



An exceptional procedure to recirculate euro banknotes via cash dispensers in the event of a crisis

Since the ECB decision of 16 September 2010, which replaces the former banknote recycling framework, the Banque de France may ease, on a temporary basis, for credit institutions making such a request, the conditions for recirculating banknotes if an exceptional event occurs.

Credit institutions and payment institutions wishing to replenish cash dispensers with banknotes not directly drawn from the Banque de France must have signed a distribution agreement stipulating that the banknotes must, before being recirculated, be subject to authentication and automatic fitness checking i.e. using automated handling machines that have successfully passed the tests (see list on the [ECB's website](#)).

Manual fitness checking by trained staff members

As an exception to this rule, Article 7 of the Decision ECB/2010/14 on the authenticity and fitness checking and recirculation of euro banknotes provides that where an exceptional event occurs as a result of which the euro banknote supply in a Member State is significantly impaired, cash handlers' trained staff members may, on a temporary basis, and subject to the relevant NCB's agreement that the event is exceptional, carry out manual authenticity and fitness checking.

This exception applies to credit institutions and payment institutions, irrespective of whether they have signed a distribution agreement with Banque de France.

The rules for implementing this exception are defined in a procedure along with a form to submit requests to the Banque de France by an authorised representative of the credit institution or payment institution and a form to be completed once the situation has returned to normal. These three documents can be found on the Bank's website using the following link:

<http://www.banque-france.fr/en/banque-de-france/banknotes-and-coins/recirculation-of-banknotes/procedure-in-case-of-exceptional-event.html>

A development eagerly awaited by credit institutions

The exceptional event procedure reflects a clear demand by credit institutions, passed onto the Eurosystem and supported by the Banque de France.

Previously, in order for credit institutions to forgo the use of automatic fitness checks in the event of a crisis, they had to claim force majeure. Under no circumstances could the Banque de France authorise them to do so; only the judge had the capacity to decide after the event if it could be qualified as force majeure.

The new procedure, laid down in Article 7 of the said ECB Decision, provides credit and payment institutions with greater legal certainty and gives the Banque de France the power to assess the situation and respond in a timely manner to credit institutions submitting applications to it.

The training of staff

It is the responsibility of the credit institution or payment institution to train staff in branches to check the authenticity and fitness of banknotes.

The Banque de France provides assistance by training over 20,000 people per year to check the security features of banknotes (bank clerks, cash-in transit companies, shopkeepers, etc.). After training, these people can themselves become trainers in their own structures. The training offered by the Banque de France, which lasts one or two hours, is tailored to the specific needs of the clients, is free and can be provided in the workplace.

To apply for training simply contact the nearest branch of the Banque de France, or send a message to the following address:
1248-euro-UT@banque-france.fr.

For further information

On the Banque de France website (<http://www.banque-france.fr>) :

- the [ECB decision](#) of 16 September 2010,
- the [procedure](#) to be implemented
- the [forms](#) to submit a request and [return to normal](#)

You can also contact the Banque de France at the following address: 1255-robustesse-ut@banque-france.fr