



## PRESS RELEASE

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London, 12<sup>th</sup> March 2021

### **Banks show increasing interest in pooling and sharing ATMs**

*Cost pressures are driving banks in more countries to consider pooling or sharing of ATMs, which offers deployers a way of maintaining access to cash while reducing operational costs*

### **Cashless payments continue to rise, but cash provision remains crucial**

RBR's *Global ATM Market and Forecasts to 2025* shows a prolonged decline in demand for cash in several countries, a trend that has been thrown into sharp relief by the growth of e-commerce during the COVID-19 pandemic as well as hygiene concerns around cash handling. Nevertheless, banks are keen to continue offering cash services across a wide geographical area, while some governments are keen to guarantee access to cash for all communities.

### **Deployers increasingly pool resources in the provision of ATM services**

ATM pooling has been around for more than 40 years but there has been increasing interest in the concept recently, on the back of rising numbers of electronic payments and ATM security concerns.

Full ATM pooling involves deployers relinquishing ownership of their ATMs to a single deployer which operates a shared fleet. This can significantly reduce the cost to individual banks, while enabling them to continue serving customers in locations where relatively low demand would render a branch or multiple bank ATMs uneconomical. This arrangement is well-established in Finland and Sweden, for example.

The three largest banks in the Netherlands are currently in the process of transferring their ATMs to the Geldmaat network. Geldmaat was founded in 2011 as a jointly-owned cash management subsidiary and has since morphed into a fully-fledged ATM pool. Likewise, in Belgium, the four major banks have signed an agreement to jointly manage a single network of ATMs under a neutral brand. The first such ATMs are expected to be deployed in the middle of this year.

While Europe is home to many of the established and emerging ATM pools, the study also identifies some notable examples in other regions. TecBan, which runs Brazil's shared ATM network, has taken over most of the country's previously overlapping off-site ATM estates, significantly improving efficiency and security in the process. The banks still manage their branch-based and some remote terminals, but TecBan is by far the largest operator of non-branch ATMs. There have also been moves towards ATM pooling in Australia, Indonesia and Japan in recent years.

### **ATM sharing allows banks to cut costs but retain ownership**

Even in markets without formal ATM pooling arrangements, sharing ATMs through multibank networks is growing. RBR's research reveals various approaches across different markets, with many having well-established ATM networks enabling interbank transactions. Some banks also utilise bilateral or multilateral agreements to offer fee-free transactions to each other's customers.

Allowing cardholders to use any ATM regardless of branding is of course far from new. However, banks are increasingly looking to co-operate at a deeper level, sharing some of the costs and processes even if they are not ready to fully relinquish ownership of their ATMs to a pooled fleet.

Portugal's SIBS links various deployers' ATMs through its Multibanco network. All ATMs carry Multibanco branding and may also retain the branding of the deploying bank. The ATMs are all linked to SIBS' central host, which provides software for the terminals. SIBS negotiates directly with suppliers and passes on the cost savings to the banks. In Switzerland, the 'ATM Futura' project has rolled out standardised multivendor software across all ATMs connected to SIX, the operator of the largest ATM network in the country. The arrangement also means that Swiss deployers can benefit from shared bulk buying of ATMs.

RBR's study shows that banks in numerous other markets have been seeking efficiencies in ATM management, including the possibility of greater sharing.



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Rowan Berridge, who led the research, commented “*As banks face continued cost pressures and reduced profitability in the ATM channel, ATM pooling and sharing will allow them to maintain widespread cash services for the future in an efficient and cost-effective way*”.

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### Notes to editors

These figures and insights are based on RBR’s study, *Global Payment Cards Data and Forecasts to 2025*. For more information about this report or to discuss the findings in more detail please email Rowan Berridge ([rowan.berridge@rbrlondon.com](mailto:rowan.berridge@rbrlondon.com)) or call +44 20 8831 7311.

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