

Cash Management Services in Denmark



Danske Bank's roots go back to 1871. The present bank is the result of a three-bank merger in 1990 and the subsequent merger in 2000 with RealDanmark, a major Danish financial group that included BG Bank.

In Denmark, Danske Bank operates as a full service bank and is the country's largest player with 350 Danske Bank branches, six agricultural centres and nine finance centres throughout the country.

The Danske Bank Group is the second-largest financial institution in the Nordic region with a portfolio including some 12,000 large corporate customers.

Danske Bank provides Northern European cash management services based on a central IT platform in Copenhagen.

Currency:	DKK
Time zone:	GMT + 1
Central bank:	Danmarks Nationalbank
SWIFT BIC	DABADKKK

Danske Bank ratings:	Moody's	S&P
Short-term:	P-1	A-1
Long-term:	Aa3	A

Clearing and local market conditions

Foreign exchange regulations

None in force; distinction between residents and non-residents for central bank reporting purposes.

Clearings systems

One RTGS system: KRONOS (DKK and EUR).
The bilateral clearing system UDUS.
The multilateral clearing system ACH
PBS (Payment Business Services)
There is no paper-based clearing in Denmark.

Clearing formats

There is no national format. At present, the Danish banking sector is served by several facility management companies all using their own proprietary formats. PBS formats are generally accepted by all banks, and EDIFACT formats are interpreted in largely the same way by the banks and facility managers who have adopted EDIFACT.

Payment instruments

- Payment orders: Credit transfers are the principal means of payment.
- Cheques: Fairly popular, although on the decline. All cheques are truncated for clearing.
- Direct debits: Not widely accepted; two different clearing cycles exist for B2B and B2C transactions. Registration of creditor and debtor data at PBS.

Cards

The Dankort is a national debit card owned by Dankort A/S (150 banks in Denmark). The Dankort is accepted almost anywhere and is used extensively by customers. International credit cards are widely accepted. Debit cards linked to the holder's bank account are frequently used.

Local foreign currency payments

No restrictions, settlement abroad.

Foreign payments

No restrictions.
Reporting to the Danish central bank takes place directly to the central bank from some 2,500 companies selected by the central bank.

Taxation

The standard VAT rate is 25%. Corporate income is subject to 30% taxation.
No VAT on interest, but dividends paid to non-residents are subject to 28% taxation (can be reduced to 0-13% under various double taxation treaties). For further details, please consult a local tax advisor or auditor.

Cash Management Products and services of Danske Bank

Accounts

Resident and non-resident accounts in local and foreign currency. Opening forms in Danish and English.

Domestic payments

Danske Bank is a full member of all clearing systems in Denmark and thus enjoys direct access to these systems.

Foreign payments

No restrictions.

Liquidity management

- Real-time zero balancing services domestically, in the Nordic countries, Germany and the United Kingdom. International cash sweeping is subject to restrictions concerning the status of the beneficiary owner.
- Domestic zero balancing (per transaction) cash pools in all major currencies. Resident and non-resident accounts may be included, but this entails local central bank reporting.
- International multi-currency interest netting system (interest enhancement) in all major currencies across Danske Bank's Nordic branch network and in Germany and the United Kingdom.

Electronic banking

- Business Online is Danske Bank's online business system, which provides rapid access to setting up payments, viewing account information and authorising several payments at the same time. All information in Business Online is updated constantly. So you also have an up-to-date picture of your company's cash position.
- Business PC is PC/Windows-based and enables you to initiate domestic and foreign payment orders and retrieve real-time account information for accounts with Danske Bank.

By installing Business Online or Business PC you can make local payments in Denmark, Norway, Sweden, Finland, the United Kingdom or Germany and view real-time account information.

Links to other banks

Reporting via MT940 and MT942 statements, if required. Danske Bank can also report via EDIFACT (DEBMUL, CREMUL or FINSTA).

Further information

If you require more information about Cash Management in Denmark, please visit our website www.danskebank.com/corporate.