

Crisis management system the experience of Banca d'Italia with COVID 19 pandemic in 2020

World Banknotes Summit
Antwerp, Belgium 20 – 22 February 2023

Gianluca Maddaloni
Banca d'Italia Currency Circulation Management Directorate
Currency Circulation Management Division

Agenda

- **General principles governing cash issuance in euro area**
- **Crisis management system**
 - organization
 - scenarios and response procedures
- **Focus on COVID 19 pandemic in Italy during 2020**
 - actions taken by Bdl on cash flows, sorting and distribution

General principles governing cash issuance in euro area

To promote the **smooth operation** of payment systems
(art. 127 of TFEU)

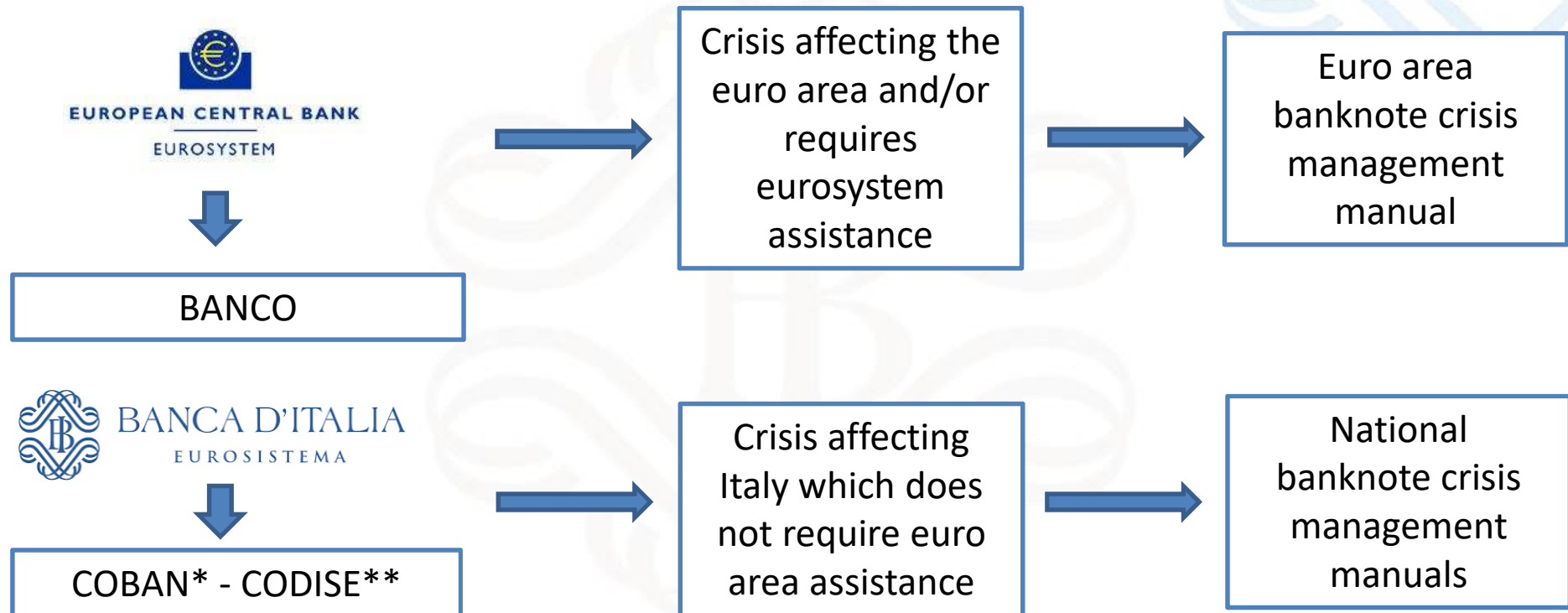
The **ECB** and the **National Central Banks** have a fundamental responsibility, together with the **banking sector**, to ensure the **smooth supply of cash** and **facilitate the use of cash in payments** by people and businesses
(ECB Cash 2030 Strategy)

General principles governing cash issuance in euro area

The goal of NCBs within the Eurosystem



Crisis management system – organization



*COBAN: Comitato per la continuità operativa della banconote in euro (euro banknote business continuity Committee)

**CODISE: Comitato per la per il coordinamento delle crisi operative della piazza finanziaria italiana (Committee for the coordination of operational crises in the Italian financial sector)

Crisis management - scenarios and response procedures



COBAN

Demand

Major counterfeit

Supply

CODISE

General procedure

Interruption of the activity of a non financial operator

Pandemic

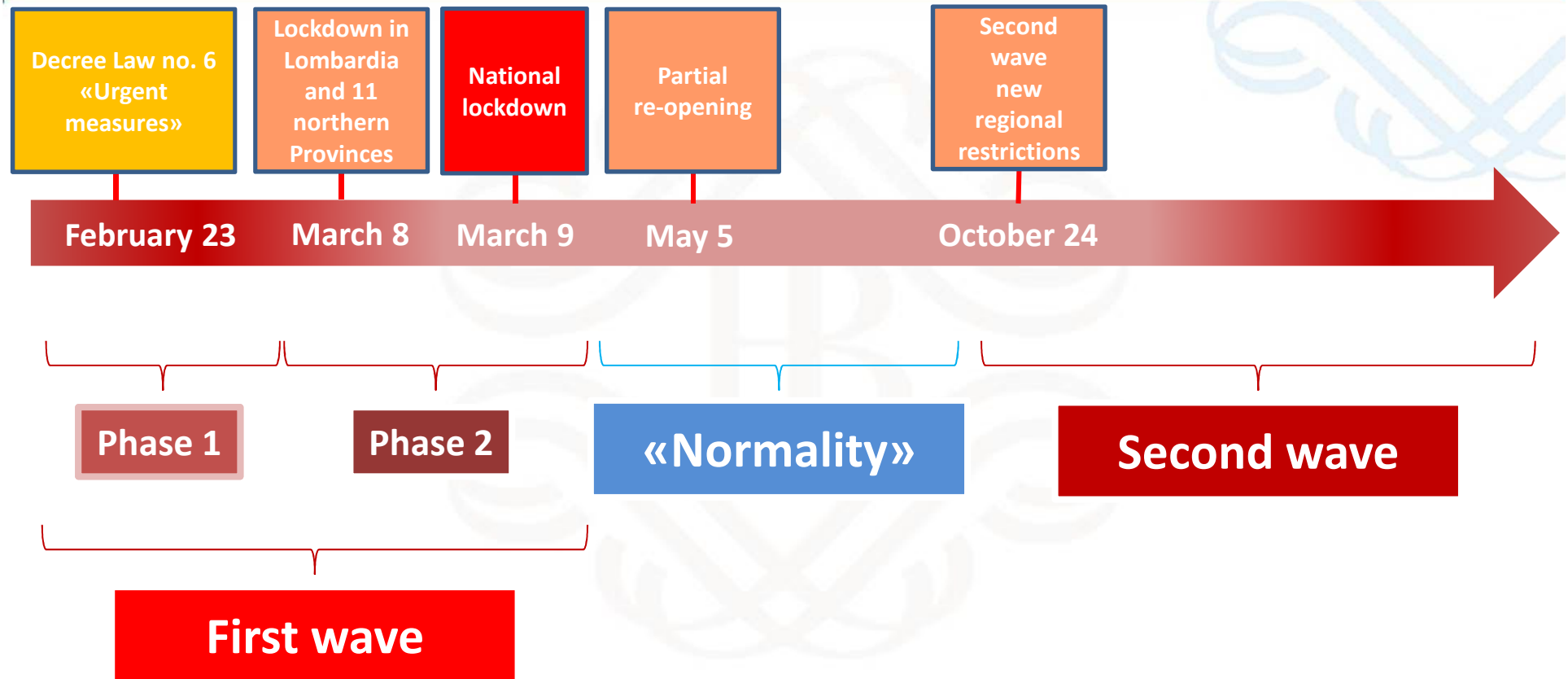
Crisis management - scenarios and response procedures

1. ad hoc transfers of euro banknotes between euro area NCBs or from ESS (Eurosystem Strategic Stock)
2. measures regarding sorting and shredding at Central Banks level
3. meeting the demand of credit institutions in value terms
4. introduce limits on cash withdrawals in value terms per credit institution (limit on denominations)

Crisis management - scenarios and response procedures

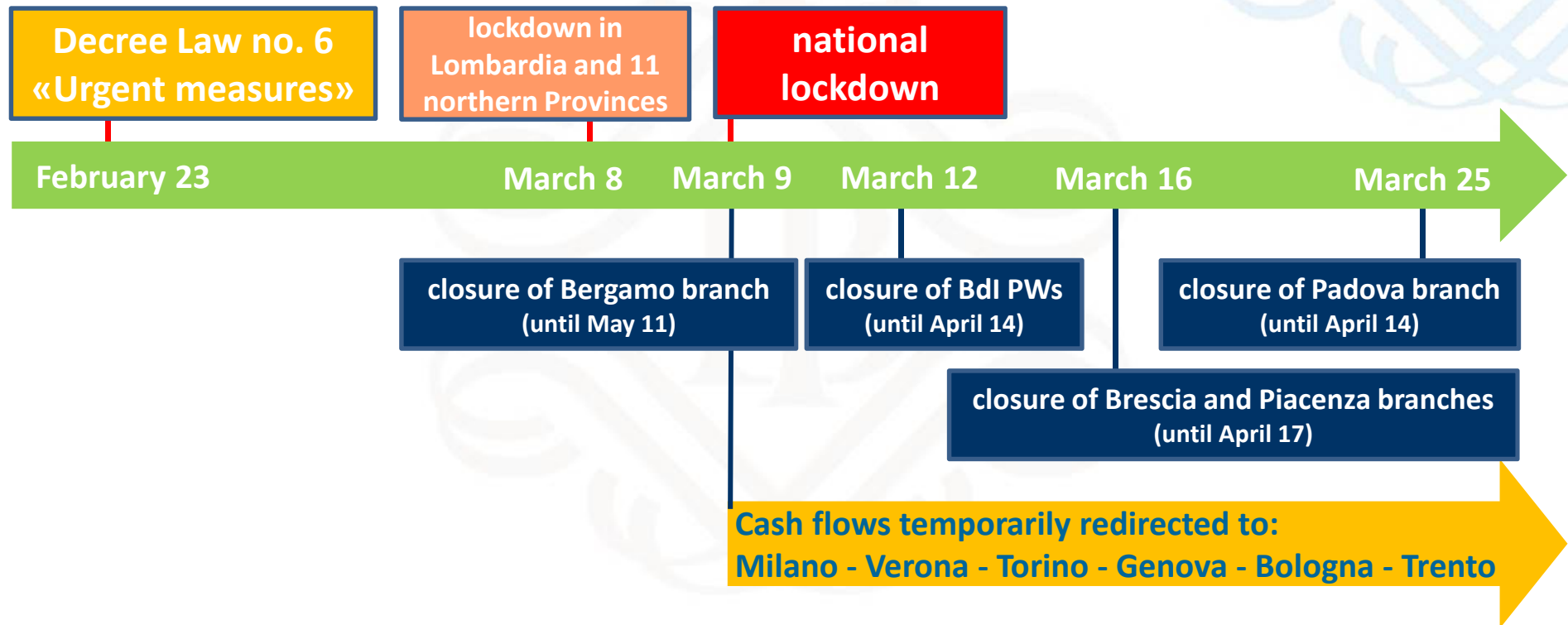
1. crisis monitoring
2. measures regarding sorting, shredding and distribution at Bdl branches
3. measures aimed at guarantying proper functioning of cash cycle (in collaboration with COBAN and CODISE)
4. temporary authorization to handy check banknotes for fitness and authenticity
5. measures to deal with pandemic scenario

Focus on COVID 19 pandemic in Italy during 2020



Actions taken by Bdl on cash flows, sorting and distribution

Covid-19 first wave



Actions taken by Bdl on cash flows, sorting and distribution



Branch closed during first wave

Branch used for redirecting flows

Other branches

Actions taken by Bdl on cash flows, sorting and distribution

1. bulk transfer rescheduling
2. work organization in split teams
3. concentration of the provision of services to the general public by appointment, in specific days
4. continuous monitoring of both cash flows and stocks of fit banknotes
5. analyses and initiatives undertaken both at national and at Eurosystem level

Actions taken by Bdl on cash flows, sorting and distribution

Covid-19 second wave: Italy in colors (red, orange, yellow)



Italy in colors, as of Nov 29 2020

Varied and constantly changing situation

Same organizational measures as for the first wave:

- work organization in split teams
- continuity of service to CIs/CITs and concentration of services to the general public

Ready to tackle any specific issue that will be emerging with prompt decisions, evaluating their impacts as the situation develops



Thank you for your attention!

Contact

Email: gianluca.maddaloni@bancaditalia.it

