

NICE CONFERENCE

EU AFFAIRS

- CROSS BORDER CIT HARMONIZATION
- COUNCIL REGULATION (DRAFTED) TO RENDER CURRENCY AUTHENTICATION COMPULSORY
- CEN STANDARDIZATION ATTEMPT OF CASH DEGRADATION SYSTEMS (CEN TC 263 WG4)
- ECB ON TEN YEARS OF EUROPEAN MONETARY UNION AND THE ROLE OF NATIONAL CENTRAL BANKS

INTERNAL AFFAIRS

MISCELLANEOUS

- CASH FUELS THE BLACK ECONOMY
- THE US NATIONAL RETAIL FEDERATION (NRF)
- APACS
- ATMIA
- BRC
- UPCOMING CONFERENCES THAT YOU MIGHT CONSIDER WORTH ATTENDING



- ***2009 CONFERENCE WILL BE HELD IN ROMA (ITALY) BETWEEN APRIL 26TH THRU 28TH IN A LOCATION TO BE CONFIRMED SOON.***

NICE CONFERENCE

- Many thanks to all of you – participants, exhibitors, speakers and sponsors – for your tremendous support. Over 330 participants made this event our record attendance so far!
- All presentations and photos are now posted on our web site: www.esta.biz
- As our President, Mr. Ken Niven, concluded our 2008 conference:

“I am sure you will all agree that the last two days have been excellent and that we have truly explored all the issues in connection with the “Future of Cash in Europe”.

The presentations have given us a deep understanding of the issues, challenges and opportunities that this essential and strong industry of ours will have to work through.

The presentations have given us a deep understanding of the issues, challenges and opportunities that this essential and strong industry of ours will have to work through.

Cash clearly has a very strong future. Most of our presenters

yesterday confirmed this. And what I found personally interesting from yesterday, is that while most of the presenters started from different points, and had different agendas, they invariably all came back to the same area of mutual agreement.

- Cash is strong – compelling example of the Boots pharmacy retailer
- We need a long term vision for cash
- Who looks after brand cash – we have spent the last 2 years defending cash, but now it needs to be promoted
- Until the credit crunch, I think we had all forgotten how secure cash is – it is legally backed by Governments
- Cash security versus card fraud may be a growth engine for the future
- Central banks as policy makers have significant influence over the way cash logistics companies operate. And I must say that it has been very good for ESTA to have so many Central bankers address our conference
- Central banks world-wide are edging their cash management policies forward”.

EU AFFAIRS

CROSS BORDER CIT HARMONIZATION

As previously reported, DG ECFIN from the EU Commission has called a first meeting on July 2nd to present the terms of a possible harmonisation instrument.

In the meantime, the Lisbon Treaty, that was paving the way towards a migration of public security issues (called third pillar and under Member States jurisdiction) to the first pillar (EU jurisdiction), has not been approved and this is somewhat eroding the legal foundation of DG ECFIN initiative which also finds its legal base in the Treaty. ESTA will open a wide internal debate on this topic, under the umbrella of its EU Laws working group.

COUNCIL REGULATION (DRAFTED) TO RENDER CURRENCY AUTHENTICATION COMPULSORY

ESTA has engaged a lobbying action directed to the European Parliament and the Council with a view of making this obligation enforceable to all economic stakeholders (such as retail industry, vending industry) and not only to professional cash handlers.

The purpose of this upcoming legislation is the protection of the currency and it is essential that all parties (level playing field), engaged in the recycling of the currency prior to re-injecting it in the financial circuit (e.g. cash back, ATMs replenishment...), are bound to the same rules and regulations to guarantee the protection of our currency against counterfeiting.

CEN STANDARDIZATION ATTEMPT OF CASH DEGRADATION SYSTEMS (CEN TC 263 WG4)

The last meeting, held in Madrid on May 29th and 30th has seen the usual issues debated with a special request from ESTA members, to ensure that their end-users requirements be considered as contingent to CIT support to this standardization exercise. The new technologies currently developed in UK should also be included in the upcoming document.

PG1 will hold an interim meeting in Brussels on June 24th to discuss the major stumbling blocks and hopefully resolve the disputed issues.

ECB ON TEN YEARS OF EUROPEAN MONETARY UNION AND THE ROLE OF NATIONAL CENTRAL BANKS

Mrs. Gertrude Tumpel-Gugerell, Member of the Executive Board of the ECB, has recently presented her views on the role of national central banks today!

ECB is seen as the captain of the team and NCBs are team members but the unique structure of the Eurosystem, comprising 15 NCBs and the ECB, poses challenges to its governance and organisation.

She claims that it is crucial to further deepen the cooperation to guarantee a smooth functioning and successful policy making of the Eurosystem.

INTERNAL AFFAIRS

New adherent member: Messrs. Sargeant & Greenleaf S.A. application has been approved by the Board meeting

Corresponding members: a new category of member has been created for the national CIT associations interested to become ESTA members. The following associations have signed in:

- Assovalori (Italy)
- BDGW (Germany)
- Fedesfi (France)
- POFOG (Poland)

MISCELLANEOUS

CASH FUELS THE BLACK ECONOMY

We all know that Cash is a medium of exchange and will be replaced if necessary (barter, prepaid cards...) and the good news is that Cash alleged monopoly of facilitating the functioning of the parallel economy is definitely outdated!

A recent Forbes Cover has exposed the most successful ways criminals use to try cover their tracks:

1. Wires/Transfers, like money-orders
2. Credit Cards: the use of credit cards to pay for unsavoury goods or services happens more than credit card companies admit.
3. Prepaid cards: "it is almost an untraceable instrument" says the Association of Certified Anti-Money Laundering Specialists and Prepaid cards have become a big money laundering concern. Other stored-value cards often branded by the major issuers can be accessed for cash via ATMs worldwide. Drug dealers use these cards and terrorists rely on them!
4. Digital currency: hackers and identity thieves make use of online payment systems.

THE US NATIONAL RETAIL FEDERATION (NRF)

Has welcomed the introduction of landmark antitrust legislation that would address hidden MasterCard and Visa fees that cost merchants and their customers more than \$ 40 billion a year.

More on www.nrf.com

APACS

The Association of Payment Clearing Services reports a 25% rise in the fraudulent use of UK credit and debit cards last year! www.apacs.org

ATMIA

ATMIA publishes a report predicting another 100 years of cash on www.atmmarketplace.com/article.php?id=9818

BRC

The distinguished British Retail Consortium, is accusing card companies of pushing cashless payments methods that are a way of further boosting their own revenues. www.brc.org.uk

UPCOMING CONFERENCES THAT YOU MIGHT CONSIDER WORTH ATTENDING

- CURRENCY CONFERENCE
October 12-15, 2008
Prague, Czech Republic
www.currencyconference.com

- ATM SEC
October 27-28, 2008
London, UK
www.atmiaconferences.com
- COESS GENERAL MEETING
September 24-25, 2008
Sofia, Bulgaria
www.coess.org
- EFMA CARDS & PAYMENTS 2008
September 9-12, 2008
Paris, France
www.efma.com

HAPPY SUMMER HOLIDAYS

