



Cash distribution in the Netherlands and Portugal

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Michiel van Doeveren and Rui Pimentel

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Contents

- Euro banknotes
- Euro coins
- Confident with money (movie)
- Cash distribution in the Netherlands and Portugal
- Conclusions

Euro notes



Euro coins



Bezit Jaar Rang

f ⚙

Standard

2 Euro

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Confident with Money

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Mini documentary → 08:28
min

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Policy issues

- Efficiency of retail payments (paperless, cards)
- Efficiency of banknotes and coins
- Decision by the ECB of outphasing the EUR 500 note, May 2016
- Recirculation of banknotes in the Netherlands

DNB – Amsterdam – the Netherlands
2016

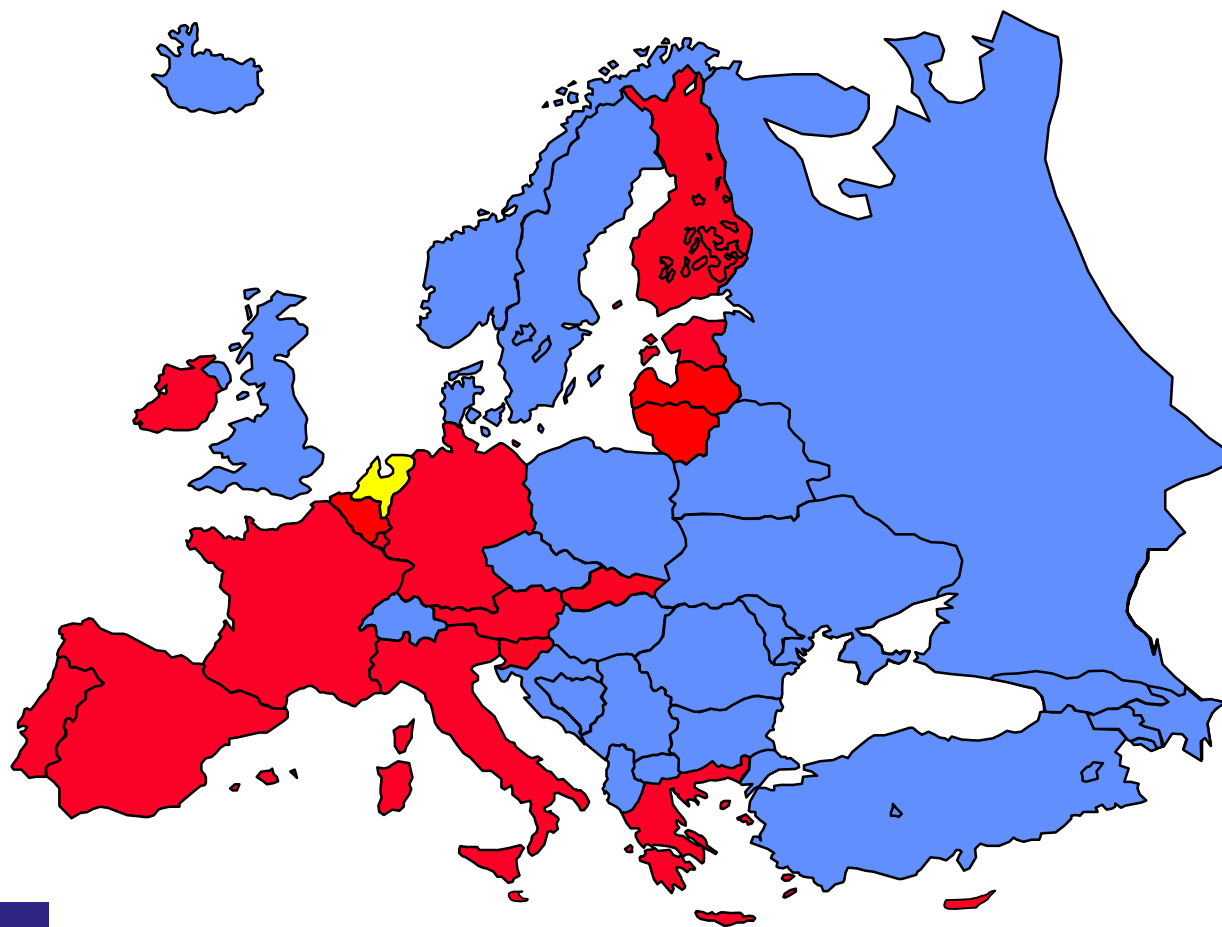
An insight into the Dutch cash cycle



Creating an
efficient cash
cycle

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The Netherlands in the Euro-area

	Euro-area	The Netherlands
	2016	2016
Inhabitants	325 Mln	17 Mln
Square km	2.6 Mln	41,500
Euro banknotes	13 Bn*	350 Mln**
Euro coins	88 Bn*	3 Bn**
Value Euro circulation	€ 820 Bn*	€ 20 Bn**



* total circulation

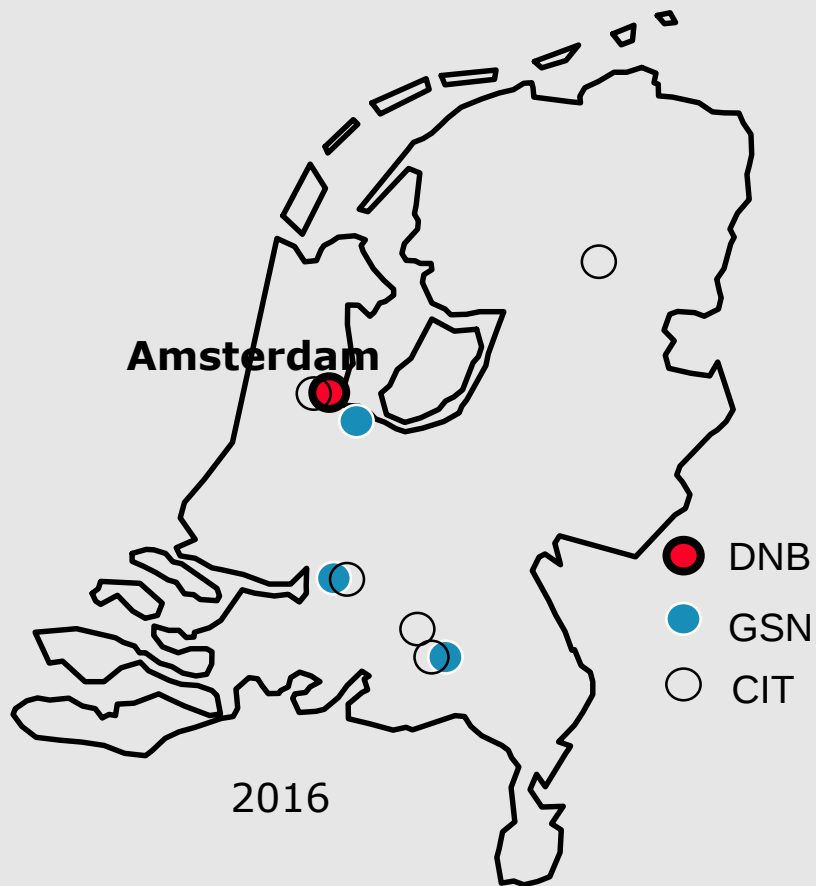
** estimated

The Dutch cash environment

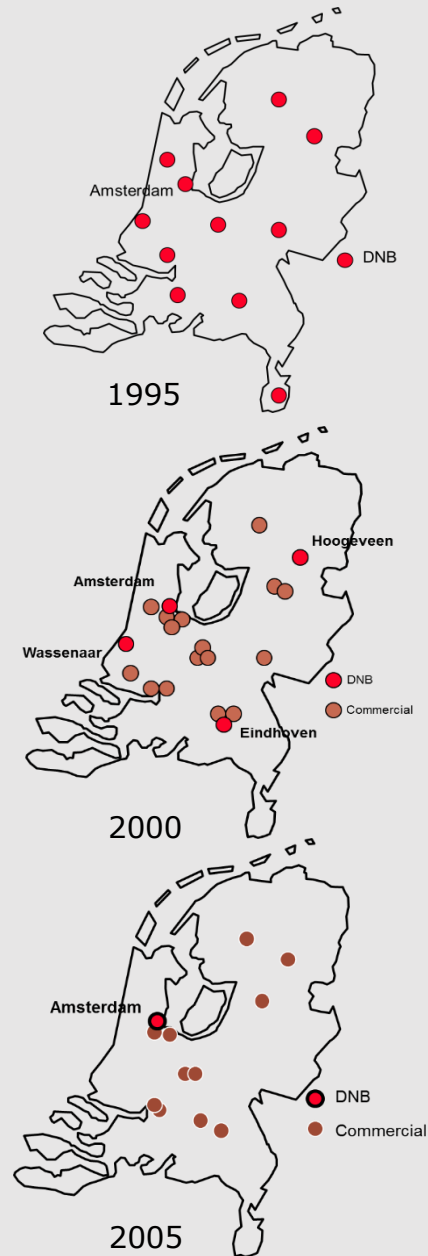
- 30 commercial banks with cash activities
- These 30 banks operate 2.851 branches and 8.506 ATMs
- Top 3 banks: account for 85% of flows
- Top 7 banks: account for 98% of flows
- 2 CIT-companies
- 8 private cash centres (5 CIT, 3 cash processing company) with a total turnover of $\pm$ 2 Bn banknotes a year



Cash network in 2016



No Central Bank branches
head office in Amsterdam is
exclusive distribution point



Role of DNB in the 2016 cash cycle

Reprocessing of unfit banknotes and seasonal surpluses

Recycling model in the Netherlands:

➤ **75% private cash centres**

➤ **25% central bank**

Cash distribution agreement with (large) commercial banks

- Recirculation compliant with ECB Framework regulations:
 - **Recycling sorting machines annually tested by NCBs**
 - **Periodical inspections on site for cash recycling sorting machines at private cash centres**

Destruction of unfit banknotes and supply of new banknotes

Supervising recirculation of euro banknotes at the private cash centres in the Dutch cash cycle

Quality control of banknotes in circulation

Looking for further innovations and improvements

Euro coins distribution

- Depot holder for loose coins
- Supply of coin processors (CIT's) in case of shortages and absorbing in case of surpluses
- CIT's have to settle shortages and surpluses among themselves first



Conclusions



- Cash remains a very important payment instrument in the Netherlands and Portugal
- There is a double challenge for efficiency in retail payments: more electronic payments and the cash distribution

