banknotes to make payments or should I exchange them?

Citizens may continue to use €500 banknotes, including to make payments, without restriction. This means €500 banknotes continue to be legal tender and thus do not need to be exchanged. Nevertheless, those who wish to do so can exchange them at the branches of commercial banks or the Banco de Portugal's cash offices. The €500 banknote will always retain its value and can be exchanged at Eurosystem national central banks (including at the Banco de Portugal's cash offices) for an unlimited period of time. Note that no one is authorised to withdraw banknotes on behalf of the Banco de Portugal or any banking institution.

11. Will cash disappear in the near future?

No. Banknotes and coins (cash) will remain the main means of payment for the foreseeable future. Cash carries value, can be reliably authenticated and distinguished from counterfeits, and does not require any third party to settle the payment. No other payment instrument includes these three elements as effectively as cash.

Coins

1. Where can I obtain euro coins issued by other countries?

To obtain euro coins issued by other countries, contact the national central bank of the country that issues these coins, the national authority responsible for minting them, the branches of credit institutions circulating them or businesses specialised in selling them.

2. Can I use a collector or commemorative coin as a means of payment?

Yes. However, these coins are only legal tender in the country responsible for issuing them. In addition, no one is obliged to accept more than 50 coins in a single payment.

3. Can credit institutions refuse to accept (normal, commemorative and collector) coins as a deposit?

No. As long as coins are legal tender in Portugal, credit institutions cannot refuse to accept them, as the limit of 50 coins per transaction does not apply to these entities. Note that collector or collectible coins are only legal tender in the country that issued them.

4. Can I make a €1,000 payment with €2 coins?

In accordance with the law, such a payment may be refused, as payees are only obliged to accept 50 coins in a single payment (with the exception of the State, credit institutions and the Banco de Portugal). In this case, the payee is only obliged, for example, to accept up to 50 €2 coins (€100) and may refuse to accept the remaining €900 in coins.

5. What are the irrevocable conversion rates between the national coins of the Eurosystem countries and the euro?

Portugal (Escudo): PTE 200.482
Austria (Schilling): ATS 13.7603
Belgium (Franc): BEF 40.3399
Cyprus (Pound): CYP 0.585274
Estonia (Kroon): EEK 15.6466
Finland (Markka): FIM 5.94573
France (Franc): FRF 6.55957
Germany (Mark): DEM 1.95583
Greece (Drachma): GRD 340.750
Ireland (Pound): IEP 0.787564
Italy (Lira): ITL 1936.27
Latvia (Lats): LVL 0.702804
Lithuania (Litas): LTL 3.45280
Luxembourg (Franc): LUF 40.3399
Malta (Lira): MTL 0.429300
Netherlands (Guilder): NLG 2.20371
Slovakia (Koruna): SKK 30.1260
Slovenia (Tolar): SIT 239.640
Spain (Peseta): ESP 166.386

Counterfeiting

1. Is putting or attempting to put a fake or counterfeit banknote or coin in circulation a crime?

Yes. Do not, in case of doubt or for any other reason, attempt to pass on a fake or counterfeit coin, as this is a criminal offence punishable by law (Article 265 and subsequent articles of the Criminal Code).

2. What should I do if I come across a fake, counterfeit or suspect banknote or coin?

The public can check the security features of banknotes and coins by using, respectively, the “feel, look and tilt” and the “feel, look, verify” methods, which are appropriate and effective to determine the authenticity of banknotes and coins. However, you may come across suspect banknotes and coins. Below are a few suggestions of how to act if you suspect a banknote or coin might be counterfeit: If you have any doubts about the authenticity of a banknote or coin, do not accept it. Fake/counterfeit banknotes and coins are worthless; as such, if you accept a fake/counterfeit banknote or coin, you will receive no compensation. Contact the Banco de Portugal for more information. Politely ask for another banknote/coin and assume the person who handed you the banknote/coin is innocent. Inform them that they are in possession of a suspect banknote/coin and suggest that they contact the local police, a bank or the Banco de Portugal. In any case, do not put yourself in danger. Immediately inform the local police or your security officer about the incident. Try to remember as much as you can about the person who handed you the banknote. If you think you have accepted a counterfeit by mistake, do not pass it on. Putting a counterfeit in circulation is a criminal offence. Hand over the suspect banknote/coin to your local police, a bank or the Banco de Portugal. If the banknote/coin is genuine, you will get your money back. The Banco de Portugal offers face-to-face training courses on the authenticity of euro banknotes free of charge. Click here for more information on these initiatives.