



5 years of euro banknotes and coins

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The European Commission's website on the euro:
<http://ec.europa.eu/euro/entry.html>

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5 years of euro banknotes and coins

- Basic figures
- Circulation levels
- Euro banknotes and coins – two different systems
- Euro banknotes – specific issues
- Euro coins – specific issues
- Possible future developments
- Euro cash outside the euro area
- New euro countries and coins





Euro banknotes and coins - basic figures

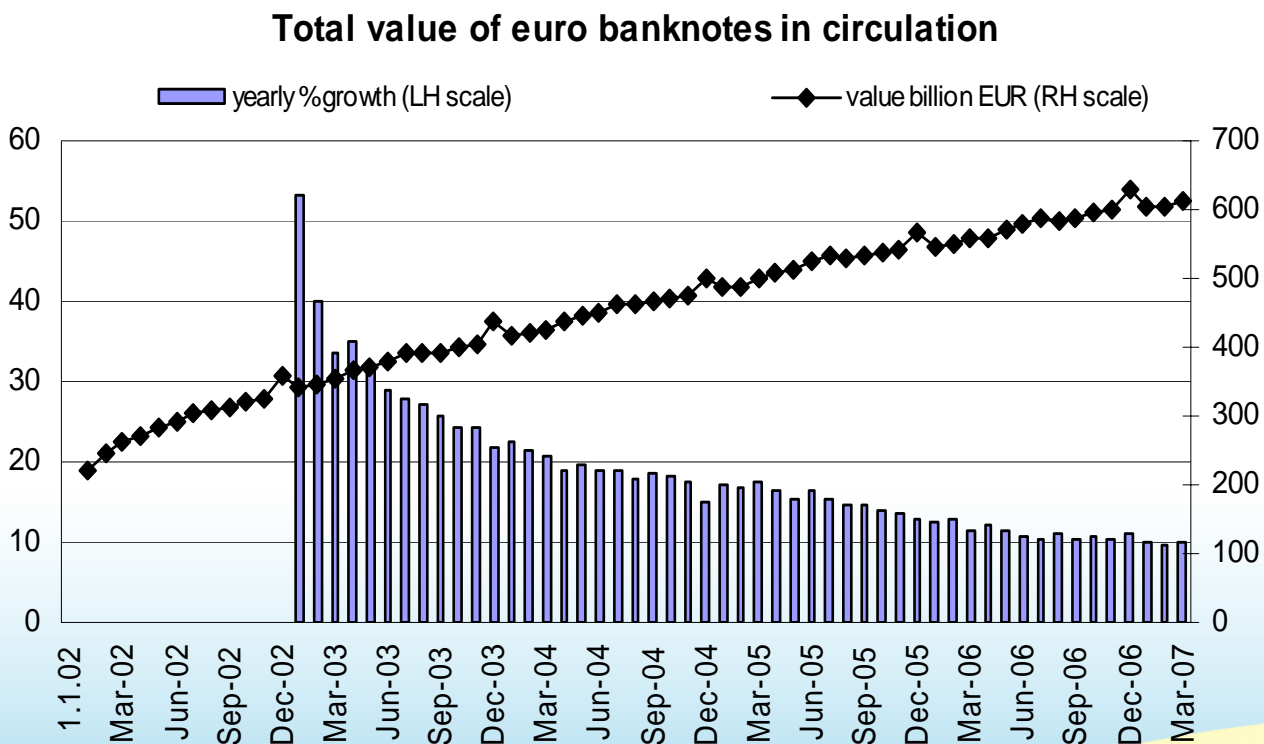
(March 2007)

	Banknotes	Coins
Total value in circulation (€ bio):	613.6	18.0
Total number in circulation (bio):	10.8	70.6
Total value as a share of GDP:	7.3 %	0.2 %
Increase in value since Jan. 2002:	177 %	48 %
Average value/capita:	1 929 €	57 €
Average number/capita:	34	222
Most widely used denomination		
In value (share in total):	€ 500 (34 %)	€2 (39 %)
In numbers (share in total):	€ 50 (36 %)	€ 0.01 (23 %)





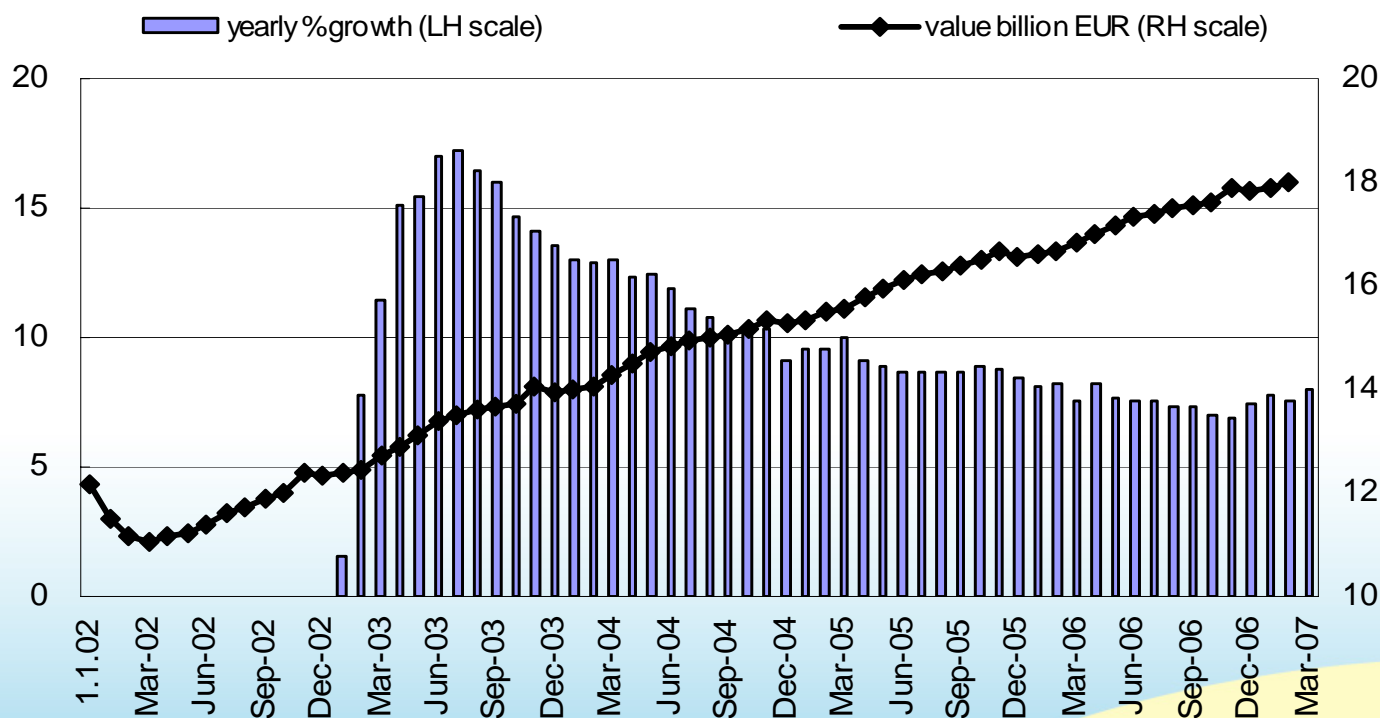
Banknotes: continued increase in circulation value, but growth rates are declining.





Coins: continued increase in circulation value (but clearly less than for banknotes) while growth rates are declining.

Total value of euro coins in circulation

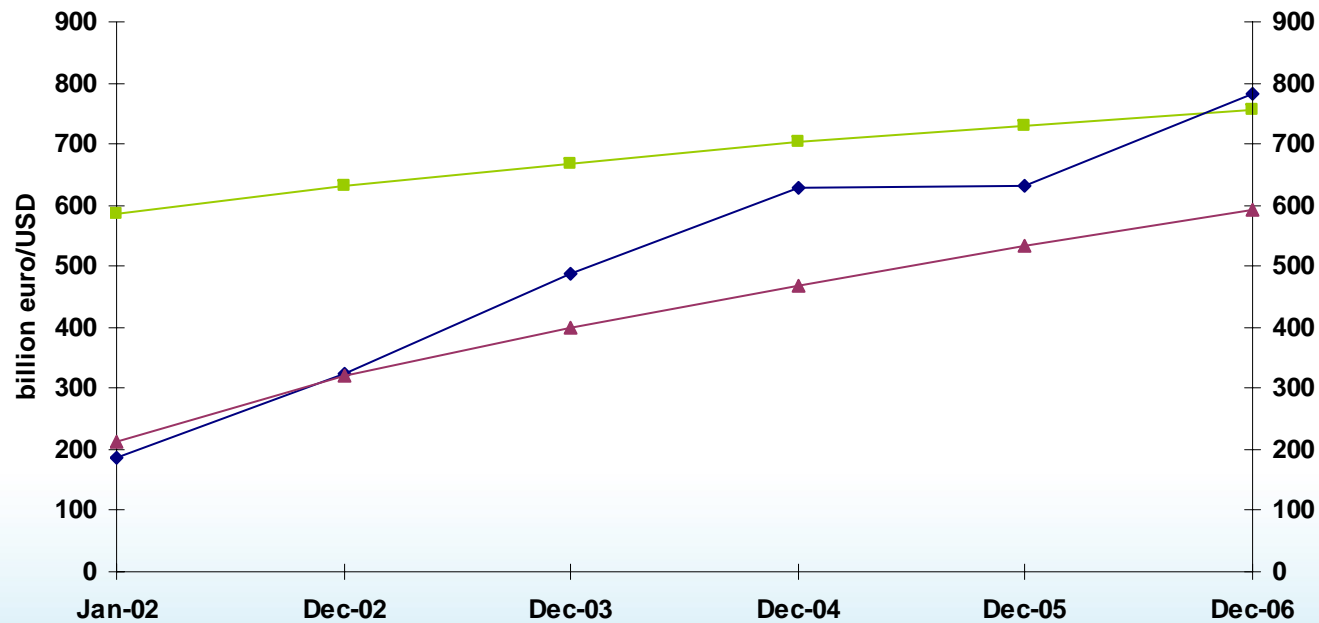




Cash in circulation

('euro in USD' converted according to average monthly exchange rate)

■ USD ◆ euro in USD ▲ euro in EUR



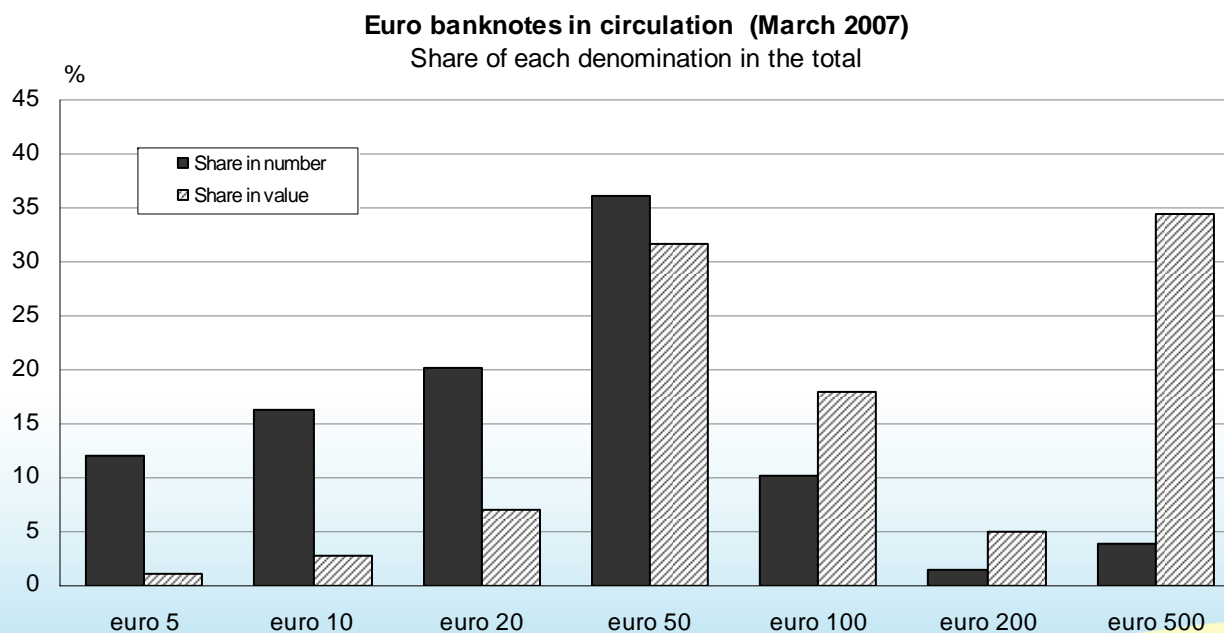
Sources: Federal Reserve Statistical Release, (for USD figures).
Calculations based on ECB and Eurostat data (for EUR figures).





Banknotes

€ 50 (in numbers) and € 500 (in value) denominations most widely used

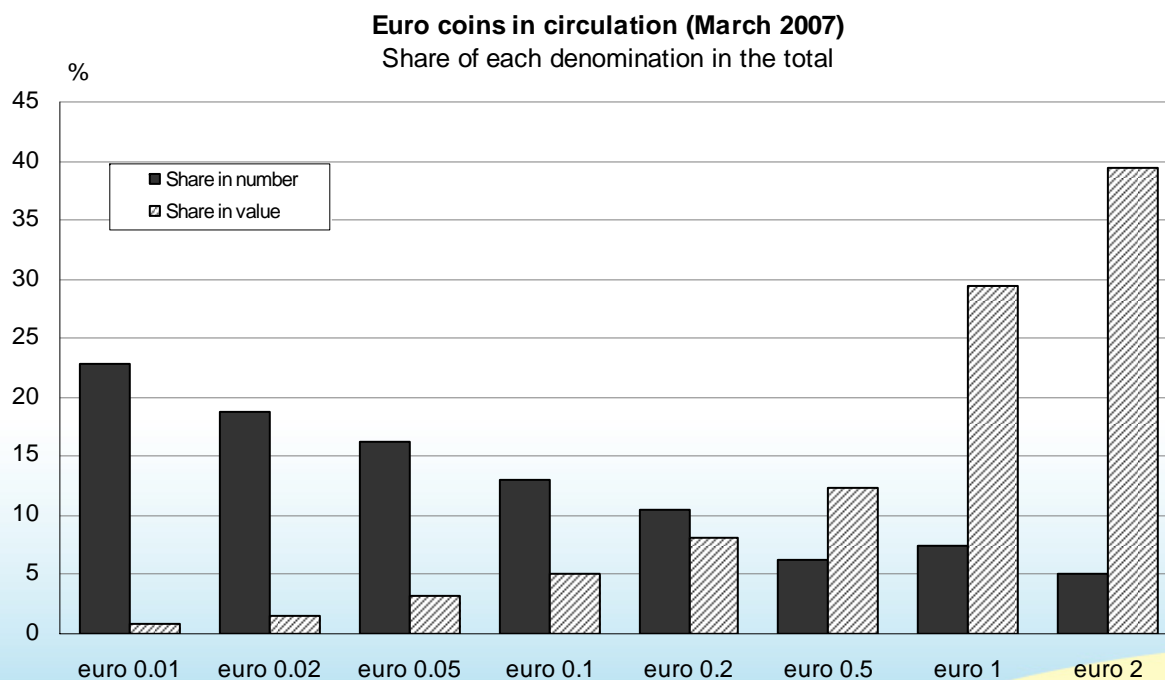




Coins

The lower the face value the higher the share in numbers

The higher the face value the higher the share in total value





Euro banknotes and coins – two different systems

Euro banknotes:

- ECB allocates a share of annual production to each national central bank (NCB), covering only some of the denominations.
- ECB has the exclusive right to authorise issuance.
- NCBs issue and put into circulation.
- Identical design, independently of issuing country

Euro coins:

- Each Member State decides how much to produce and issue (subject to approval of the annual issue volume by the ECB).
- One common European side and one national side with country-specific national design.
- Regular circulation coins, commemorative coins, collector coins.





Euro banknotes – specific issues

1- and/or 2-euro banknotes

Decision by ECB's Governing Council in November 2004 not to introduce low-denomination banknotes, notably due to:

insufficient demand, increased inefficiency in retail sector and vending machine industry as well as high costs of printing and processing.

Second series of euro banknotes

The first banknote in the new series is expected to be issued in a few years' time. The different denominations are to be launched over a period of several years.





Euro coins – specific issues

Moratorium on changes to the national sides

- Member States are only allowed to modify their national side if the Head of State depicted on a coin changes.
- They may also issue one commemorative circulation coin/year.
- Moratorium to be reviewed before expiry at the end of 2008.

The new common sides

- Political decision by ECOFIN-Council in June 2005 to amend the common side of the five highest denominations.
- Member States change over (for new production) in 2007 and 2008.





Euro coins – specific issues

New common sides



'Old' common sides





Euro coins – specific issues

The use of 1- and 2-cent coins

- Legal tender in all euro-area countries.
- However, in two countries cash payments are rounded to the nearest 5 cent, thereby limiting the use of the smallest euro coin denominations (1- and 2-cent). In Finland by national law and in the Netherlands by a voluntary, but almost universally applied, agreement.
- In the euro area, 58 % are satisfied with the number of denominations against 36% believing there are too many (Eurobarometer, Autumn 2006).





Possible future developments

Commission Communication of 22.12.2006 'Five years of euro banknotes and coins' – policy suggestions:

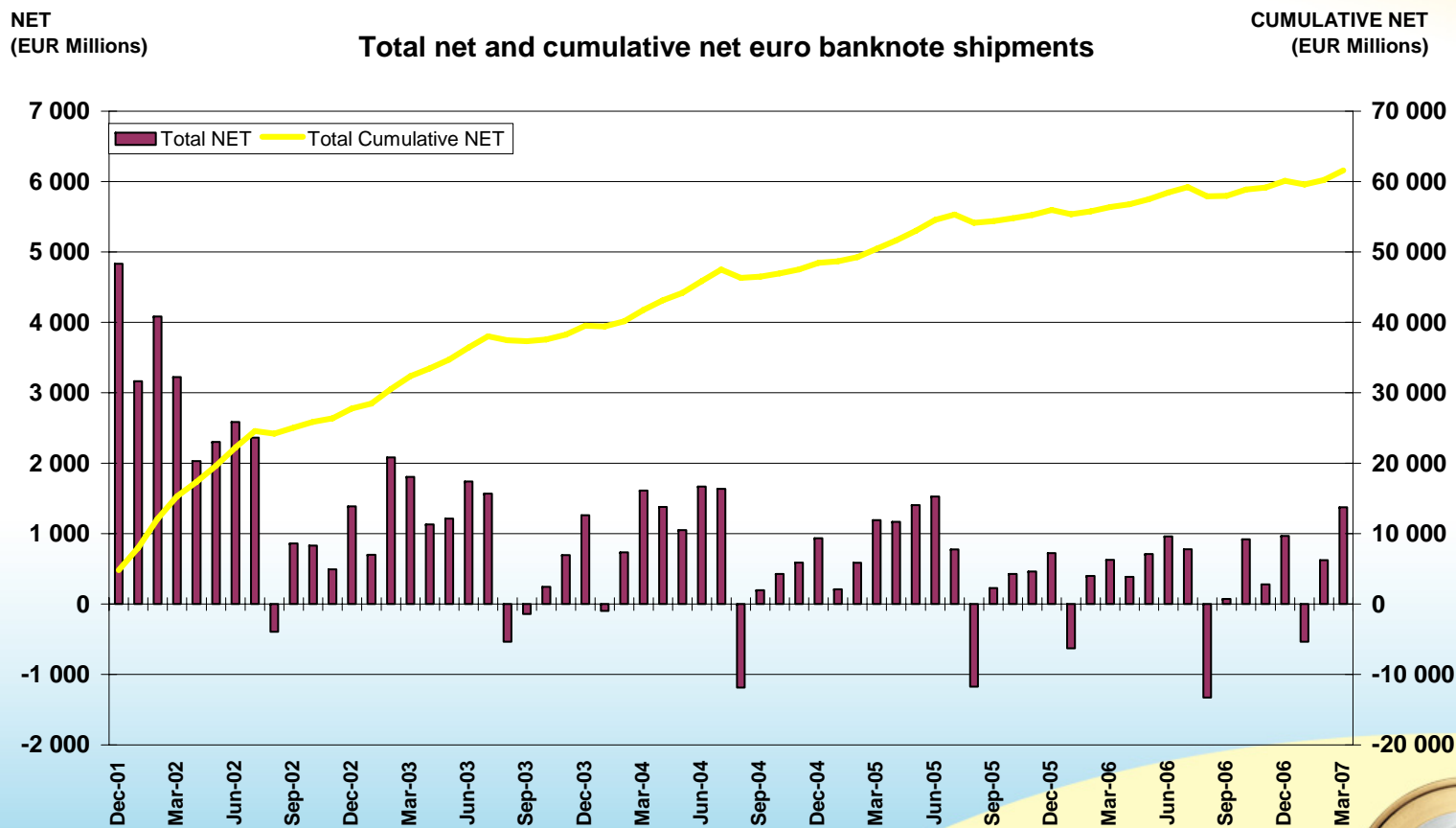
- Review of the moratorium on changes to the national sides of euro coins – Launch of survey among euro-area population to collect information on people's preferences.
- 'Standard national' sides for the 1-, 2- and 5-cents (For those Member States that are interested).
- Need for increased co-ordination of production, storage and seignorage (monetary income) in the euro coinage area?

Communication and attached Staff Working Paper are available at:
http://ec.europa.eu/economy_finance/euro/notes_and_coins/notes_coins_main_en.htm





Development of registered net shipments of euro banknotes to non-euro area countries



Source: European Central Bank





Adopting the euro

National target dates for adoption of the euro

	Cyprus Malta	01.01.2008
	Slovakia	01.01.2009
	Bulgaria Czech Republic Estonia Hungary Latvia Lithuania Poland Romania	to be confirmed





New euro coins (when Malta joins the euro area)



The Maltese coins will show 3 different images





New euro coins (when Cyprus joins the euro area)



The Cypriot coins will show 3 different images





New euro coins (when Slovakia joins the euro area)



The Slovak coins will show 3 different images

