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**PREPARATIONS FOR THE CHANGEOVER OF PUBLIC  
ADMINISTRATIONS TO THE EURO**

# PREPARATIONS FOR THE CHANGEOVER OF PUBLIC ADMINISTRATIONS TO THE EURO

## Table of contents

	Page
<b>EXECUTIVE SUMMARY</b>	3
<b>INTRODUCTION</b>	4
<b>THE EU LEGAL CONTEXT FOR THE CHANGEOVER OF NATIONAL PUBLIC ADMINISTRATIONS TO THE EURO</b>	
<b>THE ORGANISATION OF NATIONAL CHANGEOVER ACTIVITIES</b>	6
<b>THE EMERGENCE OF “EURO-OPTIONS” GRANTED DURING THE TRANSITIONAL PERIOD</b>	6
<b>ANNEXES: COUNTRY FACT SHEETS</b>	8
BELGIUM	9
DENMARK	13
GERMANY	15
GREECE	19
SPAIN	23
FRANCE	27
IRELAND	31
ITALY	35
LUXEMBOURG	39
THE NETHERLANDS	43
AUSTRIA	47
PORTUGAL	51
FINLAND	55
SWEDEN	59
UNITED KINGDOM	63

## EXECUTIVE SUMMARY

One year before the start of stage three of Economic and Monetary Union on 1 January 1999, the practical changeover preparations of Member States' public administrations are gaining constantly in importance. **This working document has above all the objective of providing comparable interim country-by-country information on the current state of national changeover plans.** It represents a deepening of the information given on public administrations in the context of the Commission's recent communication "Practical Aspects of the Introduction of the Euro" of 1 October 1997<sup>1</sup>.

On the occasion of the adoption of that communication the Commission announced that it would, before the end of 1997, give an account of the work done so far in the national public administration area.

The **most important results** of this overview, assembled in close co-operation with national administrations, are:

- ⇒ Ten Member States have so far published a national changeover plan or, in one case, a comprehensive draft transition law.
- ⇒ A majority of Member States intends to give companies, and in many cases individuals, the option at least partially to communicate and to execute financial flows with public administrations either in the national currency unit or in the euro unit from January 1999 onwards.
- ⇒ The range of these so-called "euro-options" varies from one Member State to the other. These options cover, among others, such areas as company accounting and reporting, the founding of companies with their capital in the euro unit or the redenomination of an existing company's capital into the euro unit, or tax and social security declarations and payments.
- ⇒ Member States expecting to participate in 1999 intend to continue to operate internally (i.e. budgets and internal accounting) in the national currency unit until the end of the transitional period in December 2001. A trend can be identified, however, towards the parallel publication in the euro unit of major government data at least towards the end of the transitional period, for the sake of familiarisation with the single currency in the public sector.
- ⇒ Depending on the individual structures of Member States, co-ordination with regional and local authorities has become a major topic of national changeover preparations.

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<sup>1</sup> COM (97) 491 final

## INTRODUCTION

Following the adoption of the changeover scenario to the euro at the Madrid European Council<sup>2</sup>, the need was felt, at the level of Member State governments as well as within the Commission, to establish a joint forum for the national co-ordinators responsible for the changeover preparations of their administrations to the euro.

As a consequence, the Commission started in January 1996 to create a network for these officials, in the spirit of a service offered to Member States. One of the first goals of this new "Public Administration Network" was to establish direct personal contacts among newly appointed national co-ordinators.

A mutual exchange of national plans and directives organising the complex task of leading national administrations towards the changeover to the euro ensued, with the Commission acting as the central service point and facilitating information exchange. The Commission was also called upon to be present at numerous meetings establishing new changeover co-ordination structures in a majority of capitals.

From the summer of 1996 onwards, the network's activities moved from analytical and organisational tasks to policy-oriented work. Recently, EMU co-ordination between national governments and their regional and local authorities has also become a major topic of discussion.

Apart from a frequent exchange of documents and planning papers, four meetings of the network have been held so far, three in Brussels and one at the invitation of the French Ministry of Economics and Finance, in Paris.

One additional meeting in Brussels was entirely dedicated to an exchange of experience between government informatics co-ordinators and a number of IT software and service companies on the theme "EMU and government informatics". All Member States participated in all meetings, in one Member State's case in an observation function.

## THE EU LEGAL CONTEXT FOR THE CHANGEOVER OF NATIONAL PUBLIC ADMINISTRATIONS TO THE EURO

The decision of the Madrid European Council on the scenario for the introduction of the euro addressed the practical changeover of national public administrations as follows:<sup>3</sup>

"The generalisation of the use of the Euro for public sector operations will occur in all participating Member States at the latest when the Euro banknotes and coins are fully introduced. The time frame will be laid down in Community legislation and might leave some freedom to individual Member States."

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<sup>2</sup> European Council, Madrid, 15-16 December 1995; Annex 1 to Presidency conclusions SI(95) 1000

<sup>3</sup> Paragraphs 12, 13 and 9 of Annex 1 of the Presidency Conclusions

“The public authorities are invited to set in hand the arrangements for planning the adaptation of their administration to the Euro.”

“A Council regulation entering into force on 1 January 1999 will provide the legal framework for the use of the Euro. [...] For the period before the deadline set for the completion of the changeover, the Regulation will ensure that private economic agents will be free to use the Euro; at the same time they should not be obliged to do so. ...”

Regarding Community legislation addressing the transitional period, Article 8 (5) of the Draft Council Regulation (EC) No.../97 of... (to be adopted according to Art. 109L4 following the 1998 decision on the participating Member States)<sup>4</sup> stipulates:

“Provisions other than those of paragraph 4 imposing the use of the euro unit may only be adopted by the participating Member States in accordance with any time-frame laid down by Community legislation.”

The accent is here on a limit to imposing nationally, during the transitional period, the use of the euro unit in cases other than those specifically mentioned in the preceding Article 8 (4)<sup>5</sup>. This limiting provision also covers, of course, transactions between private economic actors and public administrations during the transitional period.

Given the often considerable structural differences between Member States' constitutions and legal systems (e.g. degree of centralisation vs. decentralisation, tax systems, company legislation etc.) the Commission has refrained from proposing harmonised changeover measures for national public administrations other than those rules contained in the above-mentioned Draft Council Regulation on the introduction of the euro, and in the “Council Regulation on certain provisions relating to the introduction of the euro”<sup>6</sup> which has already been adopted. (covering conversion algorithms, rounding rules, the continuity of contracts and the 1:1 equivalence between the ECU and the euro). These two texts are hereafter referred to as the “legal framework for the euro”.

The principle of “no obligation, no prohibition” agreed by the Madrid European Council for the use of the euro during the transitional period and subsequently laid down in the legal framework for the euro, thus enables national administrations to offer the optional use of the euro unit to private economic agents for all financial flows and communications with the State.

In countries where these “euro-options” will be offered, a provision usually stipulates that, once a company has chosen the euro unit before the end of the transitional period (e.g. for its accounting and tax declarations), it cannot revert back to the national currency unit. Such restrictions are in accordance with the “no obligation, no prohibition” principle.

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<sup>4</sup> Resolution of the Amsterdam European Council of 7 July 1997, O.J. C 236, 2.8.97

<sup>5</sup> Art. 8 (4) of the Draft Council Regulation covers the redenomination of outstanding debt and the changeover of organised markets and payments systems.

<sup>6</sup> Council Regulation (EC) No. 1103/97, O.J. L 162, 19.6.97

## THE ORGANISATION OF NATIONAL CHANGEOVER ACTIVITIES

In many Member States, initial preparatory work for the changeover of public administrations typically started after the publication of the Commission's Green Paper "One Currency for Europe" in May 1995. The scenario established by the European Council in Madrid in December 1995 subsequently led to the formal creation of specialised units or task forces in national Finance Ministries (cf. attached national fact sheets), specially dedicated to the co-ordination of the changeover of public administrations.

As many parts of national administrations had, until that time, not been involved in European monetary matters, the organisation of a comprehensive national changeover structure frequently required a mandate from the highest authority, such as a decision by the Council of Ministers or a directive by the Head of Government.

Not least as a result of the early exchange of experiences and solutions to problems in the "Public Administration Network" organised by the Commission, a pattern of national changeover networks evolved, with clearly defined "euro-desks" in all the Ministries and government agencies. Working sub-groups have generally developed around the subject areas of legislation and legal aspects, financial markets, enterprises, consumers, and communications policy. Several Member States with a pronounced regional/local structure typically involved their regional and local authorities from the start.

Another common pattern was the establishment of fora for dialogue between governments and private economic agents, often structured around the subject areas financial markets, enterprises and consumers.

The essential ground-work for national administrations was the complete identification of all existing legal texts that would be affected by the introduction of the euro. In countries with an administrative law tradition, a typical number of individual provisions in laws, decrees and other regulations identified amounted to between 3000 and 4000 items.

For the sake of clarity and readability, most Member States intend to change "physically" into the euro unit any existing legal text which is affected and which will still be applicable beyond the end of the transitional period. Even where such rewriting has not taken place by the beginning of 2002, legal certainty will be ensured by virtue of the European legal framework for the introduction of the euro. This legal framework stipulates that from the beginning of 2002, any reference to a national denomination will be read "automatically" as a reference to the euro unit, converted on the basis of the irrevocable conversion rate.

## THE EMERGENCE OF "EURO-OPTIONS" GRANTED DURING THE TRANSITIONAL PERIOD

The principle of "no obligation, no prohibition" for the use of the euro during the transitional period of course permits private economic agents to transact between themselves in the euro unit as of 1 January 1999. But this principle logically also points

the way to granting the optional use of the euro unit for financial flows and communications between administrations and private economic agents as of 1 Jan. 1999.

At first, major international enterprises as well as commercial banks, followed by export-oriented small and medium enterprises, demanded the option to be able to totally change over their operations into the euro unit well before 2002, including financial flows and communications with their national administrations, such as the transmittal of company accounts and the declaration and payment of taxes or social security contributions.

The publication of the Belgian changeover plan in July/August 1996, precisely granting such options, led the way for a large majority of Member States to follow suit during the following 15 months. Given the particular characteristics of national administrative systems and the varying relative difficulties attached to the practical implementation of the euro-options at the interfaces between public administrations and private economic agents, the exact composition of the range of these options differs from one Member State to the other (cf. parts II of each of the following country fact sheets).

In terms of national policy approaches, it is noteworthy that, whereas immediately after the Madrid European Council Member States were rather inclined to change over their public administrations to the euro only in 2002, the current situation has considerably changed. A large majority of Member States have now announced that they will allow the optional use of the euro unit for most, and in some cases all, financial flows and communications (for example: company accounting, tax declarations and tax payments) between private economic agents and public administrations as from 1 January 1999.

Many Member States are now about to move into the phase of transmitting draft changeover legislation to their Parliaments. The frequent granting of the above-mentioned "euro-options" from 1999 onwards implies that any legal changes to come into force on 1 January 1999 will have to be adopted quickly and, where necessary, published in the respective Official Gazettes, in order to give legal certainty to the private sector and the public-at-large.

The "minimum standard" emerging presently are optional company accounts and annual reports in the euro unit, as well as payments to the public administrations in euro unit from 1999 onward. Many Member States have announced that they will go much further, in some cases enabling companies and the public-at-large to operate almost entirely in the euro unit well before 2002. This has led a growing number of European enterprises to announce formally that they will execute a maximum changeover to the euro unit in 1999.

**These so-called "euro-options" will undoubtedly lead to a much faster growth of the day-to-day use of the euro during the transitional period than originally expected, small enterprises, the self-employed and the public-at-large included.**

Regarding the internal operations of the State, however, such as budgets and government accounts, it can be expected that administrations will continue to operate in the national currency unit until the end of 2001.

## COUNTRY FACT SHEETS

The following fact sheets provide a country-by-country overview of the changeover preparations of public administrations on the basis of a common format and with identical categories.

The fact sheets do **not** cover the aspect of public information campaigns on the euro, as a communication of the Commission dealing specifically with this topic is envisaged for early 1998.

**The information contained in each country fact sheet has been validated by the responsible national co-ordinator for the changeover of public administrations.**



# Belgium

# Belgium

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

<u>Legislative and regulatory changeover measures</u>	<u>Current status</u>	<u>Date of coming into force</u>
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Company legislation (amount of minimum capital, redenomination of the capital)	Drafting	1/99
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Rounding law	Drafting	1/99
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#### Official documents published

##### **Most recent main changeover document:**

Guidelines for the changeover of public administrations to the euro:		7/97
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##### **Other official documents published:**

Main guidelines of the Master Plan for Banking and Finance ("schéma national de place")		7/96
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Admi-Euro n°1 (Newsletter for the public sector)		1/97
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Admi-Euro n°2		7/97
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Admi-Euro n°3		10/97
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"Demain, l'Euro", Guide for systems analysts and programmers of the Belgian public administrations		10/97
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#### Interbank agreements (private sector banks, NCB) for payments during the transitional period:

"FIN-EURO" working group's recommendations		11/97
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# Belgium

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in euro departments	1/02	Statistics can be published in euro depending on the
Budget in euro: onwards	1/02	Public debt, summary of the Budget in euro from 1999
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:	1/99	
Redenomination of a company's capital into the euro:	1/99	
Statutory reporting in euro:	1/99	
Other financial reporting in euro:	1/99	i.e for Bourse for quoted companies
Communication of obligatory statistics in euro:	1/99	Departments will accept all information and financial flows in euro
Company accounting in euro:	1/99	
Tax declarations euro:	1/99	
Tax payments in euro:	1/99	
Declaration of social and national insurance charges in euro:	1/99	
Payments of social and national insurance charges in euro:	1/99	
Fiscal audits in euro:	1/99	
Written proofs in euro for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euro:	1/99	Departments will accept all information and financial flows in euro
Tax payments in euro:	1/99	

# Belgium

## Preparations for the changeover of public administrations

Status: 15 November 1997

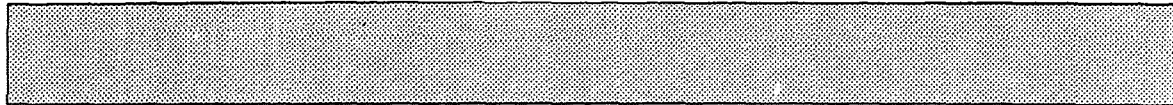
### III. Organisation and structures

<u>Coordination structures:</u>	<u>Establishment date</u>
General Commissariat for the euro	11/96
Working group "Admi-Euro"(headed by the Finance Ministry)	1/97
<b><u>Working groups:</u></b> (lead Ministry)	
Informatics (Finance Ministry)	
Budget and public finances (Finance Ministry)	
Regulation and forms (Finance Ministry)	
Communication (Finance Ministry and Federal Service for communication)	
Local authorities (Interior Ministry)	
<b><u>Government/private sector fora</u></b>	
Plenary Session of the Steering group of the General Commissariat for the euro	10/97
<b><u>Regional and local level:</u></b>	
Working group "Local authorities" (Interior Ministry)	
<b><u>Help line:</u></b>	
02/221.33.42 Eurodesk for business and self employed	
<b><u>Internet site:</u></b>	
<a href="http://euro.fgov.be">http://euro.fgov.be</a>	
<b><u>Future developments and intentions:</u></b>	
"Admi-Euro" Seminar for public administrations	1/98

**Denmark**

# Denmark

Status: 15 November 1997



## Comment by Danish Ministry of Economic Affairs:

In accordance with the decision taken by the European Council in Edinburgh in December 1992, Denmark will not take part in the third stage of Economic and Monetary Union from 1999. However, the third stage of the Economic and Monetary Union will also affect Denmark and the Danish krone will have a close relationship with the euro through Denmark's participation in the new exchange-mechanism, ERM2. Therefore the Danish government has established a EMU Committee under the chairmanship of the Ministry of Economic Affairs with the participation of ministries, Denmark's Nationalbank, the financial sector and business organisations. The EMU Committee serves as a forum for an exchange of view between the public and the private sector in order to clarify consequences for Denmark of the third stage of the Economic and Monetary Union.

# Germany

# Germany

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

#### Legislative and regulatory changeover measures

#### Current status

#### Date of coming into force

Draft Law for the Introduction of the Euro ("Euro-Einführungsgesetz", Bundesratsdrucksache 725/97). This draft law comprises, among others, the following legislative changes :

Council of Ministers 9/97  
Bundesrat 11/97

1/99 - exceptions see below

Discount rate transition law (replacement of the discount rate by the base lending rate in its function as a reference rate. Authorisation for the replacement of the FIBOR.

Change of (court) legal proceedings (adjustment of judicial reminder procedures to the optional use of the euro as from 1/99)

Change of regulations of the corporate law (establishment of companies with company capital in euros, conversion of company capital to euros including increase/decrease of capital)

Change of regulations of the accounting law - "Bilanzrecht" (option for companies to draw up balance sheets in euro. No taxation when companies dissolve reserves for liabilities denominated in such "foreign currencies" that are replaced by the euro. Entry into force of some parts before 1/99.

Change of stock exchange legislation (possibility of quoting in euro, delegation of some regulatory power to the stock exchanges). Entry into force partially after adoption of the law, i.e. before 1/99, in order to enable preparations

Law for the conversion of debt instruments to euros (authorisation to convert negotiable debt instruments of the Bund and to convert negotiable debt instruments of other issuers. Provisions for new subdivisions and new nominal values). Entry into force after publication of the law, i.e. before 1/99, in order to enable preparatory work.

Change of regulations in the field of coinage (measures for the protection of consumers from commercially marketed "Euro Medals" resembling official coins. Entry into force immediately after publication of the law, i.e. before 1/99.)

Adaptation of monetary law (eliminating the prohibition to conclude contracts with price indexation clauses)  
Adaptation of the Insurance Surveillance Law ("Versicherungsaufsichtsrecht" - adaptation of congruence rules)

#### Official documents published

##### **Most recent main changeover document:**

Draft law as above

##### **Other official documents published:**

Interim report of the Working Staff ("Arbeitsstab") Economic and Monetary Union: The introduction of the euro into legislation and public administration ("Zwischenbericht des Arbeitsstabs Wirtschafts- und Währungsunion - Einführung des Euro in Gesetzgebung und öffentlicher Verwaltung"); available at the Ministry (Internet: <http://www.bundesfinanzministerium.de>). A further interim report will be published early in 1998

#### Interbank agreements (private sector banks, NCB) for payments during the transitional period:

April 1996: Master agreement on the execution of interbank domestic payments for the introduction of the euro currency. Data sets for interbank domestic payments will contain from 1/99 the DM amount as well as the euro amount. The first bank or credit institution tasked with a payments operation will do the conversion DM/euro or euro/DM. The amount will be credited by the receiving bank or credit institution to the account-holder's account in the denomination chosen for that account. This solution makes it possible to make payments in euro independently of the denomination of the creditor's account (DM or euro).



# Germany

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro:	1/02	Administrations may use the euro in transactions governed by private law from 1/99
Budget in euro:	1/02	
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:	1/99	
Redenomination of a company's capital into the euro:	1/99	
Statutory reporting in euro:	1/99	
Other financial reporting in euro:	1/99	
Communication of obligatory statistics in euro:	1/99	
Company accounting in euro:	1/99	
Tax declarations euro:	under examination	
Tax payments in euro:	1/99	and all other payments
Declaration of social and national insurance charges in euro:	under examination	
Payments of social and national insurance charges in euro:	1/99	
Fiscal audits in euro:	1/99	
Written proofs in euro for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euro:	under examination	
Tax payments in euro:	1/99	and all other payments

# Germany

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

#### Establishment date

Working staff Economic and Monetary Union ("AS WWU - Arbeitsstab Wirtschafts- und Währungsunion") in the Federal Ministry of Finance (BMF). Co-ordination of the inter-ministerial work and steering of the necessary measures for the legal and administrative implementation of EMU. 11/95

#### Working groups:

Financial markets (presidency: BMF): 6 / 95  
Electronic data processing (presidency: Federal Ministry of the Interior): 6 / 97  
Financial Administrations (presidency: BMF) 4 / 97  
Social Administrations (presidency: Federal Ministry of Labour) 1 / 96  
Statistics (presidency: Federal Statistics Office) 3 / 97

#### Government/private sector fora:

Regular "Petersberg Discussions" with the Federal Finance Minister 5 / 95  
Regular "Bank Discussions" with the State Secretary of the Federal Finance Ministry 5 / 95  
Regular exchange of views between the State Secretary of the Federal Economics Ministry and the non-finance private sector 10 / 95  
Regular exchange of views between the State Secretary of the Federal Economics Ministry and the consumer organisations 8 / 96

#### Regional and local level:

The Federal Laender have been represented in the EMU Working Staff via joint representatives from the onset of activities there. They have established their own euro-working staffs. 11 / 95

The municipalities, too, are represented in the EMU Working Staff. Larger municipalities do have their own euro coordinators. At the Laender level, working circles have been established and pilot projects initiated. 4 / 97

All Chambers of Commerce have established euro-contact points for enterprises.

#### Help line:

0180 - 522 1999 and 0180 - 321 2002

#### Internet sites:

<http://www.bundesregierung.de>

<http://www.bundesfinanzministerium.de>

<http://www.bmj.bund.de>

[Internet site of the Fed. Justice Ministry]

<http://www.bmwi.de>

[Internet site of the Fed. Economics Ministry]

#### Future developments and intentions:

Beginning of 1998: Second interim report of the EMU Working Staff

Beginning of 1998: Final decisions about the use of the euro at the interfaces between the private sector and public administrations (Finance - including tax - and social administrations)

During 1998: Clarification of the necessity of dual circulation of notes and coins and of dual displays. Identification of the adjustment requirements from 1/2002 onwards, especially of the requirements for the smoothing/new setting of "non-round" euro amounts.

# Greece

# Greece

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

<u>Legislative and regulatory changeover measures</u>	<u>Current status</u>	<u>Date of coming into force</u>
<p>The study groups of the Ministry of Finance are working to identify the legislative and regulatory measures (on financial and customs union issues) which have to be adapted to euro requirements.</p> <p><b><u>Official documents published</u></b></p> <p><b>Most recent main changeover document:</b></p> <p>At the present time such a changeover document does not exist for the optional use of the euro during the transitional period. However work is in progress to submit in 1998 a changeover plan which will address all the relevant issues.</p> <p><b>Other official documents published:</b></p> <p>Ministerial orders related to the establishment of work teams</p> <p><b><u>Interbank agreements (private sector banks, NCB) for payments during the transitional period:</u></b></p>		

# Greece

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		<u>Comment by the Greek Finance Ministry:</u>
Internal accounting in the euro		With the entry of Greece into EMU, internal accounts and budget will continue to be denominated in national currency until the end of the transitional period.
Budget in euro:		However, basic aggregates of the central government might be also expressed in euro during the transition phase.
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:		No decision has been taken in all these issues, which are under study
Redenomination of a company's capital into the euro:		" "
Statutory reporting in euro:		" "
Other financial reporting in euro:		" "
Communication of obligatory statistics in euro:		" "
Company accounting in euro:		" "
Tax declarations euro:		" "
Tax payments in euro:		" "
Declaration of social and national insurance charges in euro:		" "
Payments of social and national insurance charges in euro:		" "
Fiscal audits in euro:		" "
Written proofs in euro for tax declarations:		" "
<b>Options for individuals:</b>		
Tax declarations in euro:		" "
Tax payments in euro:		" "

# Greece

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

#### Establishment date

A central coordinating committee will be formed at interministerial level in due course. Its main function will be to coordinate the study groups and provide guidance. Members of this committee will include representatives from the Ministries of National Economy and Finance, Interior, Public Administration, the Bank of Greece, the Stock Exchange, the Hellenic Bank Association and representatives from other core associations.

#### Working groups:

Study Team on customs union issues, the adaptation of customs legislation to the euro, and for proposals for the relevant measures for the changeover; (chaired by the Ministry of Finance) 11/96  
third stage of EMU (chaired by the Ministry of National Economy and Finance)

Study Team on financial issues related to the use of the euro (chaired by the State General Accounting Office of the Finance Ministry) 4/97

Study team on direct and Indirect taxation issues related to the implementation of the euro (chaired by the General Directorate for Taxation of the Ministry of Finance) 11/97

#### Government/private sector fora:

The Hellenic Bank Association (HBA) established in November 1996 an "EMU Steering Committee" with the participation of vice-governors and directing managers from 13 credit institutions operating in Greece (both Greek and foreign institutions). The Bank of Greece participates in this Steering Committee as an observer. This Committee of HBA set up seven working groups, each of them dealing with a particular subject area relevant to the banking system and banking operations. The HBA published in May 97 an interim report of the study on the implications to the Greek banking sector resulting from the introduction of the single currency. A final version of this report will be ready for approval at the end of the year.

The Federation of Greek Industries (FGI) has also nominated a senior staff member, the coordinator for research and analysis, as the responsible euro manager. His task is to follow developments regarding the euro, inform accordingly the Board of Directors and the Executive Committee of the FGI and diffuse relevant information to member companies and other industrial associations or organisations in Greece. The FGI has organised six conferences in different cities of Greece on issues related to the single currency. It conducted a survey of business attitudes regarding the euro. It published in Greek the AMUE "Euro preparation guide for companies" which includes detailed checklists for action.

Regional and local level: To be installed soon

Help line: To be installed soon

Internet site: To be installed soon

#### Future developments and intentions:

- a) The Government is planning to form two study groups which will focus on issues such as communication strategies and the adaptation of information systems and software.
- b) The Government intends to prepare a changeover document in 1998.
- c) Dissemination of information about government preparation for the single currency through workshops, lectures, bulletins and fora.

# Spain

# Spain

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

#### Legislative and regulatory changeover measures

#### Current status

#### Date of coming into force

Royal Decree organizing the institutional structures and the strategy for the changeover of public administrations:

Adopted

4/97

Company legislation

being studied

1/99

#### Official documents published

##### **Most recent main changeover document:**

"Preliminary conclusions about the introduction of the euro in the public administrations"

7/97

##### **Other official documents published:**

#### Interbank agreements (private sector banks, NCB) for payments during the transitional period:



# Spain

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro:	1/02	
Budget in euro:	1/02	
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:	1/99	
Redenomination of a company's capital into the euro:	1/99	
Statutory reporting in euro:	1/99	
Other financial reporting in euro	1/99	
Communication of obligatory statistics in euro:	1/99	
Company accounting in euro:	1/99	
Tax declarations in euro:	1/02	
Tax payments in euro:	1/99*	see footnote
Declaration of social and national insurance charges in euro:	1/02	
Payments of social and national insurance charges in euro:	1/99	
Fiscal audits in euro:	1/99	
Written proofs in euro for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euro:	1/02	
Tax payments in euro:	1/02	

\* The original amount in pesetas has to be included in any document

# Spain

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

<u>Coordination structures:</u>	<u>Establishment date</u>
Interministerial Commission (chaired by Finance Ministry):	7/97
<u>Working groups:</u>	
Special Commission for recovering and payments	7/97
Special Commission for legal issues	7/97
Special Commission for accounting, statutory reporting, taxes and statistics	7/97
Special Commission for informatics	7/97
<u>Government/private sector fora</u>	
No institutional arrangements	
<u>Regional and local level:</u>	
Regional Government expert group	7/97
Spanish Federation of Municipalities	12/97
<u>Help line:</u> 902-1-1-2002	1/98
<u>Internet site:</u> <a href="http://www.euro-mech.com">http://www.euro-mech.com</a>	11/97
<u>Future developments and intentions:</u>	
Official Transition Plan	12/97
Draft legislation if needed	3/98

**France**

# France

## Preparation for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

<u>Legislative and regulatory changeover measures</u>	<u>Current status</u>	<u>Date of coming into force</u>
Option for enterprises to do their accounting in euro (Modification of Art. 16 of the "Code de Commerce")	being finalised	During 1998 in order to take effect on 1.1.99
Adaptation of company legislation in order to facilitate the conversion of company capital into the euro: - elimination of the obligatory statutory mentioning of the nominal value of shares; - For decisions regarding conversion: adjustment of the relative prerogatives of the general assembly and the executive bodies of a company - derogation to existing objection procedures accorded to creditors	being finalised	idem
Accounting treatment of conversion rounding (modification of Art. 13 of the "Code de Commerce")	being finalised	idem
Redenomination of public or private debt	being finalised	idem
Full discharge from a debt when rounding rules correctly applied	being finalised	idem
Changeover to the euro of payments systems and settlements	being finalised	idem
Quoting of financial instruments in euro	being finalised	idem
Continuity of indices	being finalised	idem
<u>Other measures:</u> Directive for the inland revenue service regarding the tax treatment of expenditures in connection with the preparation for the euro.		9/97
<b><u>Official documents published</u></b>		
<b>Most recent main changeover document:</b>		
National Changeover Plan to the euro (published 24 Nov. 97)		11/97
<b>Other official documents published:</b>		
Adoption by the "Comité national de l'euro" of the proposals of the the "Rapport Simon-Creyssel" of 2/97 (on enterprises) and of a supplementary report.		6/97
Guiding checklist for decision-makers for euro changeover preparations		10/97
Advice and recommendations for the informatics (IT) sector		9/96
Interim report on legal questions		10/96
Master Plan for Banking and Finance		1/97
IT questions - Code of good conduct		2/97
IT questions - strategy guide ("démarche informatique")		3/97
Rounding - Recommendations:		3/97
IT questions - converters		6/97
Public accounting		10/97
International contracts		10/97
International conventions		10/97
Guide for locally elected representatives ("Guide de l' élu local")		11/97
Decision of the Stock Market Supervisory Commission (COB) on financial communication in euro from 1/99 (Recommendation No. 97-01)		1/99
<b><u>Interbank agreements (private sector banks, NCB) for payments during the transitional period:</u></b>		
Master Plan for Banking and Finance ("Schéma de place bancaire et financier")		2/97

# France

## Preparation for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Date</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro	1/02	
Budget in euro:	1/02	Presentation in euro in the course of 2001
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:	1/99	
Redénomination of the capital of a company in Euro:	1/99	
Statutory reporting in euro:	1/99	
Other financial reporting in euro	1/99	(Recommendation of the Stock Exchange supervisory commission - COB - for publicly quoted companies)
Communication of obligatory statistics in euro:	1/99	Depending on the nature of informations
Company accounting in euro:	1/99	
Tax declarations in euro	1/99	For companies which have irrevocably chosen the euro as their accounting unit
Tax payments in euro:	1/99	
Declaration of social and national insurance charges in euro:	1/02	Possible new decisions
Payments of social and national insurance charges in euro:	1/99	
Fiscal audits in euro:	1/99	} only for enterprises who have changed
Written proofs in euro for tax declarations:	1/99	} over their accountancy to the euro
<b>Options for individuals:</b>		
Tax declarations in euro:	1/02	Possible change towards the end of the transitional period
Tax payments in euro:	1/99	

# France

## Preparation for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

#### Establishment date

"Interministerial mission for the preparation of public administration to the Euro ("Mission Euro");  
(Ministry of Finance)

1/96

#### Working Parties: (Lead ministry)

Public accountancy (Ministry of Finance)

Informatics (Ministry of Finance) - joint group with the private IT sector

Legal (Ministry of Finance)

sub-groups on the continuity of the private contracts, international conventions, thresholds, round-offs, retroactive adaptations of statistical time series.

Communication (Ministry of Finance)

Training (Ministry of Finance)

Local authorities (Ministry of the Interior)

Consumers ("Conseil National de la Consommation")

sub-groups on information, competition, costs and acceptability of the euro by the consumer

#### Government / private sector fora

"Comité national de l'euro" (chaired by the Minister of Finance.  
Participation of elected representatives and of socio-professional groups):

12/96

#### Regional and local level

Steering committees in the "départements" (chaired by prefect):

3/97

Monitoring committees in the "départements" (chaired by "Trésorier-Payeur Général" - the Treasury's chief representative in the départements)

3/97

Help line: Freephone ("Téléphone vert") 0800-012002

11/97

Minitel 3615 EURO 99

6/97

Internet site: <http://www.finances.gouv.fr>

6/96

#### Future developments and intentions:

Working parties to be established on:

- public contracts
- practical aspects of the 2002 changeover
- budget execution procedures ("régies")

# Ireland

# Ireland

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

<u>Legislative and regulatory changeover measures</u>	<u>Current status</u>	<u>Date of coming into force</u>
Compatibility of national law with Treaty Articles 107 and 108 will be provided for in a forthcoming Bill	Drafting of bill being finalised prior to publication	Target date for enactment: early '98
Legislative provisions to facilitate changeover to the euro	General scheme of Bill being drafted for Government approval	Target date for enactment: by Summer 1998
 <u>Official documents published</u>		
<b>Most recent main changeover document:</b>		
EMU and the Euro: Ireland's National Changeover Plan	see "Future Developments"	Published 5/97
<b>Other official documents published:</b>		
Business Awareness Campaign- Information Pack (loose-leaf)	New documents regularly added	First published 12/96 and last updated 8/97
Preparing for the Euro - Guide for Business on the Taxation and Customs aspects of the changeover to the Euro.		Published 4/97
 <u>Interbank agreements (private sector banks, NCB) for payments during the transitional period:</u>		
Real Time Gross Settlement System (RTGS). All Interbank payments are settled through bank settlement accounts at Central Bank (CB)	RTGS in place; link with TARGET being tested	RTGS will handle euro payments from 1/99
Electronic and Paper Clearing; Inter Institutional agreement in place	Mechanisms for implementing agreement being put in place	1/99



# Ireland

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro	1/02	Summary information in euro in publications from 1/99
Budget in euro:	2002 Budget, announced in 2001	Summary information in euro from 99
<b>Options for enterprises and the self - employed:</b>		
Establishment of a company with its capital in euro:	1/99	
Redenomination of a company's capital into the euro:	1/99	Question of legislation being considered
Statutory reporting in euro:	1/99	
Financial reporting in euro:	1/99	
Communication of obligatory statistics in euro:	1/99	
Company accounting in euro:	1/99	
Tax declarations in euro:	1/99	Irrevocable declaration
Tax payments in euro:	1/99	
Declaration of social and national insurance charges in euro:	1/99	Irrevocable declaration
Payments of social and national insurance charges in euro:	1/99	
Fiscal audits in euro:	1/99	
Written proofs in euro for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euro:	1/02	
Tax payments in euro:	1/99	

# Ireland

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

#### Establishment date

The Single Currency Officers Team (Headed by the Dept. of Finance).	9/95
Euro changeover Team (ECT) Department of Finance	6/97

#### Working groups:

Interdepartmental Group for the implementation of IT systems	Existing groups (e.g. on Financial Management Systems, Payroll etc.) are being used with changeover constantly on agenda
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#### Government/private sector fora:

The Euro Changeover Group (chaired by Second Secretary General, Department of Finance)	5/96
Forfás Business Awareness Campaign	12/96
- Management Committee	
- Consultative Committee	

#### Regional and local level:

#### Help line:

1. General information: ECT, Dept. of Finance: (01) 6767571 ext. 5147/5146/5082
2. Information for Business: Forfás (01) 607 32 09
3. For information on taxation and customs aspects of the changeover, Revenue: (01) 6792777 ext. 4817/ 4148/ 4146.

#### Internet site:

<http://www.irigov.ie/finance>  
<http://www.emuaware.forfás.ie>  
<http://www.revenue.ie>

#### Future developments and intentions:

Second edition of Ireland's National Changeover Plan Target publication date: by end 1997

Currency changeover Board: to oversee implementation of changeover	To be established in 1998 assuming European Council confirms Ireland qualifies for EMU (comment by Fin.Dept.)
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Legislation to ensure Treaty compatibility	Target enactment date: early 98
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Legislation to facilitate changeover	Target enactment date: by Summer 98
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**Italy**

# Italy

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

<u>Legislative and regulatory changeover measures</u>	<u>Current status</u>	<u>Date of coming into force</u>
Draft law empowering government to introduce measures:	Approved by the Camera dei Deputati (Lower House) 10/97	12/97(expected)
Redenominating shares of capital (Art 2327 of the Civil law)	Drafting	1/99
Accounting in euro (Art 2423 of the Civil law):	Drafting	1/99
New legislation and regulation (permitting payments in euro of social security contributions and taxes) :	Drafting	1/99
All other provisions needed to introduce the euro are being drafted		1/99
<b><u>Official documents published</u></b>		
<b>Most recent main changeover document:</b>		
"From the Lira to the Euro" - guidelines for the introduction of the Euro in Italy:		6/97
An Analysis of the Effects of the Adoption of the Euro on the Italian Stock Exchange		9/97
Master Plan for Banking and Finance (Schema Nazionale di Piazza)		11/97
<b>Other official documents published:</b>		
Prime Ministerial Order establishing national coordination structure:		6/97
Prime Ministerial Order establishing euro coordination structures in each government department		7/97
Treasury Minister Decree establishing Euro Provincial Committees		9/97
<b><u>Interbank agreements (private sector banks,NCB) for payments during the transitional period:</u></b>		
<p>In October 1997 an Interbank agreement which allows money transfer in euros (along with those in lire) came into force. Each participant in the interbank network can join the agreement. The agreement prescribes that the money order be sent in its original denomination to avoid multiple conversions. If it proves necessary, the conversion will be made, according to the Council Regulation, when the account is to be credited.</p>		

# Italy

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro	1/02	1/99: Summary data in euro for budget law, general governmental accounts, financial law, governmental forecasts and economic report
Budget in euro:	1/02	
<b>Options for enterprises and self employed:</b>		
Establishment of a company with its capital in euro:	1/99	
Redenomination of a company's capital into the euro:	1/99	
Statutory reporting in euro:	1/99	Irreversibility of the choice
Other financial reporting in euro (e.g. for Bourse)	1/99	Irreversibility of the choice
Communication of obligatory statistics in euro:	1/99	Irreversibility of the choice
Company accounting in euro:	1/99	
Tax declarations in euro:	1/99 (1) (2) (3)	Irreversibility of the choice
Tax payments in euro:	1/99 (3)	Irreversibility of the choice
Declaration of social and national insurance charges in euro:	1/99 (1) (2) (3)	Irreversibility of the choice
Payments of social and national insurance charges in euro:	1/99 (3)	Irreversibility of the choice
Fiscal audits in euro:	1/99	
Written proofs in euro for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euro:	1/99 (1) (3) (4)	Irreversibility of the choice
Tax payments in euro:	1/99 (3)	Irreversibility of the choice
<p>1. For fiscal year 1999</p> <p>2. For companies with accounting in euro.</p> <p>3. As soon as the choice is made in a procedure concerning taxes or social charges all subsequent payments and communications reported to that procedure should be made in euro.</p> <p>4. Dates and conditions will depend on taxpayer categories.</p>		

# Italy

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

#### Establishment date

"Government subcommittee" of the Euro Committee  
Chaired by the Prime Minister Offices and The Treasury

10/97

#### Working groups: (lead Ministry)

Legal implications of the changeover (Treasury)

Information technology AIPA (Italian Authority for Information Technology in the Public Administration)

Communication (Treasury)

Training ( Department in the Prime Minister's Office)

#### Government/private sector fora

"Euro Committee" (chaired by Treasury Ministry; representatives of government departments and main socio-professional organisations).

10/96

#### Regional and local level:

Euro Provincial Committee (in each Province representatives of the central and local government and socio-professional groups):

9/97

Help line: Euro Desk (48 82 118)

Internet site: <http://www.tesoro.it>

#### Future developments and intentions:

##### Comment by the Italian Finance Ministry:

The National Plan for the introduction of the euro should be published by early 1998.

The law empowering Government to introduce measures for the adoption of the euro should be approved by Parliament by the end of 1997. The drafting of delegated laws has already started. The Government is confident that those acts will come into force from the first quarter of 1998. Other regulations are being examined in order to make them compatible with the introduction of the euro. A widespread program for training will be operational in 1998 and will be further developed in the following years.

# Luxembourg

# Luxembourg

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

<u>Legislative and regulatory changeover measures</u>	<u>Current status</u>	<u>Date of coming into force</u>
<p>A change of the legislation is not necessary to allow enterprises to do their accounting and to declare and to pay their social charges in euro.</p>		
<p><b><u>Published official documents:</u></b></p>		
<p><b>Most recent main changeover document:</b></p>		
Preparation of the public administrations of Luxembourg for the introduction of the Euro:		4/97
General recommendations for the changeover of the public administrations of Luxembourg to the euro		7/97
<p><b>Other published official documents:</b></p>		
Master Plan for Banking and Finance ("Schéma de place bancaire et financier")- Recommendations for an orderly changeover of financial operations:		7/97
<p><b><u>Interbank agreements (private banks, NCB) for the payments in transitional stage:</u></b></p>		



# Luxembourg

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro	1/02	Administrations will accept flow of information and financial flows in euro from 1999 onwards.
Budget in euro:	1/02	The first budget voted and implemented in euro will be the 2002 budget.
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:	1/99	Irreversibility of the choice for the euro
Redenomination of a company's capital into the euro:	1/99	Irreversibility of the choice for the euro
Statutory reporting in euro:	1/99	Irreversibility of the choice for the euro
Other financial reporting in euro	1/99	i.e for bourse for quoted companies
Communication of obligatory statistics in euro:	1/99	
Company accounting in euro:	1/99	Irreversibility of the choice for the euro
Tax declarations euro:	1/99	Irreversibility of the choice for the euro
Tax payments in euro:	1/99	
Declaration of social and national insurance charges in euro	1/99	Irreversibility of the choice for the euro
Payments of social and national insurance charges in euro:	1/99	
Fiscal audits in euro:	1/99	
Written proofs in euro for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euro:	1/99	Irreversibility of the choice for the euro
Tax payments in euro:	1/99	Departments will accept information and financial flows in euro from 1999 onwards

# Luxembourg

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

#### Establishment date

Coordination Group "Euro and Public Administrations"  
(Ministry of Finance):

7/96

#### Working groups: (Lead Ministry)

Legal (Ministry of Finance)

Informatics ( State Informatics Center )

Training (Ministry of Finance)

Communication (Luxembourg Monetary Institute)

#### Government / private sector fora

Four sectoral round Tables:

2/96

Public administrations  
Financial sector  
Major companies  
SME and consumers

#### Regional and local level

a euro-correspondant in each municipality

Help line: (352) 478-2641  
478-2608

Internet site: <http://www.etat.lu/FI/>

#### Future developments and intentions:

Early in 1998 : training for public servants

A handbook ("vade-mecum") on the practical questions of the euro will be published in the summer of 1998

# **The Netherlands**

# The Netherlands

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

#### Legislative and regulatory changeover measures

#### Current status

#### Date of coming into force

#### Official documents published

##### **Most recent main changeover document:**

National Forum:

Principles for the introduction of the euro: 3/97

Updated Principles for the introduction of the euro: 6/97

Progress note for the introduction of the euro: 9/97

##### **Other official documents published:**

Changeover plan of the central government: 1/97

Introduction of the euro in departmental budget accounting systems: 3/97

Legal aspects of the introduction of the euro: 6/97

Interdepartmental principles for the introduction of the euro: 10/97

#### Interbank agreements (private sector banks, NCB) for payments during the transitional period:

Changeover plan to the euro

As of the 1 January 1999, the Dutch NCB (De Nederlandsche Bank) will administrate in euro. The wholesale payment system of the Bank will operate in euro. The Bank will execute its money market policy, on behalf of the European Central Bank, in euro.

As of 1 January 1999 private banks can provide services in euro to individual clients (businesses and individuals).

The settlement of the retail payments system will perform in guilders up to 1 January 2002.

# The Netherlands

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro:	1/99	The conversion of Ministry's accounting systems will take place in phases and should be completed by 7/02
Budget in euro:	1/02	
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:	1/99	
Redenomination of a company's capital into the euro:	1/99	
Statutory reporting in euro:	1/99	
Other financial reporting in euro:	1/99	
Communication of obligatory statistics in euro:	1/99	
Company accounting in euro:	1/99	
Tax declarations in euro:	1/99	
Tax payments in euro:	1/99	The banking system will provide the conversion of euro-payments into guilders
Declaration of social and national insurance charges in euro:	1/99 and 1/02	Social insurances: 1/02 Private insurances: no uniform policy (some as 1/99, some as 1/02)
Payments of social and national insurance charges in euro:	1/99 and 1/02	Social insurances: 1/02 Private insurances: no uniform policy (some as 1/99, some as 1/02)
Fiscal audits in euro:	1/99	
Written proofs in euro for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euro:	1/99	
Tax payments in euro:	1/99	The banking system will provide the conversion of euro-payments into guilders

# The Netherlands

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

#### Establishment date

Euro-Team Ministry of Finance

9/97

#### Working groups:

Interdepartmental working group euro:

3/96

- Interdepartmental sub-working group euro on legal affairs:

4/96

- Interdepartmental sub-working group euro and budget administration:

4/96

Competence Center Euro on Information and Communication Technology:

7/97

#### Government/private sector fora

National Forum for the introduction of the euro

2/96

(chaired by the Finance Ministry and consists of members of the public sector (both central government and local authorities), the financial sector (banks, exchanges, insurance sector), trade unions, organisations of employers, the organisation of pension funds and the consumers' organisation

#### Regional and local level:

The Association of Netherlands' Municipalities is a member of the National Forum

Euro working group local authorities and agencies

10/97

Euro and municipalities

2/96

Help line: Euroline 0800 1521

Internet site: <http://www.euro.nl>

#### Future developments and intentions:

Internal communication of the central government will take place in guilders until 1/02. As of 1/02 communication of the central government will be in euro.

# Austria

# Austria

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

<u>Legislative and regulatory changeover measures</u>	<u>Current status</u>	<u>Date of coming into force</u>
Adjustment of laws that refer so far to national reference interest rates (discount, Lombard, VIBOR etc.)	draft stage*	1/99
Adjustment of the income tax and corporation tax legislation to enable tax declarations in euros.	draft stage*	1/99
Adjustment of company and commerce legislation	draft stage*	1/99
Adjustment of legislation on monetary, foreign exchange and capital market affairs	draft stage*	1/99

\* Consultation with socio-professional groups ("Begutachtung") from end of November / beginning of December 1997. End of parliamentary stage in June/July 1998 at the latest.

#### Published official documents:

##### **Most recent main changeover document:**

Action plan of the Federation. Legislative and organisational/technical measures in the course of the conversion to the euro. Interim report. Federal Ministry for Finance, July 1997.

##### **Other official documents:**

- Final report to the action plan of the Federation; completion by end of November 1997.
- Master Plan for the changeover in the Federal Ministry for Finance; completion expected by end of November 1997.

#### Interbank agreements (commercial banks, NCB) for payments in the transitional period:

- Framework agreement between the credit institutions; a catalogue of measures is attached to this agreement and is being continuously enlarged.
- Framework agreement between the credit institutions and the Austrian National Bank relating to TARGET.



# Austria

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Date</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in euro	1/02	
Budget in euro:	1/02	
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euros:	1/99	
Redenomination of the capital of a company in euros:	1/99	
Statutory reporting in euro:	1/99	
Other financial reporting in euro:	1/99	(e.g. to bourses for publicly quoted companies)
Communication of obligatory statistics in euros:	1/99	
Company accounting in euro:	1/99	
Tax declarations in euros:	1/99	
Tax payments in euros:	1/99	
Declaration of social and national insurance charges in euros*:		See footnote !
Payment of social and national insurance charges in euros:	1/99	
Fiscal audits in euros:	1/99	
Written proofs in euros for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euros:	1/99	
Tax payments in euros:	1/99	
<hr/>		
* Question still open. According to available information, most companies will change over their wage and salary accounting only later. This explains a certain preference in favour of written proofs on social insurance payments ("Beitragsnachweise") in Schilling during the transitional period.		

# Austria

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

#### Establishment date

Co-ordination body chaired by the Federal Ministry for Finance and the Austrian National Bank. Therein participation of all Ministries, of the Bundeslaender and municipalities as well as the social partners.

9/96

#### Working groups:

Banks and financial market

9/95

Legal and legislative affairs ("Legistik")

9/96

Public administration

9/96

Economic policy

9/96

Information

9/96

#### Foras government / private sector:

The representatives of the interests of the private sector are incorporated into the preparation structure (e.g. Economic Chamber ("Wirtschaftskammer"), Federal Labour Chamber ("Bundesarbeitskammer"), consumer protection.

#### Regional and local level:

The Bundeslaender as well as the municipalities are represented in the co-ordination body chaired by the Federal Ministry for Finance and the Austrian National Bank.

#### Citizen telephones:

"Europa-Telefon" (local call-charge information on EU-relevant topics): 0660-6363  
Telephone of the Euro Initiative of the Federal Government: (1) 514 33 2226  
Citizens' telephones at the Euro-Info-Points in the capitals of the Federal Laender.

#### Internet-Site:

To be installed in December 1997.

#### Future developments and intentions:

It is intended that all legislative work relevant for 1 January 1999 will be terminated during the first half of 1998. The "euro-option" (e.g. for tax declarations) requires adjustments of government informatics.

# Portugal

# Portugal

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

#### Legislative and regulatory changeover measures

#### Current status

#### Date of coming into force

Company legislation

Study phase

Awaiting detailed  
decisions at  
interministerial level

#### Official documents published

##### **Most recent main changeover document:**

"Public Administration Changeover Plan"  
(Plano de Transição da administração Pública financeira para o euro)

11/97

##### **Other official documents published:**

#### Interbank agreements (private sector banks, NCB) for payments during the transitional period:

The interbank payments (banks in general and NCB) can be made in escudos or euros during the transitional period. Cheques can be issued in euros or escudos.

**ATM**(on electronic payments) and **POS** terminals will also be prepared to work with escudos or euros.

These agreements have already been approved by the **Bank of Portugal** (NCB), the banks and the interbanking Services Company - "SIBS" (on ATM and POS issues).

# Portugal

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro:	1/02	
Budget in euro:	1/02	Services will be allowed to make payments in euro from 1/99 onwards
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:	?	Awaiting detailed studies and decisions at interministerial level
Redenomination of a company's capital into the euro:	?	"
Statutory reporting in euro:	?	"
Other financial reporting in euro:	?	"
Communication of obligatory statistics in euro:	?	"
Company accounting in euro:	1/99	"
Tax declarations in euro:	1/02	
Tax payments in euro:	1/99	When processed through the banking system. 1/02 otherwise.
Declaration of social and national insurance charges in euro:	Study phase	
Payments of social and national insurance charges in euro:	Study phase	
Fiscal audits in euro:	1/99	
Written proofs in euro for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euro:	1/02	
Tax payments in euro:	1/99	When processed through the banking system. 1/02 otherwise.

# Portugal

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

<u>Coordination structures:</u>	<u>Establishment date</u>
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Interministerial "Euro Commission" (chaired by Ministry of Finance):	12/96
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#### Working groups:

##### **Sub-groups of Public administration group:**

Public debt	12/96
Budgetary procedures	"
Taxes and Customs	"
Social security	"

##### **Other groups:**

Financial system	12/96
Legal issues	"
Informatics	"
Communication	"

#### Government/private sector fora

Ministry of Economy: "Commission for the promotion of adjustment of non-financial companies to the euro"	10/97
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#### Regional and local level:

Help line: To be created in the near future

Internet site: <http://www.dgep.pt>

#### Future developments and intentions:

# Finland

# Finland

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

<u>Legislative and regulatory changeover measures</u>	<u>Current status</u>	<u>Date of coming into force</u>
Company legislation	Drafting	1/99
Promissory Note Act	Drafting	1/99
Interest Act	Drafting	1/99
Act to guarantee the continuation of the main reference rates	Drafting	1/99
 <u>Official documents published</u>		
<b>Most recent main changeover document:</b>		
Finland's National Changeover Plan For The Introduction Of The Euro:		4/97
 <b>Other official documents published:</b>		
Changes in national legislation required by the third phase of EMU		6/97
 <u>Interbank agreements (private sector banks, NCB) for payments during the transitional period:</u>		
Banks accept payment order in Markkas and euro		1/99
Accounts for domestic payment transactions can be denominated either in Markka or euro		1/99



# Finland

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro	1/02	
Budget in euro:	1/02	
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:	1/99	
Redenomination of a company's capital into the euro:	1/99	
Statutory reporting in euro:	1/99	
Other financial reporting in euro	1/99	e.g for Bourse for quoted companies
Communication of obligatory statistics in euro:	1/99	
Company accounting in euro:	1/99	
Tax declarations in euro:	1/99	
Tax payments in euro:	1/99	
Declaration of social and national insurance charges in euro:	1/99	
Payments of social and national insurance charges in euro:	1/99	
Fiscal audits in euro:	1/99	
Written proofs in euro for tax declarations:	1/99	
<b>Options for individuals:</b>		
Tax declarations in euro:	1/99	if incomes are in euro
Tax payments in euro:	1/99	if incomes are in euro

# Finland

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

<u>Coordination structures:</u>	<u>Establishment date</u>
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"Emu project" board ( chaired by Finance Ministry):	3/96
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Working groups: (lead Ministry)

Public sector group (Finance Ministry):	4/96
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Government/private sector fora

National coordination structure (Finance Ministry) (Dialogue between administration, private sector, churches and socio-professional groups)	4/96
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Regional and local level:

Local Authorities participate to the public sector working group	4/96
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Help line:

Internet site:

Future developments and intentions:

Revised and extended changeover plan under preparation

Handbook for europreparations in government IT under preparation

**Sweden**

# Sweden

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

<u>Legislative and regulatory changeover measures</u>	<u>Current status</u>	<u>Date of coming into force</u>
Changes in the status of the Riksbank (Central Bank of Sweden)		1/99
<b><u>Official documents published</u></b>		
<b>Most recent main changeover document:</b>		
"Practical preparations for a changeover to the Euro in Sweden" ( <i>Praktiska Euroförberedelser i Sverige</i> ) Ds 1997:59. September 1997. Document covers participation in 1999 as well as non-participation in 1999.		9/97
<b>Other official documents published:</b>		
Ministerial memorandum "Preparations for a changeover to the Euro in Sweden", Ds 1997: 9; February 1997		
Sveriges Riksbank: "The euro in the Swedish financial sector - a situation report" 2/97		
<b><u>Interbank agreements (private sector banks, NCB) for payments during the transitional period:</u></b>		
Development of a euro payment system linked with TARGET		

# Sweden

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro		Issues under investigation
Budget in euro:	" "	
<b>Options for enterprises and self employed:</b>		
Establishment of a company with its capital in euro:	" "	
Redenomination of a company's capital into the euro:	" "	
Statutory reporting in euro:	" "	
Financial informations in euro	" "	
Communication of obligatory statistics in euro:	" "	
Company accounting in euro:	" "	
Tax declarations euro:	" "	
Tax payments in euro:	" "	
Declaration of social and national insurance charges in euro	" "	
Payments of social and national insurance charges in euro:	" "	
Fiscal audits in euro:	" "	
Written proofs in euro for tax declarations:	" "	
<b>Options for individuals:</b>		
Tax declarations in euro:	" "	
Tax payments in euro:	" "	

# Sweden

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

Euro coordination of the Finance Ministry:

9/96

#### Working groups:

Legislation

9/96

Public Administration

9/96

Financial Markets (chaired by Riksbank)

9/96

Business Sector

9/96

Citizen

9/96

Information Technology - IT (chaired by Administrative Development Agency)

9/96

#### Government/private sector fora

Several ad hoc group meetings

#### Regional and local level:

Participation in government working groups

#### Help line:

Internet site: <http://www.regeringen.se>

#### Future developments and intentions:

Comment by Swedish Finance Ministry:

Depending on Sweden's participation in the currency union from the start in 1999. Preparatory work by the existing organisational structure will continue. In case of non-participation from the start in 1999 preparations will be made for a later joining of the euro area

# **United Kingdom**

# United Kingdom

## Preparations for the changeover of public administrations

Status: 15 November 1997

### I. Practical implementation of the changeover

Legislative and regulatory  
changeover measures

Current status

Date of coming into force

Official documents published

**Most recent main changeover document:**

Statement of the Chancellor of the Exchequer to the House of Commons on 27 October 1997  
Hansard Vol 299 N° 55 Col 583 or Internet Site <http://www.hm-treasury.gov.uk>

**Other official documents published:**

EMU - Practical Information for Business. HM Treasury, July 1997

Practical issues arising from the Introduction of the euro, Bank of England series,  
five brochures since 1996.

Introduction of the euro - what does it mean for the business ? Bank of England, CBI and  
British Chambers of Commerce, April 1997.

Interbank agreements (private sector banks,NCB) for payments  
during the transitional period:



# United Kingdom

## Preparations for the changeover of public administrations

Status: 15 November 1997

### II. Optional use of the euro during the transitional period (according to published changeover plans or draft laws)

<u>Sectors</u>	<u>Dates</u>	<u>Conditions or restrictions</u>
<b>State and public administrations:</b>		
Internal accounting in the euro:		
Budget in euro:		
<b>Options for enterprises and self-employed:</b>		
Establishment of a company with its capital in euro:		Already possible in foreign currencies subject to a minimum of £ 50,000 being in sterling
Redenomination of a company's capital into the euro:		
Statutory reporting in euro:		
Other financial reporting in euro:		i.e for Bourse for quoted companies
Communication of obligatory statistics in euro:		
Company accounting in euro:		Already possible in foreign currencies subject to certain conditions
Tax declarations euro:		
Tax payments in euro:		Already possible in foreign currencies subject to certain conditions
Declaration of social and national insurance charges in euro:		
Payments of social and national insurance charges in euro:		
Fiscal audits in euro:		
Written proofs in euro for tax declarations:		
<b>Options for individuals:</b>		
Tax declarations in euro:		
Tax payments in euro:		

# United Kingdom

## Preparations for the changeover of public administrations

Status: 15 November 1997

### III. Organisation and structures

#### Coordination structures:

#### Establishment date

Standing Committee (Chaired by Chancellor of the Exchequer)  
responsible for long term planning and coordination or preparatory  
work in the private and the public sectors

#### Working groups:

Public Sector Group (forum for "euro coordinators" from government  
departments)

Working group on the Gilt Market after EMU

Working group on market conventions

#### Government/private sector fora:

Business Advisory Group at H.M. Treasury (Industry and professional  
representatives, consumers, Trade Union Congress)

9/97

#### Regional and local level:

#### Help line:

Internet site: <http://www.hm-treasury.gov.uk>

#### Future developments and intentions:

Series of regional and sectoral conferences planned for early 1998

Information campaign, including schools' packs