

# National Forum on the Payment System Report 2013



Report to the Minister of Finance  
April 2014



## 1. Table of contents

1.	Table of contents .....	3
2.	Preface .....	5
3.	Results achieved in 2013 .....	7
	The move to IBAN .....	7
	Consumers and SMEs find accessibility of payment services satisfactory .....	7
	Development of new credit transfer forms .....	7
	Decline in fraud incidence .....	8
	Uniform safety rules in the payment system .....	8
	Robust payment system in the Netherlands .....	8
4.	Introduction of SEPA in the Netherlands .....	9
	The Netherlands has adopted SEPA standards .....	9
	Cooperation within the NFS .....	10
	Migration issues .....	11
	SEPA direct debit: a complex matter .....	12
5.	Accessibility and availability .....	13
	Consumers and SMEs find accessibility of payment services satisfactory .....	13
	banking by telephone .....	15
	SEPA credit transfers forms .....	16
6.	Efficiency .....	17
	European Commission Recommendation on legal tender .....	17
	Robustness of the electronic payment system .....	17
	Promoting electronic payments .....	18
	Evaluations .....	18
	Paying in the Netherlands .....	19
	Affordability of cash distribution requires increased efficiency .....	20
7.	Security .....	22
	Fraud and measures .....	22
	Uniform safety rules in the payment system .....	22
	Trends in counterfeit banknotes .....	23
8.	Priorities in 2014 .....	25
	Completion of the SEPA migration in the Netherlands .....	25
	Accessibility of EFTPOS terminals .....	25
	Efficiency .....	25

Safety and security .....	26
APPENDIX 1 Mission and organisational structure of the Forum .....	27
Mission and mandate.....	27
Composition of the Forum .....	27
APPENDIX 2 Organisation of the SEPA migration in the Netherlands.....	29
APPENDIX 3 Statistical information on payments in the Netherlands .....	30
APPENDIX 4 List of abbreviations .....	33

## 2. Preface



The year 2013 in the Netherlands saw the successful migration to the Single Euro Payments Area or SEPA. The success was largely attributable to the smooth cooperation of the various parties represented in the National Forum on SEPA Migration (NFS). As a result, the need for an extra transition period until 1 August 2014, as agreed at the European level, was hardly felt among Dutch market parties. The limited group of especially smaller companies and other organisations that had not made the changeover was urged not to lose any more time. Because from August 2014 it will be impossible to continue using the old-style technical file formats. Also from August, consumers will no longer be able to use the former ‘short’ bank account numbers in internet banking. Use of the IBAN will henceforth be mandatory. A gentlemen’s agreement was reached among the parties involved and the Minister of Finance to create a consumer-friendly possibility to continue using the short account numbers for transfers to charities until 1 February 2016.

Going forward, the European payments area should develop into an instrument for increasing the safety and efficiency of the payment system on a European scale. There is a world of opportunities still: think of digital direct debit mandates (‘e-mandates’), accelerated processing of consumer and business payments or contactless payments using debit cards or smartphones. The increasingly European playing field will also enlarge the importance of European forums, in particular the prospective European Retail Payments Board. The Forum should seek a good alignment with this Board.

The accessibility and availability of the payment system must continue to be guaranteed. I was glad to note that the 2013 Accessibility Monitor finds no evidence of generic accessibility or availability issues. However, functionally challenged people were found to be less satisfied about the distance to the nearest bank branch or ATM. Existing concerns relate in particular to the current and future development and distribution of ATMs. For this reason, the National Forum intends to pay special attention to this issue and where necessary will propose measures to assure adequate accessibility.

Targeted public information efforts and effective measures have in 2013 resulted in a strong reduction of internet banking fraud. Despite these favourable developments, the large number of attempted fraudulent acts remains a cause for concern. Internet banking fraud comes in several types, of which the most frequent two are *malware* and *phishing*. In the past year, malware or malicious software proved to be the main problem. Notably, phishing criminals are increasingly sending emails at times of unusual incidents, e.g. the DDoS attacks on internet banking sites in early 2013 and the media publicity on the postponement of the IBAN migration deadline. Thus they try to take advantage of topical payments issues. Therefore the issue continues to deserve full attention. Other areas where alertness is due are identity fraud and the safety of mobile and contactless payments.

Ambitions to further increase the efficiency of the Dutch payment system will, apart from the further encouragement of debit card use, have to target universal availability of internet banking, iDEAL and EFTPOS terminals. This will not only include the further improvement of the underlying systems but also efforts to increase their safety. Banks have already made considerable steps forward on this road and are continuing to do so in 2014. The National Forum will evaluate the results.

Frank Elderson  
Chairman

### **3. Results achieved in 2013**

#### **THE MOVE TO IBAN**

Since 1 February 2014, the Netherlands has formed part of the Single European Payments Area or SEPA. This date concluded one of the largest operations in the payment system ever performed. From that date, businesses and consumers used IBAN bank account numbers, European credit transfers and European direct debits. The national SEPA strategy of close domestic coordination and alignment in the National Forum on SEPA migration (NFS) has borne fruit. In 2013, the NFS considered and resolved over 20 migration issues. It has been agreed within the NFS that the remainder of businesses (no more than some 5%) that had continued using the old payment formats will switch over to SEPA as soon as they can.

#### **CONSUMERS AND SMES FIND ACCESSIBILITY OF PAYMENT SERVICES SATISFACTORY**

The Forum's 2013 Accessibility Monitor, published in November 2013, found no evidence of generic accessibility or availability issues. Despite the rationalisation of the banks' material payment infrastructure (branches and ATMs), most people were as satisfied with banking and payment services as they had been in 2010. However, functionally challenged people were found to be less satisfied about the distance to the nearest bank branch or ATM.

#### **DEVELOPMENT OF NEW CREDIT TRANSFER FORMS**

The arrival of SEPA has necessitated changes to the Dutch credit transfer form. In the development phase concerns arose within the Forum over the designers' choice for poorly legible colour schemes, lettering sizes and the uniform layout of the new credit transfer forms. In collaboration with representative organisations Oogvereniging (visually challenged) and ANBO (senior citizens), and within the preconditions of optical readability, the banks have developed much improved credit transfer forms, resolving the issue to the satisfaction of all.

## **DECLINE IN FRAUD INCIDENCE**

The amount of damage caused by internet banking fraud and by skimming came down strongly in 2013. Increasingly more sophisticated systems have enabled banks to detect and thwart the large majority of internet fraud attempts. Last year's reduction of skimming losses is largely attributable to 'geoblocking', whereby the magnetic stripe on debit cards is disabled for use outside Europe. Consumers may opt to reactivate the world-wide use of their card (usually through their internet banking facility), for instance when leaving Europe on holiday.

## **UNIFORM SAFETY RULES IN THE PAYMENT SYSTEM**

Consumer organisation Consumentenbond asked the Forum to address the confusion among consumers over the incongruent safety rules used by banks. Banks apply varying safety rules in internet banking and e-payments. Together with Consumentenbond, the Dutch Banking Association acted to harmonise these rules, removing differences between banks and cancelling obsolete rules. The resulting Uniform Safety Rules for retail banking offer consumers a consistent and transparent set of safety rules for the use of Internet banking and e-payment. Consumers who adhere to these rules may be confident that they will be compensated for amounts debited from their accounts without their permission.

## **ROBUST PAYMENT SYSTEM IN THE NETHERLANDS**

Following disruptions in the payment system in April 2013, which caused public inconvenience and unrest, the Forum analysed possible alternatives in case of (unexpected) disruptions of the payment system. The analysis intended to make clear whether there was a need for further alternatives and if so, how that need could be filled so as to enhance the robustness of the payment system. The outcome was that the Dutch payment system is robust. Alternative products or alternative methods (channels) to make payments are available for all existing payment products. It was decided to take action in three different areas to further enhance availability and to improve alternatives.



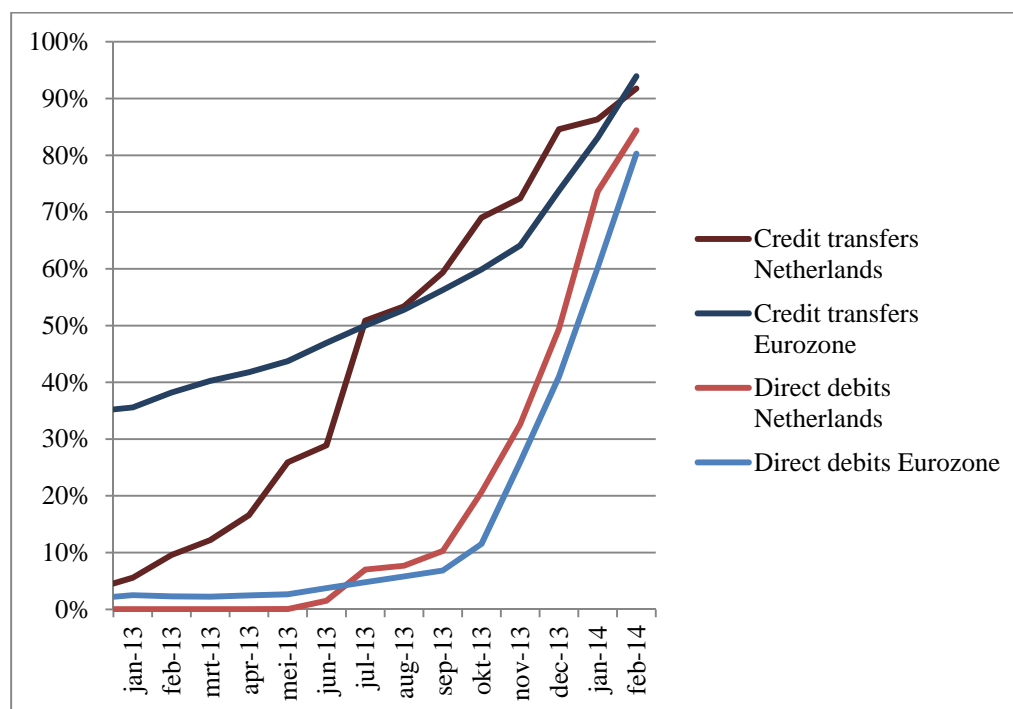
## 4. Introduction of SEPA in the Netherlands

### THE NETHERLANDS HAS ADOPTED SEPA STANDARDS

On 1 February 2014 the Netherlands joined the Single European Payments Area (SEPA). From that date, businesses and consumers have used IBAN bank account numbers, European credit transfers and European direct debits. Especially in the second half of 2013, migration activities were accelerated (Chart 1). In February 2014, 92% of credit transfers and 84% of direct debits in the Netherlands complied with SEPA standards; across the euro area, compliance was 94% and 80%, respectively.

**Chart 1: Migration to SEPA standards**

European credit transfers and direct debits in % of total volumes



Owing to disappointing migration statistics in a number of Member States, the European Commission moved to amend the SEPA Regulation to the effect that payment service providers may continue to process payment orders placed under national standards until 1 August 2014. For the Netherlands, it was agreed in the National Forum on SEPA migration (NFS) that the remainder of businesses that still used the old payment formats will migrate to SEPA as soon as they can. This group of businesses will be urged emphatically by their banks to proceed with the changeover. The group consists of some 60,000 companies (about 5% of the total number), mainly in the SME segment.

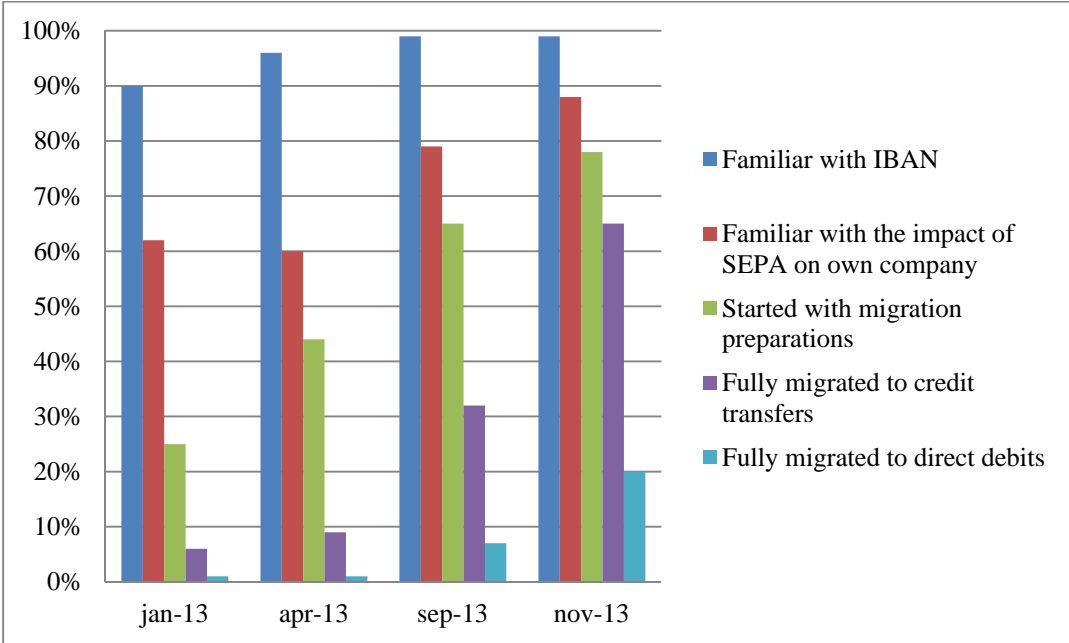
In late January 2014, the Minister of Finance decided to use one of the opportunities offered by the

SEPA Regulation, allowing banks until 1 February 2016 to convert old-style account numbers to IBAN for consumers (auto number conversion in internet banking). On the advice of the NFS, banks will autoconvert account numbers until 1 August 2014. The transition period is limited so as to minimise the number of incorrect (or unintentional) transfers and the possible abuse of the IBAN migration (phishing) by cybercriminals. For the benefit of charities a consumer-friendly solution is to be implemented whereby consumers may continue to transfer amounts to old-style short account numbers until 1 February 2016.

**COOPERATION WITHIN THE NFS**

The migration to SEPA was a complex project involving a high degree of interdependence between banks, businesses, public sector users, software suppliers, consumers and intermediary parties. This is why parties opted for a coordinated approach through the NFS and a National SEPA Migration Plan adopted in early 2012. The progress of the migration and advance preparations were closely monitored. While the actual migration across the year did not proceed as gradually as had been agreed, most of the Dutch payment system migrated to SEPA standards in the course of 2013. Due to delays at banks and software suppliers as well as at corporate users, most of the latter group migrated not in the first but in the second half of 2013 (simultaneously with the planned migration by smaller business users).

**Chart 2: Progress of SEPA migration by SMEs (% of companies)**



For many parties, the move had been preceded by a long preparation period: most large companies,

municipal authorities and other public bodies had begun preparations as early as 2010. In the SME sector, the migration took less time: whereas in early 2013 the majority was yet to start, by November 65% of SMEs had completed the move to the SEPA credit transfer and 20% had moved to the SEPA direct debit (Chart 2).

**Figure 1: IBAN Migration Bus**



The NFS supported the migration project with a publicity campaign entitled ‘Over op IBAN’ that aimed to familiarise consumers with the IBAN and to spur on and support the migration efforts of businesses.<sup>1</sup> During 2013 the campaign mainly targeted the SME segment, with specific focus on sectors that had made the least progress. In late 2013, in accordance with the campaign targets, over 90% of consumers were familiar with IBAN and knew how to retrieve IBANs, and businesses knew what they had to do to migrate to SEPA. The campaign made use of several different communication channels, including TV and radio commercials, social media, the campaign website ([www.OveropIBAN.nl](http://www.OveropIBAN.nl)) and a toolkit for businesses, plus other PR activities. The SEPA Nederland Programme Agency, banks, representative organisations and other parties provided information on SEPA through presentations and webinars, on trade fairs and otherwise. In September and October 2013, the ‘Over op IBAN’ bus (see Figure 1) toured the country, visiting entrepreneurial events and towns to educate business users and consumers. Charities received additional support, for example with banners.

## MIGRATION ISSUES

In order to handle and if possible solve migration issues, among other purposes, the NFS had set up the Task Force SEPA Nederland (TSFN). The common denominator of the solutions reached by the TSFN was the greater transparency achieved through additional communication. In some cases, it had to be accepted that not all the intended improvements could be realised before 1 February 2014, while in others specific Dutch payment standards had to be discontinued.

<sup>1</sup> The campaign earned a bronze 'Effie' award for, as the jury wrote, the appealing manner in which it publicised an unattractive topic.

In 2013, a major point for attention was the SEPA infrastructure of the banking industry. Here, developments were characterised by the existence of multiple parallel timelines. During the first half of 2013, banks informed their various client categories when they would be able to migrate to which products and using what channels. Another issue was the tardy delivery of software packages. Businesses use a great variety of financial and administrative software packages that had to be adapted or replaced, sometimes consisting of obsolete versions and/or tailor-made variants. Suppliers provided more straightforward delivery schedules to provide clarity to their clients. Their adherence to the schedules was monitored by the SEPA Programme Agency. Business users were also found to need clarity regarding the technical finalisation of especially SEPA direct debit products. Representative organisations actively informed their constituencies regarding the complexity of this product and the impact of the SEPA migration, for instance by organising meetings and drawing attention to SEPA through newsletters and/or articles. Some representative organisations additionally monitored the migration status of their own constituencies; in several cases these efforts paid off in a more rapid transition to SEPA standards. In June 2013, the SEPA Programme Agency created a LinkedIn group for the purpose of sharing knowledge and experiences.

### **SEPA DIRECT DEBIT: A COMPLEX MATTER**

The migration to the SEPA direct debit entailed specific issues. For one thing, it led to increased numbers of rejected transactions, some of them due to teething trouble, but others caused by procedure changes at banks (that were not directly related to SEPA but happened to coincide with the migration). Consumers and acquirers alike will find more transactions bouncing than before on account of balance overdrafts. In order to optimise the introduction of the SEPA direct debit, the banks have arranged weekly issue meetings with wholesale acquirers, under the aegis of the Dutch Payments Association.

In the migration towards the SEPA direct debit (for business-to-business transactions), the lack of a reversal option has proved a further complicating factor. Direct debit mandates will have to be reaffirmed, involving a heavy administrative workload. Also, the mandates must be registered with the debtor's bank. Banks and acquirers have made supplementary agreements about this issue (including the development of a standard form), ensuring early confirmation to acquirers that a mandate has been properly registered so that direct debits will be duly processed.

In November 2013 DNB, after ample consultations within the NFS, gave special permission for the continued use of the Dutch lottery-type direct debit until 1 February 2016. This decision was precipitated by a breakthrough in the European negotiations in September 2013, which appeared to create the possibility of an irreversible SEPA direct debit for consumers.\

## 5. Accessibility and availability

### CONSUMERS AND SMES FIND ACCESSIBILITY OF PAYMENT SERVICES SATISFACTORY

The Forum's 2013 Accessibility Monitor, published in November 2013, found no evidence of generic accessibility or usability issues. Every three years, the Accessibility Monitor assesses what has changed in the general accessibility of payment services relative to 2007. The results are published in the 'Accessibility Monitor', which reviews recent developments in accessibility and availability of payment services for consumers as well as businesses. The Monitor distinguishes four vulnerability groups: seniors, functionally challenged people, people without internet access and the lower educated/non-employed.

The favourable conclusion of the 2013 Accessibility Monitor echoes those of the baseline measurement in 2007 and the follow-up poll in 2010. Despite the rationalisation of the banks' material payment infrastructure (branches and ATMs), most people were as satisfied with banking and payment services as they had been in 2010. Appreciation among SMEs has even increased slightly since 2010. The services emerging as points for attention in 2010, in the opinion of SME entrepreneurs received higher marks in 2013 (e.g. outdoor cash deposit facilities and indoor and outdoor change collection facilities). As far as more vulnerable population groups are concerned, people with limited mobility are less satisfied about the distance from home to a bank branch or ATM. This development appears related to the decreasing density of such facilities. Municipalities acknowledge this and have asked attention to the disappearance of bank branches and ATMs, especially in the smaller communities. The Forum will closely monitor and analyse these developments and where necessary take action to safeguard the accessibility of bank facilities.

Consumers across the board awarded the accessibility and availability of payment services 7.5 and 7.7 out of ten, respectively. Table 1 shows consumer appreciation of a range of bank and payment services. On a scale of 1 to 10, no banking services score a 5 or lower. Consumers gave the highest score to the availability of mobile banking apps through smartphones or tablets: 8 out of 10.

Like the consumer respondents, SME entrepreneurs were asked to grade their overall satisfaction with their bank and with specific payment services. The emerging picture is one of overall satisfaction among SME entrepreneurs regarding the accessibility and usability of bank services. Their average scores for accessibility of payment services and user-friendliness were 7.3 and 7.4, respectively. The satisfaction of SME entrepreneurs was significantly higher in 2013 than the 7.1 out of ten awarded for both services in 2010. The 2013 Monitor first included business services made available through internet and/or mobile banking. Business users expressed their appreciation with high marks: 7.7 for both accessibility and user-friendliness.

**Table 1 Satisfaction with banking services, 2013**

1-10 scale, 2010 in brackets

Banking service	Target group				
	No Internet access	Functional impairment	Low education// inactive	Age 65 and over	Control group
General satisfaction	7.7* (8.0)	7.5 (7.5)	7.7 (7.8)	7.6 (7.6)	7.6 (7.6)
Balance information	7.6 (8.0)	7.8 (7.8)	7.8 (8.0)	7.8 (7.8)	7.8 (8.1)
Statements	7.5 (7.9)	7.8 (7.7)	7.8 (8.0)	7.9 (7.8)	7.9 (7.9)
Payment instructions	7.7 (7.9)	7.7 (7.7)	7.9 (8.0)	7.9 (7.8)	7.9 (8.0)
User-friendliness	7.5 (7.9)	7.6 (7.6)	7.9 (7.9)	7.8 (7.9)	7.7 (7.9)
Bank helpdesk/call centre	7.3 (7.9)	7.2 (7.1)	7.6 (7.7)	7.4 (7.4)	7.3 (7.2)
Security procedure	7.7 (8.1)	7.5 (7.7)	7.7 (7.9)	7.7 (7.8)	7.7 (7.7)
Accessibility of Internet banking	7.5 (7.7)	7.8 (7.8)	8.1 (8.2)	8.1 (7.8)	7.9 (8.0)
Opening hours	7.5*(7.8)	7.2 (7.2)	7.5 (7.5)	7.7* (7.5)	7.2* (6.9)
Distance to branch	7.1 (7.3)	6.7* (6.9)	7.2 (7.4)	7.2* (7.5)	7.4 (7.2)
Distance to own bank's ATM	7.1* (7.6)	7.0* (7.2)	7.4 (7.6)	7.6 (7.7)	7.7 (7.5)
Distance to ATM of other bank	7.4 (7.5)	7.3 (7.4)	7.8 (7.7)	7.9* (7.6)	7.7 (7.5)
Accessibility of mobile banking app via smartphone or tablet		7.3	7.9	7.9	8

\* Significant difference between 2010 and 2013 at 5% level.

Source: 2013 Accessibility Monitor.

Table 2 shows the relative position of payment services compared to the other basic services in a community as they developed between 2010 and 2013. As in 2010, the Dutch awarded relatively high marks to payment services, on average, in comparison with other basic community services. The functionally challenged and those without Internet access were slightly less satisfied in 2013 than in 2010 with payment services (and other services available in their community). In the eyes of SME entrepreneurs, the bottlenecks relate to depositing cash, collecting change at or outside the banking office and the increasing cost of payment services.

**Table 2 Satisfaction with the basic services in 2010 and 2013**

1-10 scale, 2010 in brackets

<b>Basic service</b>	<b>Target group</b>				
	<b>No Internet access</b>	<b>Functional impairment</b>	<b>Low education// inactive</b>	<b>Age 65 and over</b>	<b>Control group</b>
Making payments and cash withdrawals	7.7 (7.7)	7.3 (7.6)	8.2 (8.1)	8.0 (7.9)	8.3 (8.1)
Applying for a licence from the council	7.1 (7.1)	6.5 (6.8)	7.6 (7.1)	7.5 (7.2)	7.6 (6.9)
Applying for utility services	7.4 (7.5)	7.0 (7.3)	7.8 (7.6)	7.7 (7.6)	8.1 (7.3)
Taking out an insurance policy	7.3 (7.1)	7.0 (7.3)	7.8 (7.7)	7.8 (7.5)	8.0 (7.7)
Booking a holiday	7.3 (7.3)	6.9 (7.3)	8.1 (8.9)	7.8 (7.6)	8.2 (7.9)
Travelling by public transport	6.7 (6.9)	6.1 (6.4)	7.5 (7.2)	7.2 (7.1)	7.5 (7.1)
Shopping in a supermarket	7.5 (7.8)	7.0 (7.4)	8.3 (8.0)	8.1 (7.8)	8.4 (8.1)
Visiting a post office	7.2 (7.5)	6.3 (7.0)	8.0 (7.4)	7.8 (7.6)	7.9 (7.2)
Visiting the doctor/pharmacy	7.6 (7.9)	7.4 (7.7)	8.2 (8.0)	8.2 (7.9)	8.2 (7.9)

Source: 2013 Accessibility Monitor

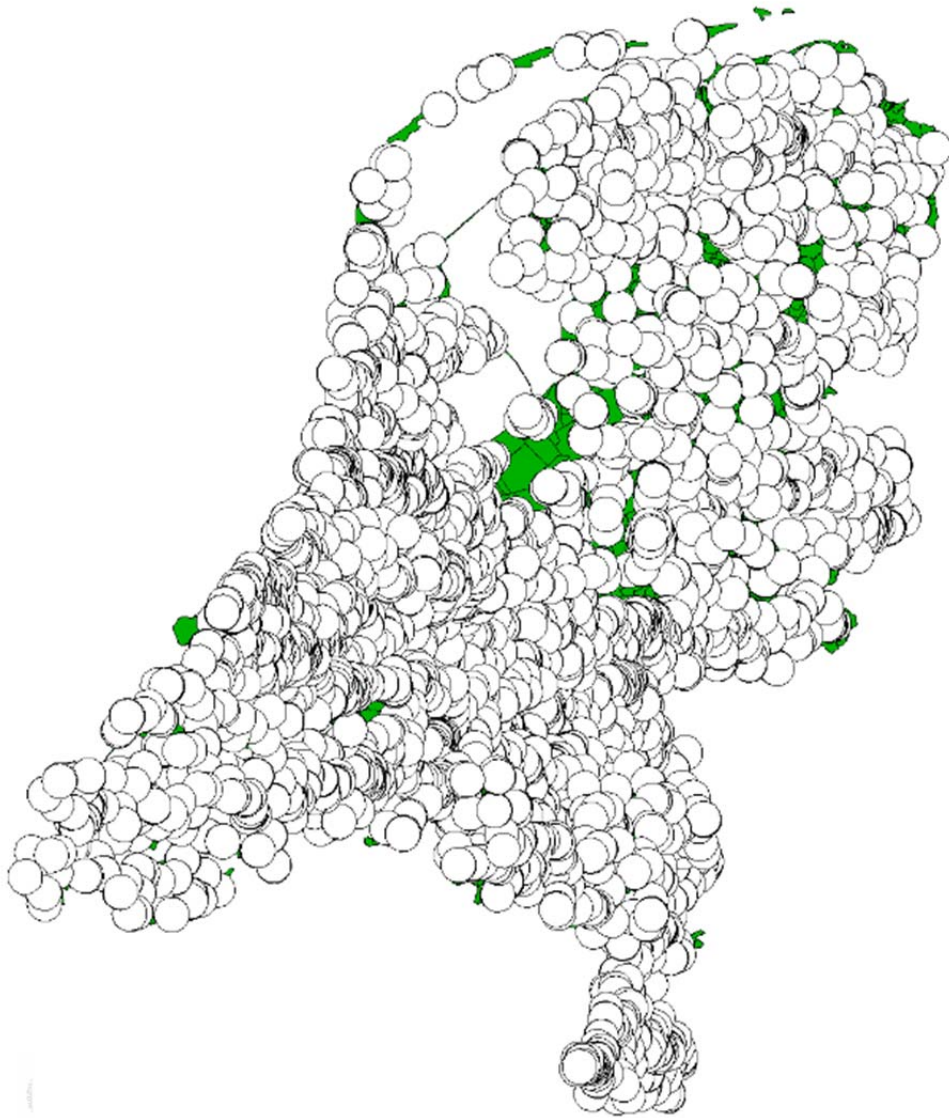
An analysis of the coverage of physical payment service provision in the Netherlands (Figure 2.2) shows that in 2013, 98.9% (2010: 99.7%) of the four-digit post code areas, and hence the households living there, were within a 5 km radius from a physical banking facility (bank branch, ATM or other banking facility). If adjusted for the number of inhabitants in each post code area, this implies that 99.8% of all people in the Netherlands live within a 5 km radius from a physical banking facility. The rest of the population (shown in green) lives in thinly populated areas such as polders and protected nature areas.

## **BANKING BY TELEPHONE**

The Forum had identified the position of banking by telephone, after the switch to the alphanumeric IBAN, as a point for concern as early as 2009. Of course, there will always be groups of care-dependent consumers with physical challenges for whom internet banking, paper-based payment instruments or visits to bank branches is simply out of the question. In order to inventory developments in this service channel, the Forum has for many years consulted with bank service channel experts. The result has been that banks will continue to offer possibilities for this special group of customers to manage their financial affairs independently after the introduction of SEPA. The banks have implemented solutions permitting banking by telephone using IBANs, resolving this issue to the satisfaction of the Forum.



**Figure 2.2: Coverage and spread of physical banking facilities including e.g. bank branches, ATMs and cash deposit facilities for businesses**



Source: 2013 Accessibility Monitor

### **SEPA CREDIT TRANSFERS FORMS**

The arrival of SEPA has necessitated the introduction of a more standardised credit transfer form. The development of the new forms gave rise to concerns over the designers' choice for poorly readable colour schemes, lettering sizes and the uniform layout of the new credit transfer forms. Forum members deliberated in various subgroups on these concerns in order to improve the readability for persons with physical challenges. In response, banks have adjusted their designs and submitted them to the test team of Oogvereniging and ANBO. Thus banks succeeded in developing strongly improved credit transfer forms within the agreed readability constraints, resolving another of the Forum's points for concern.



## 6. Efficiency

### EUROPEAN COMMISSION RECOMMENDATION ON LEGAL TENDER

In a Recommendation published in March 2010, the European Commission expressed the view that no restrictions should be placed on the use of banknotes and coins as legal tender. This is at odds with practical arrangements made in the Netherlands for efficiency and security reasons. Given that the Dutch relatively often use a debit card to pay their purchases, the social costs of the retail payment system in the Netherlands are among the lowest in Europe (ECB survey in 2013). In addition, it is common practice in the Netherlands to round cash payments at points of sale to the nearest multiple of five cents, and high-value banknotes are not accepted everywhere. Both practices are announced using stickers on the shop door or near the cash register.

Although the Recommendation is not binding on present Dutch legislation and practice, the Forum anticipates future initiatives to translate it into binding legislation. In 2012, the Forum drew up a best practices memorandum and sent it to the Chairman of the working group that had drafted the EC Recommendation. The European Commission conducted an evaluation in the first half of 2013 by asking various stakeholders in all Member States to take part in a survey. As the survey showed that no major problems had been identified, the European Commission will not as yet take any legislative initiatives. Should new signs be detected in this respect, the Forum will once again take steps.

### ROBUSTNESS OF THE ELECTRONIC PAYMENT SYSTEM

The Forum analysed possible alternatives in case of (unexpected) disruptions of the payment system, in response to such disruptions in April 2013. The purpose of the analysis was to make clear whether alternatives were lacking and, if so, how the gaps could be filled so as to enhance the robustness of the payment system. The outcome was that the Dutch payment system is robust. Alternative products or alternative methods (channels) to make payments are available for all existing payment products. Various user groups wished to increase availability and enhance alternatives in three areas, i.e. internet banking, iDEAL and debit card payments. For internet banking, banks have now taken measures to be better able to counter DDoS attacks. They are also working on further enhancing the fall-back channel for mobile banking for consumers. Banks are taking steps to reduce the mutual dependencies between internet banking, mobile banking and iDEAL. In addition, more and more banks offer the mobile version of iDEAL. For debit card payments, the aim is to further improve the underlying technical infrastructures. The Forum evaluates the specific action that needs taking to address these three issues.

## PROMOTING ELECTRONIC PAYMENTS

The Forum seeks to improve the social efficiency of the Dutch payment system. The social costs of the payment system can be reduced by replacing cash payments with electronic payments. With this in mind, banks and retailers jointly established the Foundation for the Promotion of Efficient Payments (SBEB) at the end of 2005. The SBEB's main activity is to encourage consumers to pay with their debit card. In 2013, SBEB – in cooperation with the Dutch Payments Association (Betaalvereniging) – launched a new collective campaign promoting debit card use, *Pinnen, ja graag* (using your debit card is welcome). In addition to initiating activities to promote debit card payments, SBEB provides information to the corporate sector on a wide range of payment-related topics. Overall, debit card use grew 7.5% in 2013.

Debit card payments are even more widespread in the Scandinavian countries than they are in the Netherlands. A comparative analysis identified four factors causing differences between debit card use in the Netherlands and in the Scandinavian countries. They are the rates charged in Norway, the difference in population density, the number of EFTPOS terminals and the use of EFTPOS terminals. The Scandinavian countries have more EFTPOS terminals (for every 1,000 people) and more transactions per terminal. This means there are three ways to further encourage the Dutch to use their debit card. SBEB's efforts to encourage retailers to install EFTPOS terminals in their shops and consumers to use their debit card fit in with this conclusion. Moreover, Norway charges a higher rate for cash withdrawals than for debit card use.

**Table 4** Use of EFTPOS terminals

	Netherlands			Finland			Sweden			Denmark			Norway		
	2001-2004	2005-2008	2009-2011	2001-2004	2005-2008	2009-2011	2001-2004	2005-2008	2009-2011	2001-2004	2005-2008	2009-2011	2001-2004	2005-2008	2009-2011
number of card transactions per 1000 inhabitants	71274	99902	136553	91123	160877	188318	75318	143057	201267	101564	147795	197363	123780	189254	248984
number of POS terminals per 1000 inhabitants	11,2	13,4	15,7	16,3	23,5	36,0	12,8	20,4	22,3	23,5	18,6	20,4	18,4	22,3	25,4
number of card transactions per POS	6369	7441	8698	5601	6854	5225	5870	7022	9040	4317	7943	9665	6716	8486	9786

Source: DNB (point-of-sale terminals are EFTPOS terminals)

## EVALUATIONS

In 2013, various agreements between banks and retailers were evaluated.<sup>2</sup> The evaluation showed that the collaboration between banks and retailers in the past years has helped enhance the efficiency,

<sup>2</sup> The evaluated agreements are set out in the Further Agreement. In 2005 banks and representatives of card acquirers made a Payments Covenant (*Convenant Betalingsverkeer*). The Further Agreement of 2009 supplemented the Covenant with new understandings between both parties.

security and safety of the Dutch payment system. For example, the Netherlands switched to debit cards equipped with EMV chips within a relatively short space of time. The EMV chip makes debit cards less susceptible to skimming, i.e. copying of the magnetic stripe. In addition, the concerted promotion of debit card use helped increase the number of EFTPOS terminals as well as the number of debit card payments. Finally, Dutch businesses are cheaper off compared to fellow businesses in neighbouring countries in terms of their payment system costs. Calculations on the basis of a cost analysis performed at the request of the ECB show that the Dutch payment system saves Dutch society a billion euros each year compared to the European average.

## **PAYING IN THE NETHERLANDS**

### *Debit card*

In 2013, debit cards were used 2.66 billion times to make point-of-sale payments in the Netherlands, for a total value of EUR 85.1 billion, figures released by the Payments Association show (Table 5). This represents a rise of the number of debit card payments by 7.5% compared to 2012. The average amount of a debit card payment decreased further in 2013, from EUR 34.08 in 2012 to EUR 31.97 in 2013. This is because debit cards are increasingly used to pay for smaller purchases.

To date most point-of-sale payments still continue to be made in cash. The share by value of cash POS payments is roughly one-third. The other two-thirds are largely accounted for by debit cards. Higher amounts are paid more often by debit card.

### *Pre-charged e-purse*

The number of ‘Chipknip’ transactions declined by 18% in 2013, to 121 million (Table 5) compared to the previous year. The total value of Chipknip payments fell by 20% to EUR 272 million. The average amount per Chipknip transaction fell from EUR 2.27 in 2012 to EUR 2.23 in 2013. In late March 2013, brand-owner Currence announced the planned demise of the Chipknip at year-end 2014.

### *Credit card*

The number of credit card transactions in 2013 was nearly unchanged from that in 2012, at 38 million (Table 5). The total value of credit card payments fell slightly to EUR 4.4 million. While the credit card has never been very popular among the Dutch, the use they make of it has been broadly stable.

**Table 5 Point-of-sale payments per payment method**

Number in millions

	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debit card	1.334	1.451	1.588	1.756	1.946	2.154	2.285	2.474	2.661
E-purse	147	164	175	176	177	178	172	148	121
Credit card	30	32	34	37	35	35	39	38	38
iDEAL	0	5	15	28	44	63	93	117	143

source: Currence, Credit card companies and NVB

### *iDEAL*

The number of iDEAL payments rose by 21.6% in 2013, to 143 million (Table 5). The total amount paid via iDEAL first crossed the EUR 10 billion mark. An average iDEAL payment amounted to about EUR 76 in 2013, up from EUR 74.20 in 2012. iDEAL is the most-used and most highly appreciated on-line means of payment; it is regarded as a major catalyst in the development of e-commerce in the Netherlands and it is used to perform 60% of all on-line payments. Other payment instruments used in e-commerce are the inpayment transfer, the credit transfer and the credit card.

### *Mobile and contactless payment*

The number of ways to pay at the checkout counter or over the internet continues to increase. The debit card is undergoing changes; some banks have begun to issue cards with contactless chips or have decided to go for contactless payment by mobile phone. Contactless payment at points of sale involves waving the debit card or mobile phone close to the terminal rather than inserting the card. In addition, payments up to EUR 25 do not require a PIN to be entered, which further enhances the ease and speed of payment. Smartphones and tablets allow internet banking through dedicated apps. Banking through apps has already overtaken regular internet banking.

In response to this development and given the outcome of the test run with contactless payment by smartphone held in Leiden, several banks now plan to roll out contactless payment by smartphone or debit card on a large scale. Although these new possibilities generally make paying and banking easier, some tips to do so safely and securely are in order. To that end, the Forum has published a document providing explanations, hints and tips about these payment developments. The document can be downloaded from [www.allesoverbetalen.nl](http://www.allesoverbetalen.nl).

## **AFFORDABILITY OF CASH DISTRIBUTION REQUIRES INCREASED EFFICIENCY**

As the use of cash is decreasing, the fixed costs of distributing and processing banknotes and coins start to weigh more heavily. Given its still pivotal role in the payment system, however, it is of great importance to the functioning of Dutch society that cash should remain broadly accessible and usable.

In other words, consumers should be readily able to withdraw cash from their bank accounts, retailers should have easy means at their disposal to deposit counter receipts into their bank accounts and cash should remain generally available to settle payments. This requires proper control of the costs relating to the use of cash. A major step in that context is the decision of the three large banks to combine and restructure a considerable portion of their activities in this area, which will enable them to reduce the costs of their ATM network without affecting the accessibility and usability of cash.

## 7. Security

### FRAUD AND MEASURES

#### *Internet banking*

In 2013, losses from internet banking fraud came down 72% compared to 2012, from EUR 34.8 million to EUR 9.6 million, which is good news. It is essential to remain vigilant, however, as the attempts to commit fraud, especially in internet banking, continue unabated.

Generally speaking, internet fraudsters are shifting their attention from phishing, or ‘angling’ for confidential data, to developing malware, i.e. intrusive software, to gain access to private computer systems. Increasingly more sophisticated transaction monitoring systems have enabled banks to detect and thwart the large majority of Internet fraud attempts. The Dutch Banking Association launched a new information campaign in December 2013 to keep consumers well informed about how to prevent fraud. The campaign advises consumers to ‘Hang up, close the browser, call the bank!’ and provides tools for safe and secure internet banking. All tips and information about safe banking can be found at [www.veiligbankieren.nl](http://www.veiligbankieren.nl). Banks also collaborate closely with the public prosecutor’s office and the police in the Electronic Crimes Task Force (ECTF).

#### *Skimming*

Losses from debit card skimming (i.e. copying) dropped from EUR 29 million in 2012 to EUR 6.8 million in 2013, a 76% decrease. Last year’s reduction of skimming losses is largely attributable to ‘geoblocking’, whereby the magnetic stripe on debit cards is disabled for use outside Europe. Consumers may opt to reactivate the world-wide use of their card (usually through their internet banking facility), for instance when leaving Europe on holiday. The EMV migration in 2012 already made it virtually impossible to withdraw cash in Europe using skimmed cards. In addition, further measures have been taken to effectively combat skimming at ATMs and unmanned EFTPOS terminals.

### UNIFORM SAFETY RULES IN THE PAYMENT SYSTEM

Consumer organisation Consumentenbond asked the Forum to address the confusion among consumers over the incongruent safety rules used by banks. Banks applied different requirements and were uncertain about liability for fraud attacks on their customers. The Forum agreed to establish the degree of divergence between the banks’ conditions and to determine whether, and if so how, the various safety and security standards could be harmonised in terms of substance and wording. The resulting Uniform Safety Rules for retail banking provide the requested clarity about the minimum

safety and security requirements that consumers should observe when banking and paying electronically. Consumers who adhere to these rules may be confident that they will be compensated for amounts debited from their accounts without their permission. The safety rules entered into effect on 1 January 2014.

#### **BOX 1 Uniform Safety Rules**

- ① Keep your security codes secret.**
- ② Don't let anyone else use your bank card.**
- ③ Make sure that the devices you use for electronic banking are properly secured.**
- ④ Check your bank statements regularly.**
- ⑤ Report incidents to the bank immediately and follow its instructions.**

For each rule, examples are given of possible measures consumers can take to ensure that their internet banking and e-payments are safe and secure.

The rules are explained on the websites of the Dutch Banking Association ([www.nvb.nl](http://www.nvb.nl)) and consumer organisation Consumentenbond ([www.consumentenbond.nl](http://www.consumentenbond.nl)).

## **TRENDS IN COUNTERFEIT BANKNOTES**

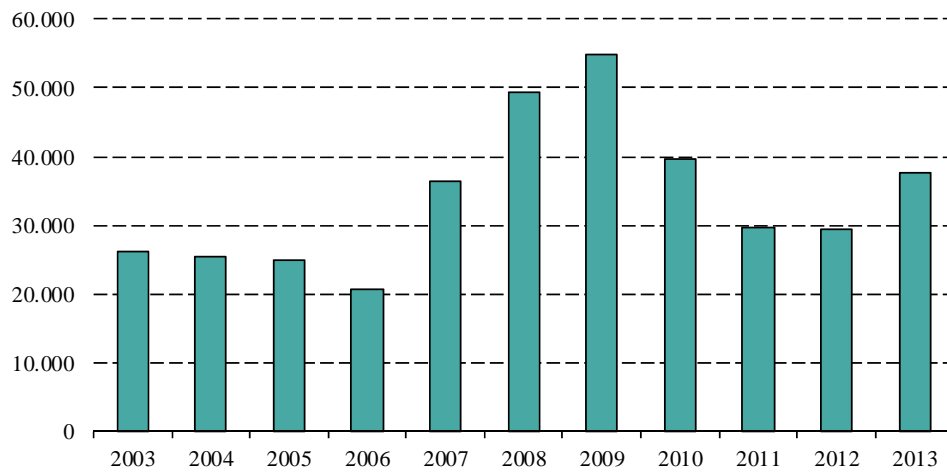
The number of counterfeit euro banknotes found in the Netherlands increased in 2013 (Chart 3). A total of 37,700 counterfeit euro banknotes were intercepted, 28% more than in 2012. This marked the end of the downward trend observed since 2009. Be that as it may, the risk of receiving a counterfeit note remains low. An average of 1 in every 50,000 notes received at Dutch banks is a counterfeit. The ensuing loss amounts to EUR 1.8 million.

The number of counterfeit euro notes also increased worldwide. A total of 670,000 counterfeit euro banknotes were intercepted, 26% more than in 2012. Most of the counterfeits detected and taken out of circulation are of the EUR 20 and EUR 50 denominations, both in the Netherlands and in other euro area countries.

Although robust security features protect euro notes from counterfeiting, consumers and retailers should remain alert and be familiar with these features. In 2013, DNB developed the website 'Echt of vals', [www.echtovals.nl](http://www.echtovals.nl), to help them distinguish between genuine and counterfeit. The website explains the four-step method to check the authenticity of euro banknotes. It also offers a quiz displaying genuine and counterfeit notes side by side so that retailers and consumers can test their knowledge. A new EUR 5 note was launched in May 2013 and a new EUR 10 note will be circulated from 23 September 2014. By introducing the new Europa series of banknotes with enhanced security features, the Eurosystem is continuing its fight against counterfeiting. The environmental impact of banknotes has also been taken into consideration. A special coating makes them more durable and will

extend their lifetime by roughly one half. More information about the second series of euro banknotes is available at [www.nieuwe-eurobankbiljetten.eu](http://www.nieuwe-eurobankbiljetten.eu).

**Figure 3 Number of counterfeit notes found in the Netherlands**



Source: DNB



## **8. Priorities in 2014**

### **COMPLETION OF THE SEPA MIGRATION IN THE NETHERLANDS**

In 2014 the NFS will urge its target group to complete the SEPA migration. The extension of the transition period until 1 August 2014 allows businesses and other organisations to temporise for another six months. Some 5% of all businesses, mainly SMEs, still continued to use the old payment formats. It is therefore essential to maintain the momentum gained towards the end of 2013 and banks as well as representative organisations play an important role in that context. The NFS will coordinate the completion, pressing urgently for rapid migration with a view to reducing the dual phase. Prior to the termination of automatic number conversion in internet banking (on 1 August 2014), the NFS will launch a specific communication campaign to support and facilitate the definitive transition to IBAN. The campaign will focus particularly on vulnerable groups, including senior citizens and the physically and/or mentally challenged.

### **ACCESSIBILITY OF EFTPOS TERMINALS**

In 2013, the Forum conducted a survey into the design of EFTPOS terminals in the Netherlands. The survey showed that terminals differ, both in the Netherlands and abroad. These variations between terminals make it more difficult for consumers to make debit card payments. In addition, manufacturers of EFTPOS terminals do too little to meet the needs of the physically and mentally challenged. The Forum intends to examine how terminals can be made more accessible.

### **EFFICIENCY**

An analysis of the robustness of the payment system was completed in 2013. The analysis yielded three points for improvement with respect to internet banking, iDEAL and debit card payments. Over the next twelve months, the Forum will evaluate the specific action taken in response to these three points for improvement.

Another major focus will be to explore the possibilities of speeding up the settlement of payments. Given the growing popularity of on-line and Sunday shopping, there is an increasing demand for the ability to settle payments on a 24/7 basis. An initial investigation showed that the desired extension of payment settlement hours is complex but nevertheless feasible. As a follow-up, the Forum will draft a proposal for a sound, step-by-step introduction of a system allowing payments to be made and received 24/7 and the related time frame. Preconditions for the solution are that it is future-proof and compatible with the surrounding European payment environment.

## **SAFETY AND SECURITY**

The main focus areas in terms of safety and security in 2014 are internet banking, mobile and contactless payments and identity fraud. Internet banking fraud comes in many forms (e.g. malware and phishing), as does cybercrime. The Forum monitors these developments closely. One type of internet banking fraud is identity fraud. The Cabinet has announced that it will issue a memorandum on this topic. After the memorandum has been published, the Forum will assess its implications for the payment system. Moreover, mobile and contactless payments will be introduced in the Netherlands gradually. The Forum will monitor whether the introduction gives rise to any security issues and, if so, will bring them to the providers' attention.

## **APPENDIX 1 MISSION AND ORGANISATIONAL STRUCTURE OF THE FORUM**

### **MISSION AND MANDATE**

The Forum was set up in 2002 by the Minister of Finance with a mandate to contribute to the social efficiency of the Dutch retail payment system by:

- holding regular consultations about bottlenecks and the social consequences of developments in the payment system;
- collaborating in the collection, analysis and publication of non-sensitive numerical data;
- making arrangements in principle about efficiency measures and measures in the field of safety, security, accessibility and availability of the payment system and standardisation (e.g. joint campaigns to promote the use of efficient payment products); and
- devoting time to an open and free exchange of ideas on payments-related policy issues.

### **COMPOSITION OF THE FORUM**

The Forum is a broadly-based organisation comprising bodies that represent payment providers and users. DNB chairs the Forum and also provides the secretarial function. The Forum meets twice a year.

#### *Participants:*

ANBO (Dutch Senior Citizens' Association)

BOVAG/Vereniging Nederlandse Petroleum Industrie (BOVAG/Association for the Dutch Petroleum Industry)

Centrale Samenwerkende Ouderenorganisaties (Central Cooperating Organizations for the Elderly )

Consumentenbond (Dutch Consumers' Association)

Detailhandel Nederland (Dutch Retail Trade Platform)

Gebruikersplatform Betalingsverkeer (Payment System Users' Platform)

Ieder(in) (Everyone in)<sup>3</sup>

Koninklijke Horeca Nederland (Dutch Association of Catering Establishments)

MKB-Nederland (Dutch SME Association)

Nederlandse Vereniging van Banken (Dutch Banking Association)

Nederlandse Thuiswinkel Organisatie (Dutch Home Shopping Organisation)

Oogvereniging (Dutch Eye Association)

---

<sup>3</sup> Umbrella organisation for people with a physical disability, mental disability or chronic illness (formerly CG-Raad/Platform VG)

*Observers:*

Ministry of Finance

Ministry of Economic Affairs, Agriculture and Innovation

Betaalvereniging Nederland/Currence (Dutch Payments Association/Currence)

### Procedure of participation in the Forum

Institutions and organisations can apply to participate in the Forum.

Participants include organisations or institutions which:

- *act on behalf of payment users or providers*, i.e. they represent the interests of a certain group (banks, entrepreneurs as providers, consumers, specific or vulnerable groups, entrepreneurs as users);
- *are representative*, i.e.:
  - umbrella organisations/sector organisations representing groups of payers/payees;
  - groups which are already generally represented elsewhere, but not with regard to the specific interest represented here;
- *make a professional contribution* to the realisation of a socially efficient payment system. This contribution takes the form of:
  - contribution of expertise to working groups; or
  - a professional/policy-related/substantive contribution to consultations.

Observers can also take part in the Forum. Given their socially relevant position and their mandate with regard to payments, observers must:

- serve a *policy-relevant* interest in taking part in the Forum as an observer; and
- where necessary, *make a contribution* to supporting the Forum's objective, namely socially efficient payments.

Organisations wishing to take part in the Forum should apply in writing to the Chairman of the Forum, stating the reasons for representation or participation with observer status in the Forum. The decision on participation is prepared by the Forum's core group, whose duty is to safeguard the progress of Forum activities and their coordination. The Chairman decides on applications for participation.

## **APPENDIX 2 ORGANISATION OF THE SEPA MIGRATION IN THE NETHERLANDS**

The National Forum on SEPA Migration (NFS) was set up by the stakeholders in the non-cash payment chain to ensure a smooth, efficient and generally successful migration from Dutch payments to SEPA payments. NFS members include umbrella organisations of providers and users of payment services, suppliers of software packages for the processing of payments, and migration-supporting parties. The NFS convenes in a management and a technical setting (the Task Force SEPA Netherlands or TFSN) to agree on the preparation, coordination and implementation of the migration. Housed by DNB, the SEPA programme agency supports the NFS, as by monitoring the progress of the migration effort or by identifying and helping to resolve any larger social issues that may arise in the process. To this end, the programme agency maintains a list of migration issues raised by the various stakeholders.

As agreed in the National Forum on the Payment System, each individual provider, user, software supplier and migration-supporting party has their own responsibility for being ready in time for SEPA, within the frameworks set by relevant legislation and arrangements made in the Forum. It has also been agreed that umbrella organisations represented in the Forum will control and coordinate the migration of their members or interest groups. They will also ensure that the Forum is kept up to date with the migration activities of their members or interest groups. Finally, they will actively communicate the arrangements made in the Forum to their members or interest groups. All Forum members participate in the NFS. The following non-Forum member organisations also participate in the NFS:

Equens

Nederland ICT (trade association representing the interests of the Dutch ICT sector)

Nederlandse Beroepsorganisatie van Accountants (Dutch auditors' professional organisation)

Pensioenfederatie (Federation of the Dutch Pension Funds)

Verbond van Verzekeraars (Dutch Association of Insurers)

Vereniging van Nederlandse Gemeenten (Association of Dutch Municipalities)

VNO-NCW (Dutch employers' federation)

The NFS is supported by the SEPA programme agency. The programme agency can be contacted by email at [ProgrammabureauSEPA@dnb.nl](mailto:ProgrammabureauSEPA@dnb.nl) or by telephone on +31 (0)20 5242552.

## APPENDIX 3 STATISTICAL INFORMATION ON PAYMENTS IN THE NETHERLANDS

### Infrastructure of payments

#### A. Infrastructure of payments

<b>Table A1</b>											
<b>Numbers at year-end</b>		<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
<b>Central bank</b>											
branches		4	4	4	1	1	1	1	1	1	1
<b>Bank</b>											
banks		103	103	99	95	93	88	81	77	74	66
bank branches <sup>1</sup>		2,980	3,452	3,469	3,560	3,473	3,186	2,917	2,700	2,513	2,227
other branches & cash service points		1,368	807	660	546	878	810	1,100	1,174	1,181	1,257
<b>Other providers payment services registered in the Netherlands</b>											
credit card companies		4	4	4	4	4	4	4	4	4	4
electric money institutions		1	1	1	1	1	1	2	2	2	2
Payment Institutions <sup>4</sup>							0	3	23	31	37

Source: DNB and Banks

- <sup>1</sup> Universal and Cooperative Banks. Start of new series from 2005 due to new reporting format. From then onwards, the post offices and agencies are included here.
- <sup>2</sup> Registered exchange agencies, cash service points and until 2005 also the post offices and post agencies. DNB estimate
- <sup>3</sup> From 2007 WFT Register
- <sup>4</sup> With effect from 1 November 2009 the Payment Services Directive (PSD) has been implemented in the Financial Supervision Act. The PSD also provides for the possibility of a new type of payment services provider: the Payment Institution.

**Table A2**

Numbers (millions) Value (EUR billion)	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Equens <sup>1</sup></b>										
Number of transactions	2,940.8	3,083.7	3,332.4	3,593.3	3,823.2	4,057.9	4,275.7	3,819.8	2,535.5	2,387.9
Value of transactions	1,817	1,922	2,098	2,035	1,992	1,935	1,984	2,030	2,075	2,075
<b>CCVpay</b>										
Number of transactions	44	42	42	45	59	84	133	195	217	247
Value of transactions	2.82	2.79	3.01	3.44	5.31	5.16	7.96	11.60	12.40	12.85
<b>TOP/TARGET2 <sup>2</sup></b>										
Number of transactions	4.8	4.5	4.5	7.1	9.0	8.6	7.9	8.3	8.5	8.0
Value of transactions	23,520	24,443	25,286	30,619	40,569	73,476	77,458	79,204	105,508	69,341

Source: Equens, CCV and DNB

<sup>1</sup> The Equens production data exclude third-party ATM usage and transactions abroad

<sup>2</sup> On 18 February TOP 2008, transferred to TARGET2.

From 1 January 2009 the ECB applies a new definition for transactions according to the statistical framework ork TARGET2.

**Table A3**

Numbers	2004	2005 <sup>1</sup>	2006	2007	2008	2009	2010	2011	2012	2013
<b>Debit card transactions</b>										
ATMs	7,889	7,446	8,114	8,546	8,654	8,506	7,919	7,799	7,569	7,383
POS terminals	194,966	206,392	214,474	223,981	234,389	244,240	258,585	279,612	285,984	303,248
debit cards (million)	22.0	25.4	25.48	25.3	25.2	24.4	24.4	24.4	24.7	24.3
<b>E-purse payments</b>										
e-purse payment terminals <sup>2</sup>	192,255	98,386	105,052	99,364	88,704	82,200	68,266	42,509	37,073	30,962
e-purse cards (million)	18.0	17.5	18.2	18.1	18.2	24.1	23.8	24.0	24.3	24.1
e-purse reloading points <sup>3</sup>	5,401	4,054	4,154	4,192	4,187	4,134	3,763	2,905	2,683	2,440
<b>Credit cards</b>										
credit cards (million)	5.8	6.1	6.3	6.1	5.8	5.8	6.0	6.0	5.8	6.0

Source: DNB, banks, Currence (formerly Interpay), credit card companies and retailers

<sup>1</sup> Start of new series from 2005 due to new reporting format.

<sup>2</sup> From 2005 Active combi and e-purse only machines; prior years contracted combi machines.

<sup>3</sup> File clearance in 2001 (reloading points that were cancelled or were inactive in the last two months of 2001).

## B. Use of payment methods

<b>Table B1</b>											
Millions	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	
<b>Non-cash (remote payments) 1</b>	<b>2,316</b>	<b>2,374</b>	<b>2,557</b>	<b>2,644</b>	<b>2,751</b>	<b>2,829</b>	<b>2,950</b>	<b>2,976</b>	<b>3,087</b>	<b>3,200</b>	
funds transfers (exc. iDEAL)	1,264	1,315	1,413	1,452	1,498	1,512	1,571	1,541	1,601	1,703	
<i>of which giro collection forms</i>	217	231	209	209	205	195	194	188	182	126	
direct debits	1,051	1,059	1,139	1,177	1,226	1,272	1,310	1,340	1,369	1,354	
<b>Online payment methods</b>		0	4	14.9	27.9	45.4	68.8	93.9	117.2	142.5	
iDEAL transactions		0	4	14.9	27.9	45.4	68.8	93.9	117.2	142.5	
<b>POS payments (non-cash)</b>	<b>1,407</b>	<b>1,510</b>	<b>1,647</b>	<b>1,797</b>	<b>1,969</b>	<b>2,158</b>	<b>2,368</b>	<b>2,496</b>	<b>2,660</b>	<b>2,820</b>	
debit card	1,247	1,334	1,451	1,588	1,756	1,946	2,154	2,285	2,474	2,661	
e-purse	127	147	165	175	176	177	178	172	148	121	
credit card 2	33	30	32	34	37	35	35	39	38	38	
cheques	0	0	0	0	0	0	0	0	0	0	
<b>Total cashless payments</b>	<b>3,723</b>	<b>3,884</b>	<b>4,204</b>	<b>4,442</b>	<b>4,721</b>	<b>4,987</b>	<b>5,317</b>	<b>5,471</b>	<b>5,747</b>	<b>6,021</b>	
<b>Cash</b>											
ATM cash w ithdraw als 3	484	471	475	469	473	455	434	437	419	395	
OTC w ithdraw als 1		16	14	13	12	10	7	6	5	6	

Source: DNB, banks, Currence (formerly Interpay), credit card companies and retailers

<b>Table B2</b>											
EUR billion	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<b>Non-cash (remote payments) 1</b>	<b>3,926</b>	<b>4,559</b>	<b>5,270</b>	<b>5,782</b>	<b>5,936</b>	<b>5,851</b>	<b>5,584</b>	<b>5,692</b>	<b>5,276</b>	<b>5,298</b>	<b>5,346</b>
funds transfers (exc. iDEAL)	3,714	4,340	5,039	5,527	5,664	5,548	5,303	5,398	4,972	4,991	5,043
<i>of which giro collection forms</i>	47	46	53	54	59	62	62	72	74	78	60
direct debits	211	219	231	254	270	301	278	289	297	298	292
<b>Online payment methods</b>			0.0	0.4	1.2	2.3	3.4	5.1	6.5	8.9	10.8
iDEAL transactions			0.0	0.4	1.2	2.3	3.4	5.1	6.5	8.9	10.8
<b>POS payments (non-cash)</b>	<b>58</b>	<b>61</b>	<b>63</b>	<b>68</b>	<b>74</b>	<b>80</b>	<b>80</b>	<b>86</b>	<b>87</b>	<b>89</b>	<b>90</b>
debit card	54	57	60	64	70	75	76	81	83	84	85
e-purse	0.3	0.4	0.4	0.4	0.5	0.5	0.5	0.5	0.4	0.3	0.3
credit card 2	3	4	3	4	4	4	4	4	5	5	4
cheques	0	0	0	0	0	0	0	0	0	0	0
<b>Total cashless payments</b>	<b>3,983</b>	<b>4,620</b>	<b>5,333</b>	<b>5,850</b>	<b>6,010</b>	<b>5,930</b>	<b>5,664</b>	<b>5,778</b>	<b>5,363</b>	<b>5,387</b>	<b>5,436</b>
<b>Cash</b>											
ATM cash w ithdraw als 3	51	51	55	55	56	55	54	52	52	49	47
OTC w ithdraw als 1			16	15	16	16	11	6	5	5	5

Source: DNB, banks, Currence (formerly Interpay), credit card companies and retailers

1 Start of new series from 2005 due to new reporting format. Cashless payments by Giraal is incl. iDEAL

2 Use by Dutch cardholders in the Netherlands.

3 Cash withdrawals by Dutch cardholders with credit and debit cards in the Netherlands.



## APPENDIX 4 LIST OF ABBREVIATIONS

ANBO	Dutch Senior Citizens' Association
ATM	Automated Teller Machine
DDoS	Distributed Denial of Service
DNB	De Nederlandsche Bank
ECTF	Electronic Crimes Task Force
EMV	Europay, Mastercard and Visa
IBAN	International Bank Account Number
ISO	International Organisation for Standardisation
SME	Small and Medium-Sized Enterprises
MOB	National Forum on the Payment System
NFS	National Forum on SEPA Migration
SBEB	Foundation for the Promotion of Efficient Payments
SEPA	Single Euro Payments Area
TFSN	Task Force SEPA Netherlands
WME	Working Group on Social Efficiency
WTB	Working Group on Accessibility and Availability
WV	Working Group on Security