



EUROPEAN CENTRAL BANK

The Eurosystem's role in the cash cycle and some considerations on cost of cash

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Agenda

- **The Eurosystem's role in the cash cycle**
- **Some considerations regarding the cost of cash**

The Eurosystem's role in the cash cycle

- Ensuring a smooth and efficient supply of euro cash
- Maintaining the integrity of the euro
- In view of different national traditions, there is latitude in national implementation (i.e. no one-size-fits all cash supply system)
- Importance of a level playing field

The Eurosystem's role in the cash cycle

- Challenging period with fast changing environment in cash cycle
- Creating planning security for partners in the cash cycle
- Relations with stakeholders
 - Address stakeholder requirements
 - Increase efficient use of resources
 - Contribute to efficiency and cost effectiveness of cash as a means of payment

Some considerations regarding the cost of cash

- Despite number of studies (DNB, BNB, ESTA, etc.) a very common perception is that most cost efficient way for payments is “going electronic”. Why?
- Substantial cost savings only if complete displacement of cash, which is unrealistic
- SEPA initiatives pose new challenges also for cash
- A communication challenge, which requires common efforts of stakeholders

Thank you for your attention!