

BUDAPEST CONFERENCE – 29/31 MAY, 2005

ESTA INTERNAL AFFAIRS

- The Board of Directors
- The ESTA Working Groups

ESTA EXTERNAL AFFAIRS

- CEN/TC263 WG 4 on Cash Degradation Systems
- Seminar co-organized by EPC/OLAF and ECB
- EFMA Conference on Cash

EUROPEAN INSTITUTIONS

- Internal Market – Directive Services
- ECB – Recycling framework
- Working time

UPCOMING MEETINGS

VARIOUS

BUDAPEST CONFERENCE – 29/31 MAY, 2005

Thanks to your contribution, Budapest has been a very successful venue with over 250 participants.

All presentations and photographs can be retrieved from our web site:

www.esta.biz



Our next Conference will be held on May 14th-16th, 2006 in a location to be confirmed shortly and your suggestions regarding sessions / debates / exposition are welcome. We look forward to seeing you all.

ESTA INTERNAL AFFAIRS

THE BOARD OF DIRECTORS

The ESTA Board has met on May 3rd during which the following new Directors have been appointed:

- Messrs. Ericksson and Fullicks are replaced by Messrs. Thelin and Lopez Periago
- Mr. Dal-Re is replaced by Mr. Fresno Rodriguez
- Mr. Durman is replaced by Mr. Kroeger
- Mr. Maddalone has resigned and is not replaced so far.

THE ESTA WORKING GROUPS

➤ CIT EU LAWS AND RELATIONSHIP

We are pleased to advise that CoESS/Uni-Europa have received the appropriate EU funding that will allow the appointed consultant, Mrs. L. Morré, to complete the first CIT laws survey with data from the ten last acceding Member States. This study has to be submitted by 31 May 2006.

➤ CENTRAL BANKS

- ✚ The meeting of June 6th has been enhanced by a presentation made by Mr. Y. Xenakis – EU Commission – OLAF – Head of Unit – Protection of the Euro – on EU recommendation on authentication of euro coins and the handling of euro coins unfit for circulation. This document is available on request from the ESTA secretariat.

- ✚ A meeting of the PSMG (Payment Systems Market Group) took place on May 13th to discuss possible legal support and incentives towards the Single Euro Payment Area (SEPA). Cash issues have not been discussed and will be debated at a later stage.

- ✚ ESTA has been invited by EPC to present its Position Paper to its Cash Group on May 18th. Graham Levinsohn's presentation was followed by an interesting Q&As session.

- ✚ Bundesbank: the German situation is closely monitored by this Group and some developments are expected in early July.

➤ CIT SECURITY & RISK MANAGEMENT

As decided by the ESTA Board a sub-committee on TDS/IBNS has met on June 23rd to elaborate a summary document that will be submitted at the next ESTA Board with a view of defining ESTA's strategy in this standardization process.

➤ CENTRAL & EASTERN EUROPE

The first meeting took place in Budapest on May 31st with a view of elaborating a working plan that will concentrate on the most crucial issues, such as: National Central Banks' roles, minimum requirements for CIT laws, social issues, country data, introduction of €.

ESTA EXTERNAL AFFAIRS

CEN/TC263 WG4 ON CASH DEGRADATION SYSTEMS

ESTA is attending those meetings in its capacity of "observer".

The Frankfurt meeting of April 14th-15th led to the constitution of an ESTA dedicated working group (see 2.1) and the ESTA position paper will be circulated as soon as it has been approved by the Board.

CO-ORGANIZED SEMINAR BY EPC / OLAF AND ECB

This took place in Brussels on April 12th-13th on "Fighting Euro counterfeiting across Europe: roles, challenges and upcoming developments". Presentations are available from ESTA secretariat on request.

THE EFMA CONFERENCE ON CASH

This conference took place in Paris on April 7th-8th and presentations are available as above-mentioned.

EUROPEAN INSTITUTIONS

INTERNAL MARKET – DIRECTIVE SERVICES

Various reports from the Rapporteurs, E. Gebhardt and A. Van Lancker have been published; the situation is very confusing and will not know any

substantial development before the first reading at the European Parliament.

We are of the opinion that CIT derogation will not be linked to a date line but rather to the instrument of harmonization, whose content is not yet defined.

ECB – RECYCLING FRAMEWORK

Several technical meetings are taking place in Frankfurt between ECB, NCBs, EPC and ESTA to discuss statistical reporting issues that have to be submitted by all PCHs (Professional Cash Handlers, these are Credit Institutions and/or CIT companies).

Those data will consist of a master data (one time) and periodic data (operational data) that will be submitted, in an aggregate format, to NCBs or ECB itself in case of disagreement with NCB.

This document will be published on the ESTA website as soon as ratified by all parties.

WORKING TIME

The EU Commission's vision on the upcoming Directive Proposal is now being sent back to the co-legislators for further consideration.

We wish to draw your attention on provisions dealing with "on call time and opt-out" that might have a direct impact on your businesses (guarding mainly). More information can be obtained on request from our secretariat.

VARIOUS

UPCOMING MEETINGS

ESTA:

- ESTA CIT Security Risk Management – Brussels – July 12th
- ESTA Central Banks Working Group – Brussels – September 21st
- ESTA Central & Eastern Europe Working Group– Vienna – September 27th
- Next ESTA Board will take place on September 8th, in Brussels

OTHERS:

- Next BNW meeting and AGM will be held on July 5th in Hayes (UK)
- European Cash Users Group – Brussels – July 6th
- ECB Statistical Reporting Final meeting – Frankfurt - July 18th
- The 2005 Currency Conference is scheduled to take place in Montreal (Canada) on October 2/5 and we are inviting all interested members to visit their web site: www.currencyconference.com for more in-formation.
- September 15th: DNA presentation – London

- The European Intelligent Cash Protection Association is now called EURICPA instead of EICPA
- Vigie Billet (France) is introducing its association to the French stakeholders on June 28th, in Paris
- The circulation of € banknotes continues to grow steadily and exceeds 2004 (5 months) by 7,8% in terms of volume (9,503million) and 15,4% in terms of value (512,6billion)

Total number of euro banknotes in circulation from January 2002 to May 2005

