



unites professionals

Cash in Europe

Supported by ESTA's Cash Forum

Background Information

About ESTA

ESTA (European Security Transport Association) was established in 1974. ESTA is a non profit organisation which represents cash industry logistics businesses throughout Europe and 90% of the European CIT industry.

ESTA's members employ around 100,000 people across Europe, with business turning over around €4 billion a year.

ESTA counts 130 members. See Appendix 1 for a full list of ESTA's members and their categorisation.

ESTA's objective

The purpose of ESTA's International Non Profit Association is to ensure, on a European level, the defence of the interests of its members who provide transportation and cash handling services. The Association seeks to define and promote the joint positions of its members with regard to European policy concerning their sector of activity and to increase the quality level of the entire industry

About The Campaign for Cash

The 'Campaign for Cash' has been established to counter claims by the banking and electronic payments industry that cash is expensive, outdated and inefficient and should be replaced with purely electronic transactions.

Backed by ESTA, the campaign for cash believes:

- Cash is still relevant, popular and convenient and provides a means of financial transaction that is widely supported by the public
- Cash provides one of the lowest-cost forms of financial transaction
- Cash is less open to fraud than electronic payments
- Consumers and business do not want an 'either or' choice - both cash and electronic payments can co-exist and should be maintained to provide real choice and competition
- Cash and electronic payments industries should work together to combat fraud, money laundering and other financial crimes and ensure that both forms of payment transaction continue to provide the foundation for trade and economic growth across the EU and globally
- Cash issuing provides a vital source of revenue for national Governments (through seignorage) which would have to be replaced through other means, including higher taxes, were cash abolished
- ESTA believes the EC moves to abolish cash run contrary to consumer interest

Consumer Support for Cash

The Campaign for Cash believes that cash is widely supported by consumers across Europe.

This is backed up by research conducted across eight European countries by leading research agency TNS.

The research commissioned by The Campaign for Cash is based upon representative samples of 1,000 adults in each of the surveyed countries (Belgium, France, Germany, Italy, The Netherlands, Spain, Sweden, UK). The results underline continuing consumer support for cash and illustrate the need for electronics payments and cash to co-exist

Key findings:

- 38% of Europeans, equivalent to 78 million people, preferred to conduct financial transactions in cash, making it the single most favoured financial transaction tool, beating credit, debit and pre-payment cards. The trend is reinforced by the European Commission's latest EuroBarometer findings, which found that 49% of consumers' selected cash as their preferred payment method, the next most popular was credit and other bank payment cards (36%) (The EuroBarometer surveyed all 25 member states)
- Just 1% of Europeans say they don't like cash
- Two thirds of Europeans, equivalent to 129 million people, strongly support the retention of cash.
- Of those Europeans who prefer cash over any other payment method, more than one-in-three (33%) believe it is easier to budget using cash, compared to other payment methods, with 25% saying having cash makes them feel confident / happier and 24% believing that cash is the safest way to make financial transactions
- 11% of Europeans, equivalent to 22 million Europeans - the population of Belgium and The Netherlands combined - claim to have been a victim of electronic card fraud.

Industry Support for Cash

Business across the EU have also supported the need for cash, with figures developed by a number of public and private sector organisations illustrating the valuable role that cash plays in society:

Cash is the most popular means of payment: *According to management consultant McKinsey's 2002 report cash represented 80% of the €230Bn payment transactions, with cards representing 7% (€16Bn), electronic transactions 10% (€23Bn) and paper-based 3% (€7Bn).*

Cash is simple to use: *In the most recent EU EuroBarometer survey, Finns selected cash as their No 1 preferred means of payment because of its ease of use. Despite the fact that this country has been at the very vanguard of payment electrification.*

The latest EuroBarometer revealed that 50-60% of respondents in Spain, Ireland, Italy, Austria and Portugal selected cash as their preferred payment method. Additionally, 40-50% of respondents in Denmark, Germany, Finland and UK chose cash as their preferred payment method,

- Cash helps consumers control personal debt: *In a Central Bank initiated National survey in Holland in 2002, 55% of respondents stated that they used cash when they wished to limit their expenditure. Research in the UK by National Savings & Investments (NSI) in 2006 has identified that:*

"The convenience of the cashless lifestyle has created a group of 'cavalier cardholders', who use cards for everyday purchases, but are less in control of their spending as a result. More than a third of the over spenders (37%) go over budget on their debit cards because handing over their cards does not register as spending."

- Credit cards are the most expensive form of payment: *Virtually all major studies concur that credit cards are the most expensive means of payment by far. Brits and*

Winders of the DNB stated in their 2005 paper that “The credit card is the most expensive instrument, irrespective of the transaction amount.”

Data from the Belgian National Bank indicates that:

Total Average Cost Per Transaction (Euro)				
	Cash	Debit Card	E-Purse	Credit Card
NL (2002)	0.30	0.49	0.93	3.59
B (2003)	0.53	0.55	0.54	2.62

- Cash issue generates some €22bn annually for the EU member states: *This is because the Central Bank effectively gains an interest free loan upon the face value of banknotes and coins while they are in circulation. This loan is invested and the return it generates called Seignorage is a reliable, predictable and socially acceptable revenue stream to the State.*

Cash is a significant revenue generator for EU member states, helping to reduce the need for further tax.

Despite the growth in electronic payments, until now cash in circulation has continued to grow across Europe, resulting in ever increasing Seignorage “tax” revenues. Probably only major intervention by the European Commission could change this trend.

However what seems to be being ignored by the European Commission is the fiscal impact – the Member States would need to increase conventional taxes to replace the lost Seignorage revenue, while the commercial banks would be generating higher profits from the issue and use of cards.

- *Cash replacement by cards will increase fraud: Migration to electronic payments will increase the level of fraud because cash is the safest way to handle money. Annual credit card and debit card fraud has reached €439,4 million in the UK alone. On a European level, the figure is over €2.96 billion (figure generated by extrapolating from published figures in the UK). **Cash-in-Transit** robberies in Europe are modest by comparison, running at about €96,501.113 (source ESTA Valencia conference May 2006) annually.*

Card fraud in Europe is an income generator for organised crime syndicates. The proceeds of which are invested in serious criminal activities which Europol is currently investigating.

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Appendix 1

Effective Members

ANDORRA

Seguriser S.A.

AUSTRIA

Securitas Werttransporte GmbH

BELGIUM

Brink's Belgium S.A.

G4S Cash Services (Belgium) SA

BULGARIA

Group 4 Securitas (Bulgaria) Ltd.

CROATIA

Fina (Financial Agency)

CZECH REPUBLIC

Brink's C.L. CR s.r.o

Group 4 Falck A.S.

CYPRUS

Group 4 Securitas (Cyprus) Ltd.

DENMARK

Dansikring Værdi A/S

ESTONIA

AS Sularahakeskus

FINLAND

Securitas Arvokuljetus Oy

G4S Cash Services (Finland) Oy

FRANCE

Brink's S.A.

G4S Cash Services (France) SARL

Prosegur S.A.

Docks & Entrepôts Sazias S.A.

Securitas S.A.

GERMANY

Brink's Deutschland GmbH

G4S Geld-und Wertdienste GmbH

Kötter Geld-und Wertdienste GmbH&Co. KG

GREECE

Brinks-Hermes S.A.

Pyrros Security S.A.

Wackenhut Security Holdings SA

GUADELOUPE ISLAND

Brink's Antilles-Guyane

HUNGARY

Brink's C.L. Hungaria, Rt.
G4S Cash Services Kft

IRELAND

Brink's Allied Limited
Securicor Ireland Ltd.

ITALY

Battistolli Group
Fidelitas S.p.A.
Fitist Security S.r.l.
Ipervigile S.r.l.
Italpol Group S.p.A.
Mondialpol Milano S.p.A.
Mondialpol Cuneo s.r.l.
North East Services S.p.A.
Saetta Trasporti S.p.A.
Safe S.p.A.
Sicuritalia Ilvi S.p.A.
Vigilanza Vedetta 2 S.R.L.

LA REUNION ISLAND

Brink's Réunion

LATVIA

AS Falck Aspargs

LITHUANIA

UAB Falck Security

LUXEMBOURG

Brink's Luxembourg S.A.
Group 4 Falck S.A.

MALTA

G4S Security Services (Malta) Ltd.

NETHERLANDS

Brink's Nederland B.V.
G4S Cash Services B.V.

NORWAY

Falck Norge AS
Securitas Cash Handling Services A/S

POLAND

Brink's C.L. Polska Sp. Zo.o.
G4S Cash Services Sp. z o.o.

PORTUGAL

Prosegur Lda.
Securitas S.A.

ROMANIA

Group 4 Falck Romania Srl

SLOVAK REPUBLIC

Group 4 Falck Slovensko, a.s.

SPAIN

Prosegur S.A.
Securitas S.A.

SWEDEN

Falck Sverige AB
Securitas Värde AB

SWITZERLAND

Brink's Switzerland Ltd.
Mat Securitas Express AG
La Poste Suisse
Protectas Cash Handling S.A.

UNITED KINGDOM

Brink's Limited
G4S Cash Services Ltd.
Securicor Isle of Man Ltd.
Securicor Jersey Limited
Securicor Guernsey Limited
Securitas UK Limited
Security Plus + Limited

Adherent Members**BELGIUM**

AGIS S.A.
3 SI Security Systems S.A.
TICSA N.V.

CZECH REPUBLIC

Svos s.r.o.

FRANCE

Axytrans S.A.
Banctec S.A.
Centigon France SAS
France Espèces
Kheops
Unisto S.A.
Vehixel - Trouillet Constructeur

GERMANY

Apprich Secur GmbH
Anton Debatin GmbH
Catlin GmbH
Dedicated Micros GmbH
Giesecke & Devrient GmbH
Orfix International GmbH & Co KG

ITALY

Fontauto - Max Protection S.r.l.
4P Mobile Data Processing S.r.l.
General Broker Service S.p.A.
ISTV S.p.A.
Marine & Aviation S.p.A.
Mondialbrokers S.r.l.
Repetti S.r.l.
Sitrade Italia S.p.A.

NETHERLANDS

Capture Tech Benelux B.V.
Transtrack International B.V.
TSS International B.V.

SWEDEN

Eurosafe Sweden AB
Scan Coin AB
SQS Security Qube System AB

SWITZERLAND

Gehrer AG
Kaba AG
Villiger Security

UNITED KINGDOM

Britton Banking and Security
E.J. Brooks (Europe) Limited
Butcher, Robinson & Staples Int'l
CCI-Currency Consulting Int. Ltd.
De La Rue International Ltd
Fluiditi Limited
ITW Envopak Limited
Johnson Security Limited
Lowers & Associates
Marsh Inc.
NSC Holdings Ltd.
Sealed Air Limited
Secure Options Ltd.
Spinnaker International Ltd.
Willis Limited

Associate Members**REPUBLIC OF SOUTH AFRICA**

Fidelity Cash Mgt Services (Pty) Ltd.