EUROPEAN CENTRAL BANK

EUROSYSTEM

ECB Update

Making cash fit for the future

ESTA Conference
Berlin, 7-9 June 2026

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Overview

The views expressed by the presenter do not necessarily reflect the views of the ECB or the Eurosystem.

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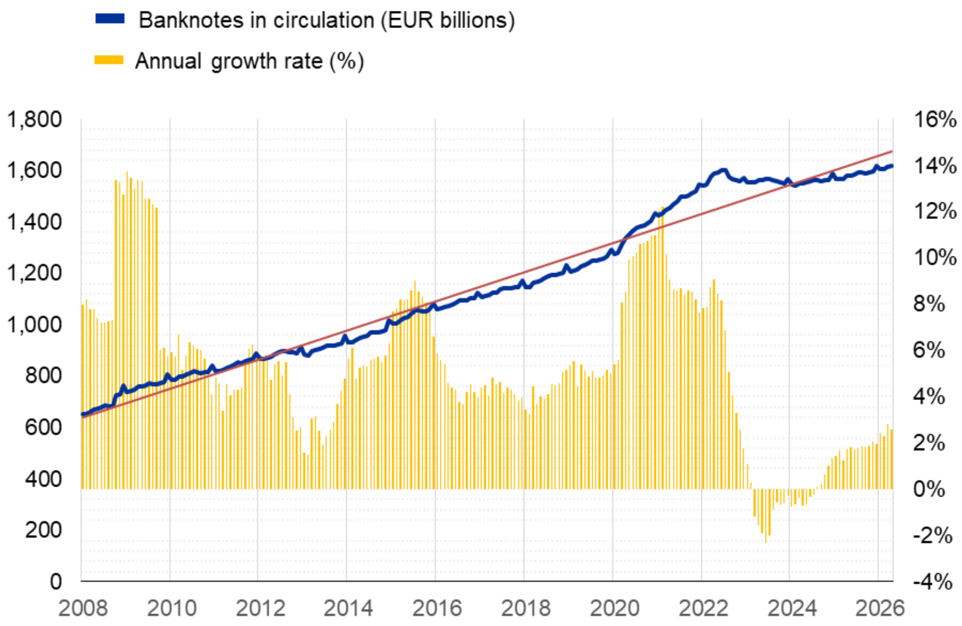
Statistics, stylized facts and surveys

Euro banknote circulation (1)



End-April 2026:

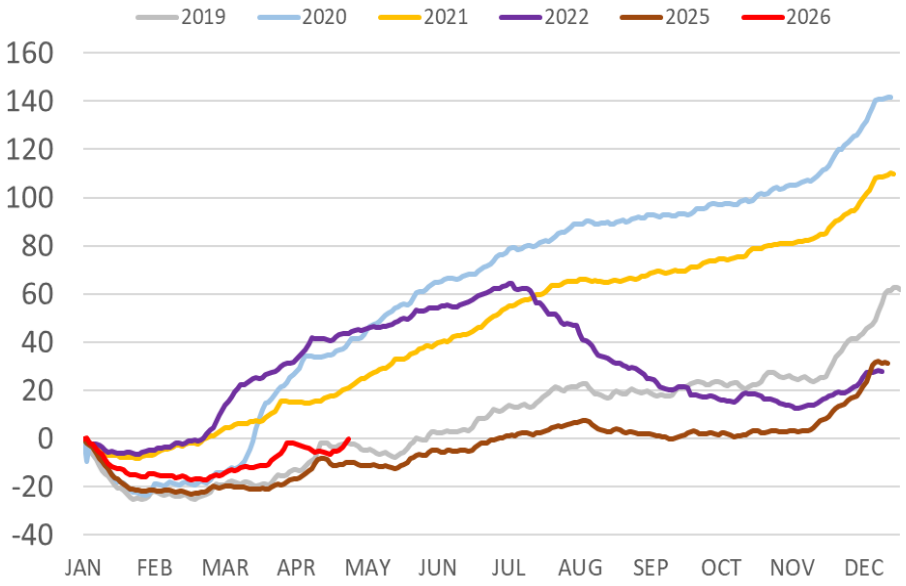
- 31.3 billion notes (+3.6% p.a.)
- EUR 1.6 trillion (+2.6% p.a.)

Euro banknote circulation (2)

Cummulated net-issuance per year*

Until **end-April 2026** cumulated net demand was higher compared to the period until **end-April 2019**

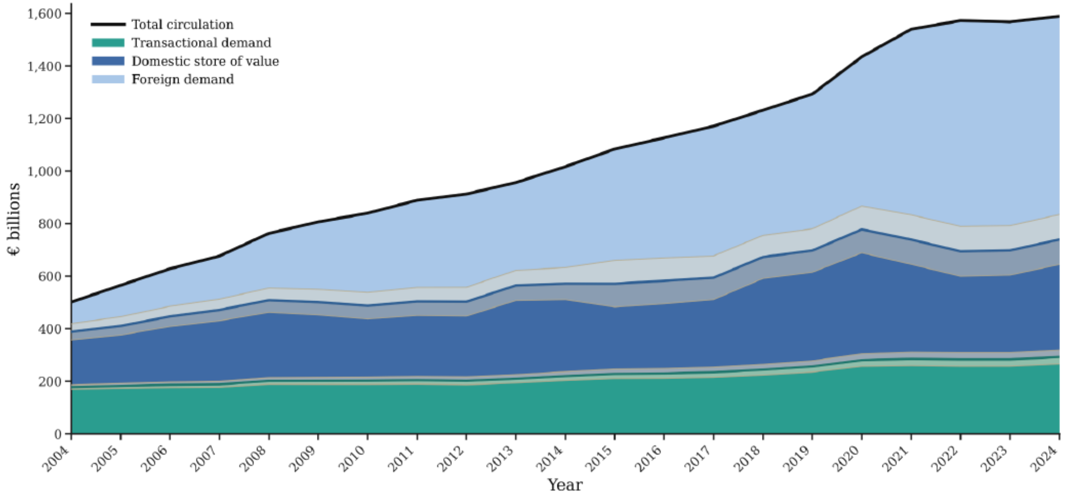
Without Bulgaria with a banknote circulation value of EUR 8.1 billion, the growth rates would have been 2.1% in value and 2.7% in pieces, which would roughly be similar to 2025 and close to pre-pandemic levels.

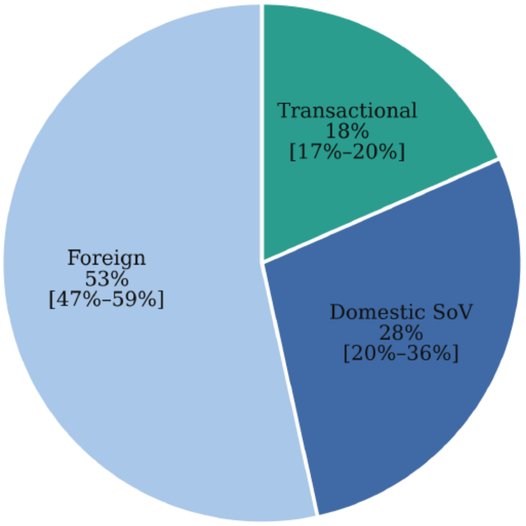


**Cumulated net issuance = sum of notes issued – returned (from/to NCBs and NHTO)*

Stylised facts about cash

Euro banknotes in circulation divide into (1) transactional (2) store of value and (3) foreign demand

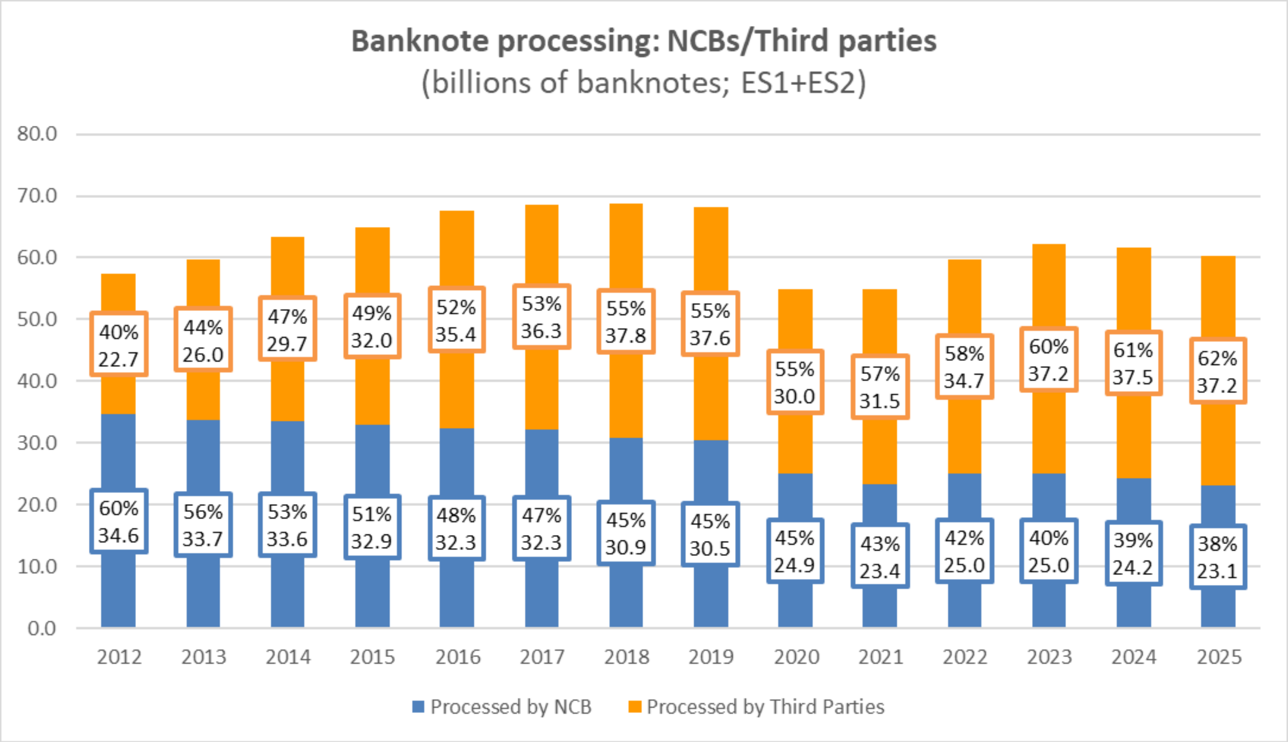




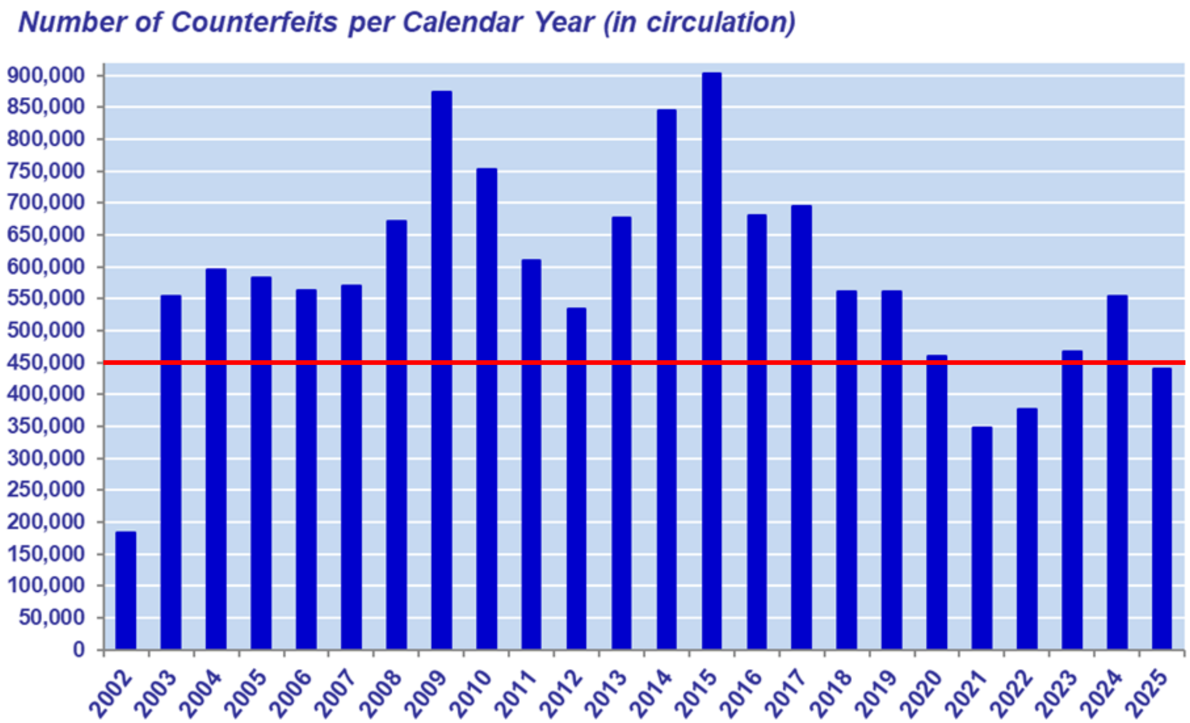
Reference:

[Zamora-Pérez (2026)]

Banknotes processed by NCBs and third parties (in billions)



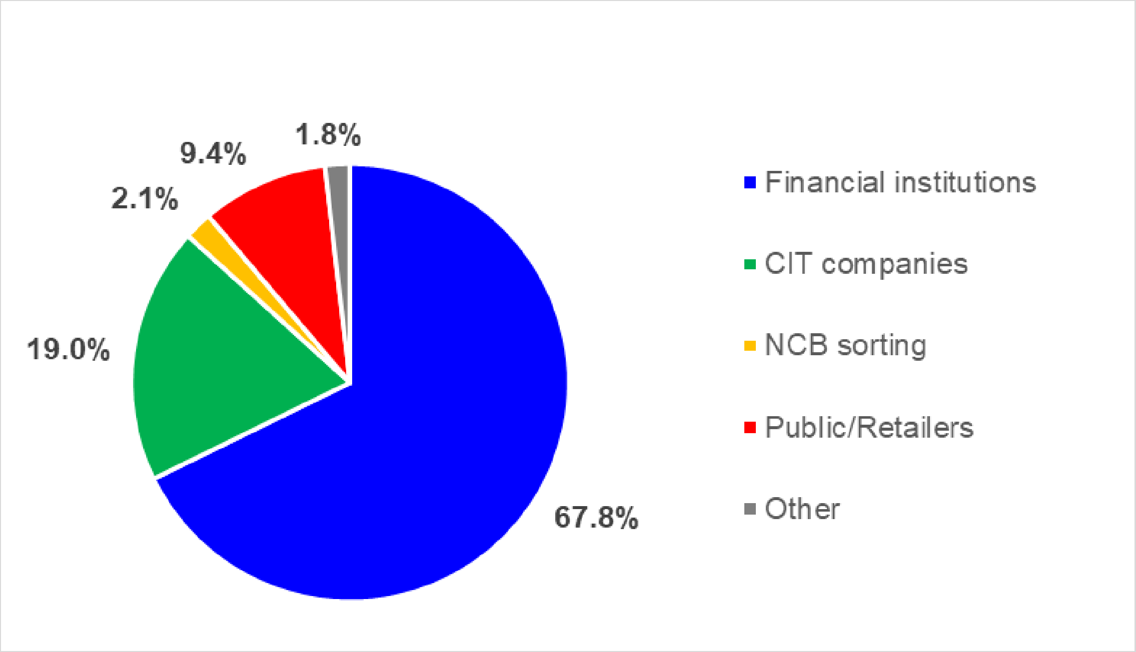
Counterfeiting



Counterfeits detected

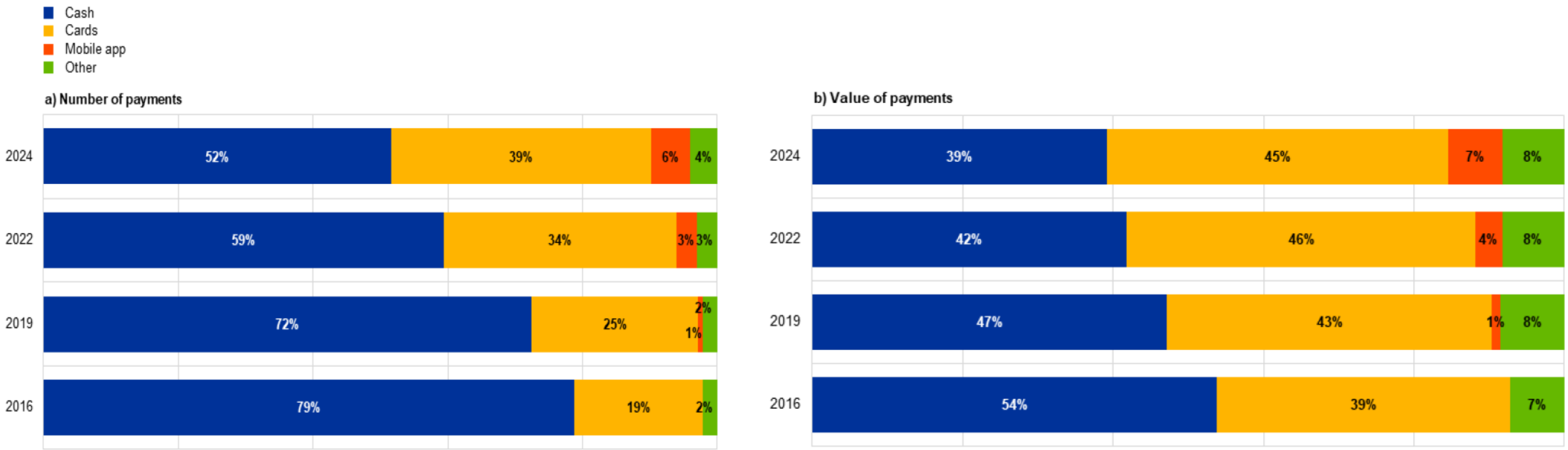
(2025, in circulation)

Counterfeits are mostly detected by financial institutions and cash-in-transit companies. Those two categories accounted for **more than 85%** of the total in 2025.

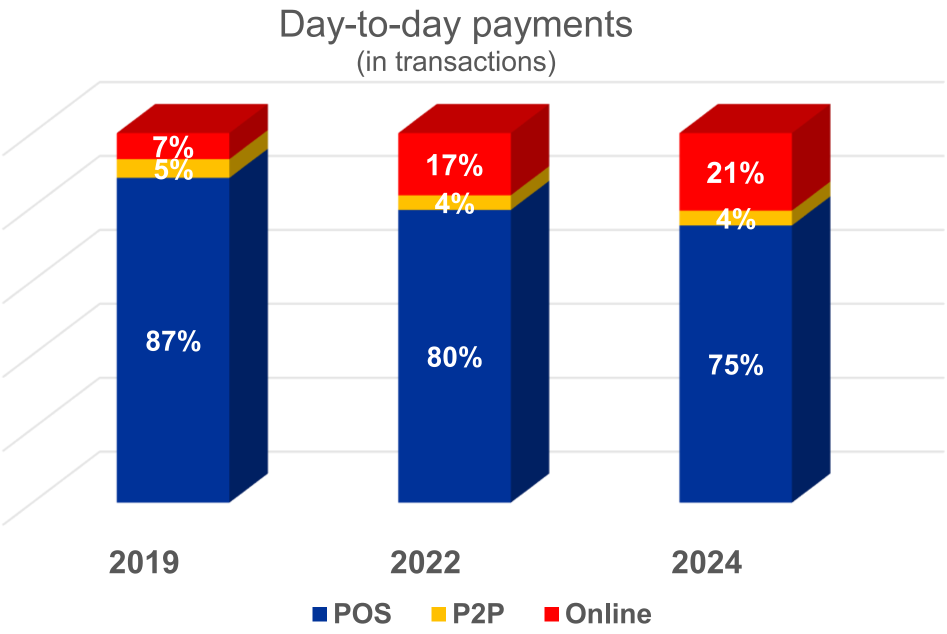


Cash use at POS is declining

Share of payment instruments used at the POS, euro area, 2016-24



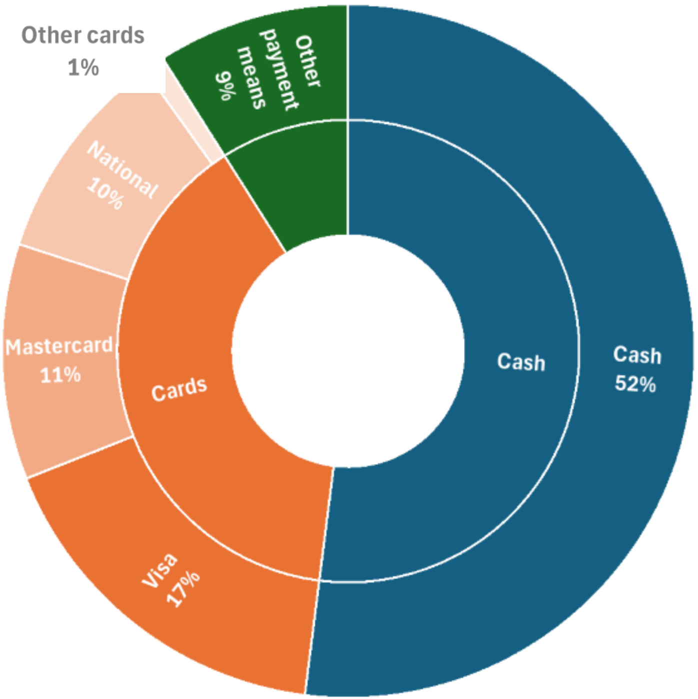
Cash use declined partially due to increase in online payments



Source: [Study on the payment attitudes of consumers in the euro area (SPACE)]

Cash versus cards*

Cash still dominant if cards are broken down by scheme/issuer



* Own(rough) estimations, based on SPACE (2024) and various card sources; due to co-badging estimations may be less accurate; not to be quoted.

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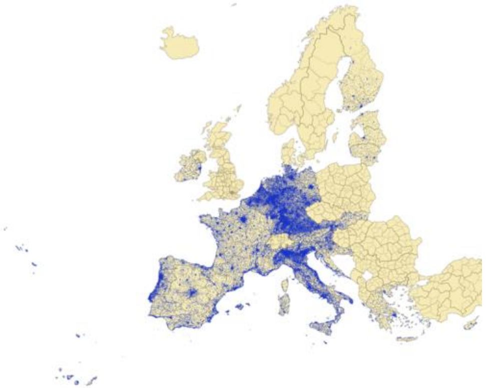
Making cash fit for the future

Legal Tender of Cash Regulation

Mandatory **Acceptance**

Access to cash



Resilience of cash - **Availability**

What can we do more?

Contingency

- Cash transport & processing as critical infrastructure
- Interlinkages between all stakeholders
- Communication

Is cash always a true contingency?

Crime

- IBNS (requirements, homologation, information sharing, training)
- AML rules
- Addressing misconceptions

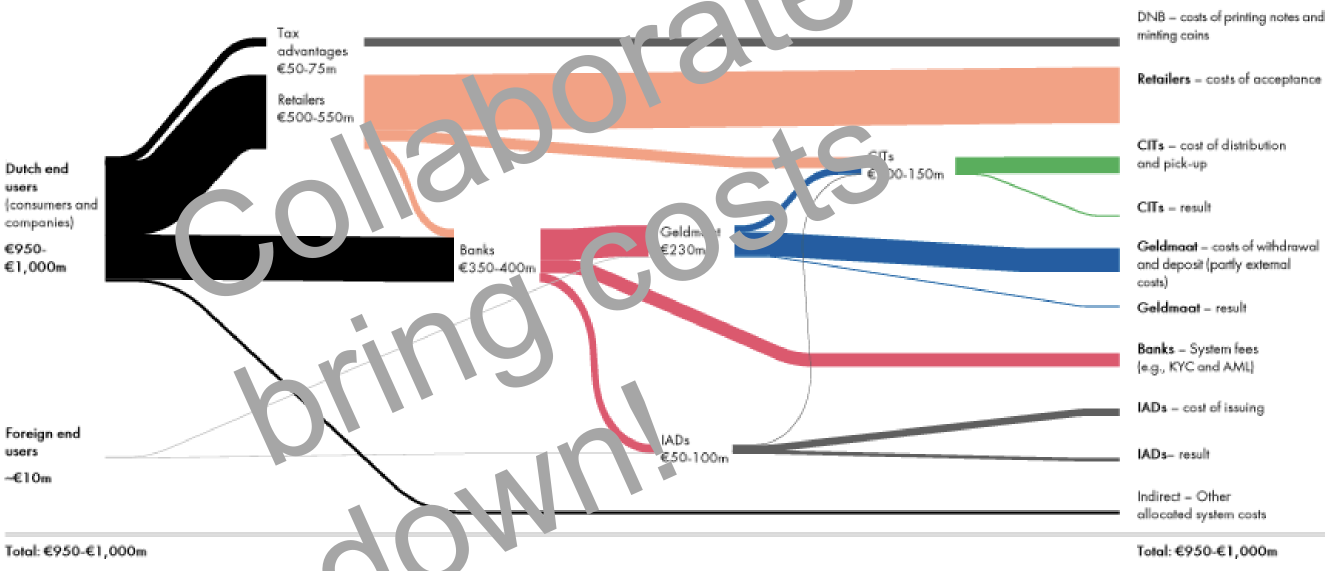
Costs

- Understanding costs of cash
- ATM fees
- 1 and 2 cents
- Harmonisation of procedures
- Standardisation ATM cassettes
- Local recirculation

The costs of cash are everywhere

Costs and revenues per player in the cash cycle

Euro million



Collaborate to bring costs down!

Source: De Nederlandsche Bank, "*The future of the cash infrastructure in the Netherlands*", Report by McKinsey, 2025

The Euro Series 3 banknotes - What's coming next?

ECB-UNRESTRICTED

WHEN

Now-Mid 2026: Closure of design contest and selection of designers to work on design proposals. Selection of up to 5 winning designs per theme

Summer 2026: quantitative survey and public survey on the ECB website to gather insights into public preferences

End 2026: The Governing Council will decide on future banknote design, considering expert advice and public feedback

After design selection: technical work (i.e. translating the design into a banknote with security features) can start

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Conclusion

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Forewarned, forearmed;
to be prepared is half the victory.

Miguel de Cervantes

Thank you!