

# Inf€uro

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Pedro Solbes Mira, Member of the Commission with responsibility for Economic and Monetary Affairs

## *For the first time, Europeans are learning about the joint exercise of one of the great attributes of sovereignty*

**Inf€** *In 1995, as Spanish Minister of Economics and Finance and President of the Ecofin Council, you played a key role in the work that enabled the Madrid European Council to sign the agreements on the transition to the third phase of Economic and Monetary Union (EMU). What still remains to be done in order to complete the process of introducing the euro?*

The Commission has been very busy since December 1995, when the European Council met in Madrid. Thanks to the work of my predecessor and his officials, there are, fortunately, fewer issues left to be resolved. The main tasks are to continue and step up the communication effort in order to familiarize the people of Europe with the new currency, the aim being to make 1 January 2002 a natural event that everyone is expecting. It will also be necessary to complete the work already started on the physical introduction of the notes and coins and, in particular, to reach a final decision on issues relating to the length of the period when the euro and national currencies will both be in circulation. I must add that there are ongoing discussions on various subjects, such as supplying the general public with euro coins during December 2001 in advance of the change-over. As the deadlines approach, the debate is tending to shift from a discussion of major lines of policy to the resolution of practical, concrete problems. That is what you would expect to happen and it reflects the progress made in preparing for this historic event.

**Inf€** *After producing a "wave of euphoria" immediately after 1 January 1999, the euro has weakened slightly since. How do you view these events?*

First of all, I must emphasize that the introduction of the euro was an outstanding success. On the bond markets, the growth in the use of the euro has been spectacular, since the euro is already rivalling the dollar. The way monetary policy was run during this first year of the existence of monetary union was also a genuine success. I believe we should attach greater importance to these aspects of the euro's introduction and use than to short-term fluctuations in the currency's exchange rate.

The external value of currencies depends on a range of economic factors and the expectations of dealers concerning changes in those factors. In the case of the euro, its depreciation since the beginning of the year merely reflects a shift in the expectations of the markets. The economic situation in Europe and the United States has been different from that expected before 1 January 1999. The important factor to bear in mind is that these movements in the exchange rate of the euro are not linked in any way to problems in economic policy. On the contrary, the credibility of the euro is underpinned by the existence of a balanced policy mix within the euro zone. (> +)

### Internet Site

<http://europa.eu.int/euro/>





## Viviane Reding - Member of the Commission with responsibility for Education and Culture

### *The euro and young people*

Awareness of European citizenship is one of the concepts that is taking shape very quickly among young people. Learning about others, tolerance, travel, studying languages, music, cinema and all forms of artistic expression, and participation in sports form the natural environment of young Europeans.

In a little over 700 days, a new element will make an important contribution to accentuating this feeling of belonging to a Community with a wealth of specific characteristics and diversity. I am referring to the euro.

The Commission has recognized the importance of school in preparing citizens for the change-over to the euro, ever since the start of preparations for the introduction of the single currency.

In defining its strategy concerning the role of educational courses in the introduction of the single currency, the Directorate-General for Education and Culture took the following aspects into account:

- the decentralized nature of the information campaign about the euro for the people of Europe, which results from the importance of subsidiarity in this field and the need to respect specific national conditions;
- the important role that primary and secondary schools can play, due to their universal character, the nature of the audience that they reach, and the multiplier effect that this audience can have;
- the leverage that European associations can have in the field of youth work.

So, while acknowledging the sole competence of the Member States with regard to the content of education, the Commission is supporting several projects as part of the implementation of the Socrates programme. These contribute to the dissemination of information about the euro through schools and to the incorporation of this issue into various courses on the curriculum.

To monitor the measures carried out in this field, the Directorate General for Education and Culture

has set up a working group entitled "Education and the euro". Its members are representatives from the education ministries of all the EU Member States and the national agencies for the Socrates programme. The purpose of the group is to promote initiatives of an educational nature concerning the euro, and the exchange of information and good practice in this field.

One of the results of the group's work has been the establishment of a system to observe initiatives and teaching tools concerning the euro, both at national and Community level. The system is accessible via the Internet, on the Europa server's page entitled "The euro at school". This "observatory", which is certain to expand, already contains a significant volume of information, testifying to the growing activity at national and European level concerning teaching about the euro.

An initial review of progress in this field is positive: despite significant differences between Member States, educational activities concerning the euro are clearly on the increase. Of course, this intensification of activity is a result of several factors, but the information provided by the national representatives suggests that the creation of the working group and the information passed on through it to their ministries have contributed to creating momentum.

Back in April 1998, the Commission made the following recommendation: "Member States are invited to involve their education and school systems as quickly as possible in the information drive on the euro and, to that end, to take all the necessary steps to raise the awareness of and inform and train teachers and other school staff." (> 12)



Action in Alsatian schools using the "Eurotraveller" game.



Three years ago, 208 children at the “Nos Enfants” school in Brussels embarked on a new process of discovering the euro, in the field and in real-life situations.

The fruit of their experience is now the subject of an educational video, produced on the initiative of the non-profit organization asbl IEED “Informer et Enseigner l’Europe et la Démocratie” (Inform and Teach about Europe and Democracy). This video, which is a computer animation of drawings by the children, is available in nine languages. It has been adopted as a teaching aid by the authorities in the Netherlands, Luxembourg and Portugal, and by several cities and regions in Germany, Austria and Italy.

These children, between 5 and 10 years of age, discovered the advantages of the single currency step by step, as if they were learning about something completely obvious. Hopes were high from the outset: “We felt confident that they would take all the drama out of the issue”, said one of their teachers. “In the playground, they are already well aware of what the process of exchange involves!”

The process took place in several stages, from discovering the concept of a scale of value, to that of a currency unit, the idea of a bank and a single currency.

“First of all, in each class, everyone drew up a list of objects that they considered the most valuable”, says one of the children. For some of them it was their cat, for others their football, or perhaps even chocolate biscuits.

Once the children had established their own scales of value, it was necessary to pool their ideas to reach agreement on a shared scale of value for the whole class, and to find a practical means of exchange: the pupils had just invented currency!

Although an identical process had been started in each class, each of them invented their own currency: the “common garden snail”, the “clover”, and so on. This soon led to playground disaster: “With my clover leaves, it was impossible to buy an orange juice in the shop run by another class!”, a little girl lamented. How could they get round this? “We returned to the value of objects. And we noticed that they thought an orange juice was worth 16 stamps, while we thought it was worth eight clover leaves. We had discovered exchange rates and, as a result, the need to set up a bank to be able to exchange our currency and buy things in other shops”.

However, the system would soon display its limitations and unwieldiness. “It was annoying to have to keep going to the bank: it wasted time, calculations were required, and there was a risk of making a mistake. The ideal solution would have been to have a single currency, but as each class wanted to keep its own, we were stuck”.

The solution came about of its own accord. Just as in their own classes, the children agreed on the need for a common currency and decided to create a new currency that would be valid throughout the school. The children’s euro was born!

The children had understood: it was patently obvious that what worked so well at their school should be extended across borders all over Europe.

In their view, as shown by the video that is the culmination of their work, there is no doubt about it: “The euro is just child’s play”. ■

This initiative is the result of the work of the 208 children of the “Nos Enfants” school in Brussels and their 10 teachers, as well as the non-profit organization asbl IEED “Informer et Enseigner l’Europe et la Démocratie” (Brussels) and the “Orizzonti” company (Rome), under the patronage of Emma Bonino, Elisabeth Guigou, Association Europartenaire, and the Economic and Social Committee of the European Communities.

It received financial support from the European Commission (DG X), Générale de Banque, Istituto Bancario San Paolo di Torino and Mouvement E. Leclerc, as well as the support of the European Parliament, Crédit Mutuel and the Fondation du Crédit Mutuel pour la lecture.

The video is available from asbl IEED, 39 rue Sans Souci, B-1050 Brussels or Sources d’Europe, socle de la Grande Arche, F-92044 Paris La Défense Cedex. Internet : <http://www.info-europe.fr/europe.web/sde/index.htm>



(&lt;1)

## Pedro Solbes Mira, Member of the Commission with responsibility for Economic and Monetary Affairs

**Inf€** *It now seems that the euro has been highly effective in playing its role as a shield, enabling the economies of Euroland to remain stable in the face of external crises. To make the euro a lasting success, encouraging both growth and European cohesion, what are the major issues for the Member States and the Commission?*

Economic policy must aim to maintain the macro-economic stability achieved through the Member States' efforts towards convergence, without which there cannot be lasting growth. To do that, the Member States must pursue sound economic policies and, in particular, continue to make progress on achieving healthy public finances. These efforts to reduce government deficits create room for manoeuvre in budgetary policy. They allow taxes to be reduced or public investment to be increased, and they increase the volume of savings available to finance private investment. To create the conditions for lasting growth that will create jobs, we also need to have more coordination of economic policies because the euro has led to a greater overlap between the economies of the Member States. In particular, we have to avoid any divergence between the single monetary policy, which is adopted by the European Central Bank, and national economic policies. We have various procedures for coordinating economic policies; among these, the main guidelines for economic policy are of particular importance. This framework for coordination should be improved, however, in order to increase the cohesion and efficiency of the procedures. Effective coordination is essential for the credibility of the euro.

**Inf€** *The euro zone does not include the entire European Union. Is this situation likely to continue in the long term?*

Personally, I am in favour of the broadest possible monetary union. Four Member States of the European Union are not yet part of the Economic and Monetary Union (EMU). They will be able to join the euro zone once they meet the entry criteria or, in the case of the Member States with a derogation, once they have taken a political decision to do so. In my opinion, the enlargement of the euro zone to the whole of the European Union is in the interest of the Union itself as well as in the interest of each of the countries concerned. As for the states which will join the European Union in a few years' time, they will

also be able to adopt the euro. EMU is part of the "Community patrimony" which those countries that have applied for membership must adopt to be allowed to join. So it is probable that the new Member States will take part in EMU from the outset, with a derogation for the adoption of the euro. Participation in the euro zone will depend on the ability of these countries to meet the conditions laid down by the Treaty, i.e. their ability to achieve a high level of sustainable convergence.

**Inf€** *While the euro has been widely adopted on the financial markets, the same cannot be said about its use in commercial transactions. What factors could encourage the use of the euro by businesses, in particular SMEs?*

One should not exaggerate the scale of the problem. From the strictly legal viewpoint, businesses and consumers are like Molière's "Monsieur Jourdain": they are using the euro without realizing it. The currencies of the eleven participating Member States are actually only subdivisions of the euro, so paying in deutschmarks, francs or pesetas always boils down to paying in euros. The important thing is not whether businesses are using the euro as a unit of currency now, but whether they are ready to do so on 1 January 2002. Therefore, they must make the best use of the time leading up to that deadline to be ready on D-day. However, the work required to adapt goes well beyond questions of accounts and information technology. By making competition more transparent and freeing the single market from foreign exchange risks, the euro has major strategic consequences for all businesses. The work to increase awareness, to encourage businesses to speed up their preparation for the switch to the euro on 1 January 2002, must continue.

**Inf€** *What would you say to consumers who are wondering about the tangible effects the introduction of the euro will have on their daily lives? How can consumers' trust in the euro be increased?*

The euro encourages price transparency. At present, large price differentials exist within the Union. They average 30% for pharmaceuticals and 15% for the chemical industry or foodstuffs. The same vehicle may cost up to 40% more in a neighbouring country. The transparency brought about by the euro will intensify competition, which will be good for the consumer. The rapid growth of e-commerce will accentuate this

trend still further and enable buyers themselves to shop around for the most attractive prices.

One can understand to a certain extent why the public might be disappointed in the euro. To the man in the street, having to wait three years before the euro is introduced and until notes and coins are in circulation seems like a long time. The image of the euro is also rather tarnished by the controversy about bank charges for cross-border transactions. Enhancing consumers' trust in the euro involves practical measures, such as setting up an integrated system for settling small amounts – a "citizen's TARGET" – and by organizing targeted communication campaigns in order to answer everyone's questions and respond to their expectations.

**Inf€** You recently stated that, in view of the impending deadline of 1 January 2002, the information and awareness-raising programmes for the people of Europe should be stepped up. Which activities should be given priority?

In my opinion, excellent work has been done in recent years to raise public awareness. It must be continued. The Commission is currently preparing a communication strategy for the euro. This strategy should aim in the first instance to maintain the level of information on the euro so that the progress made on awareness and perception of the single currency is not lost. In this connection, particular attention should be paid to "sensitive" groups such as those with impaired sight, elderly people and those suffering social exclusion. I also believe that our communication efforts must be stepped up during the year 2001 as we get closer to the date when the euro comes into circulation.

In this collective information effort, national administrations, local authorities and associations working at grass roots level have a major role to play. As to the Commission, it can play a role as a facilitator. To do this, it intends to continue co-financing communication campaigns, with the support of the European Parliament, in partnership with the Member States.

**Inf€** Originally planned to last six months, the introductory phase for the notes and coins will now be curtailed. What are the consequences of limiting the period when both the euro and national currencies are in circulation?

It was necessary to find a balance between a very short period of dual circulation, which would have led to awful queues at bank counters, and a long period, which would have entailed a large number of practical problems. For example, think of shopkeepers' cash registers, which cannot work in two currencies at the same time. At the urging of the Commission, the Finance Ministers agreed to shorten the period of dual circulation to between four weeks and two months. They have also undertaken to carry out the majority of the operations to swap banknotes within the two weeks following 1 January 2002. That is a good compromise. The change-over will be painless: cash

dispensers will only issue euros and shopkeepers will give change in euros. Within a few weeks, the national notes and coins will be withdrawn from circulation, without consumers even having to go to the bank.

**Inf€** Is there not a risk that paying too much attention to the introduction of the euro will obscure the historic dimension? How do you see the role of the euro in the process of European integration?

On the contrary, I believe that it is a lack of attention to the practical aspects that could obscure the historic dimension of the event: consumers will not be pleased about the introduction of the euro if they do not understand anything about the new valuation system, or if they spend their whole day queuing at the bank! The euro is a historic opportunity and it is up to us to make it a success.

The achievement of Economic and Monetary Union is the most important stage since the signature of the Treaty of Rome. It is the culmination of 40 years of work to turn compartmentalized national markets into a huge, dynamic and integrated market. Also, for the first time, Europeans are learning about the joint exercise of one of the great attributes of sovereignty. That will provide valuable experience for the development of an "ever closer union" between the Member States.





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**Christa Randzio-Plath,  
Chairman of the Economic and Monetary Affairs Committee  
of the European Parliament**

**Inf€** *In spring 1999, you published a study, covering six countries in the euro zone, which stated that the foreign exchange commissions charged by banks were still too high. What excessive charges were found?*

First of all, it should be borne in mind that one of the main advantages of the euro from the citizen's viewpoint was precisely the elimination of variable rates of exchange. These have been irrevocably fixed since 1 January 1999. Therefore, it is only to be expected that the citizens of the Union are amazed to find that high commissions are still being charged, since the banks are no longer faced with the problem of exchange rate risks. However, these commissions are definitely still a reality, whether for exchanging banknotes or for international payment transactions by cheque, bank transfer or bank card. The principle of maintaining these excessively high commissions is unacceptable now that we have a single market with a common currency.

**Inf€** *But the study showed that the situation was not identical in each country.*

Indeed. We saw that the foreign exchange commissions ranged from 1% for Spain's Banco Santander to 3.75% for Germany's Commerzbank. Generally speaking, the lowest prices were found in Belgium, where the banks deducted an average 1.25% for transactions between currencies within the euro zone. There are also differences within each state, depending for example on where institutions are located. Commissions charged at certain airports, for instance, are clearly excessive. But what should be emphasized above all is that there is no fundamental reason why the cost to the consumer of an international electronic funds transfer, for example, should be any different from the charge applied on the national market.

**Inf€** *The European Commission had launched a study, on the initiative of Commissioner Karel van Miert and the European Parliament's Economic and Monetary Affairs Committee, on the subject of the possible existence of anti-competitive practices or illegal agreements. Basically, don't banks have*

*the right to charge commission on the transactions they perform for third parties?*

The question is not whether they can or cannot charge commission. It is perfectly normal that they should be paid for what they do. The representatives of the banks emphasized once again, at a hearing held by our Committee on 22 September, the complexity of banking techniques and the low level of harmonization of those techniques, as well as the costs generated by certain transactions. The problem is actually one of transparency of costs. The representative of the European Commission indicated on this point that the Commission has obtained only very fragmented information that is difficult to compare, but investigations are not finished and will continue. Therefore it is very difficult to establish the truth of the matter, without the banks' cooperation.

**Inf€** *Do you think that the persistence of this de facto situation will hinder the process of citizens accepting and becoming familiar with the euro?*

Yes, and even more so because Europeans do not yet have euro coins and notes in their pockets. One of the few ways in which they can familiarize themselves with the euro at present is by carrying out financial transactions through banks. If the banks do not play the game, and continue to charge high commissions within the euro zone for transactions that are much cheaper within a Member State, there is a considerable risk that consumers will start wondering whether the euro is a good idea. The phenomenon is even more dangerous because it is often when they travel to another country of the Union, for example on holiday, that people have occasion to change money. What should be a prime demonstration of the reality of Economic and Monetary Union, thanks to the savings which should be made on foreign exchange operations, has sometimes turned out to be an unpleasant surprise. Members of the European Parliament are still receiving many complaints on this subject from citizens who feel that their trust in the positive message conveyed by the introduction of the euro has, at the very least, been shaken. The single currency must – also – benefit the citizen! ■



## Women key players in new information campaign on the euro

Surveys have repeatedly shown that women continue to be less enthusiastic about the single currency than men and feel less well informed about it. The latest *Eurobarometer* survey published in July 1999, confirmed this trend with only 39% of women interviewed saying they felt very well or well informed about the euro compared to 51% of men.

With this in mind, an information campaign on the euro which takes women's needs and concerns as the starting point has been co-financed by the European Commission under the Prince programme.

The campaign is coordinated by IRIS asbl, a Brussels-based Europe-wide training network focusing on equal opportunities and diversity issues.

Women's magazines in three countries – Belgium (*Femmes d'Aujourd'hui*), Germany (*Emma*) and Italy (*Noi Donna*) – have joined IRIS asbl as partners in this effort to increase coverage on the euro targeted at women.

As part of the project, women from all walks of life will be invited to participate in the shaping of the campaign through a number of key activities.

They can apply to participate in specially designed workshops to look at issues which they feel are important concerning the euro, and its current and future implications for their lives.

A range of state-of-the-art training methodologies, developed specifically for the project by IRIS asbl, a market leader in training innovation, will be used in these workshops.

The aim is to enhance participants' exploration of their hopes and concerns about the euro and to spark their imagination so that they can express their feelings about the new currency in words and images. Over 100 women are expected to take part in this unique opportunity to reflect on today's society and the building of the European Union.

The images and texts resulting from the workshops will be used as the raw material for an information package for women on the euro. It will include posters and a booklet that will be widely disseminated.

Women can also take part in the competition to find the best slogan on the euro, also organized under the campaign.

The women's magazines involved in the project will themselves be seeking to cover the euro more extensively and in a way that addresses women's needs. They will receive editorial assistance to do this under the project.

A number of NGOs working on equality and women's issues throughout the EU will be kept informed on the project, and will be invited to disseminate the campaign booklet and posters that will be produced through their networks. ■

For further information, contact IRIS asbl,  
25 Rue Capouillet, B-1060 Brussels.  
Tel. (32.2) 534.90.85 – Fax: (32.2) 534.81.34.  
E-mail: <http://WWW.IRIS-ASBL.ORG>



## Consumer attitudes to the euro under scrutiny

The difficulties of mobilizing consumer interest in the euro well before the introduction of euro notes and coins have been emphasized by a study carried out for the European Commission,

The investigation focused on attitudes to the single currency among middle and less well educated women in all Member States between 25 and 55 years of age. Most were adopting a "wait and see" attitude to the euro, believing that it was of no real concern to them until the introduction of notes and coins.

With the aim of understanding feelings and expectations rather than precisely measuring attitudes, the research was carried out in two focus groups in each member State. Participants were drawn from three age-groups between 25 and 55, with 5 working women in each group and 3-5 either not working or caring for children at home.

General concerns among the respondents were that salaries would be rounded down and prices rounded up so that ultimately life will be more expensive. They were also concerned that mistakes will be made in converting to euros. In all countries the 6-month period of dual circulation of both national notes and coins and euros is thought to be too long. But some participants thought it would be too short a time to learn the value of goods and services in the new currency.

When asked how they would cope with shopping in euro on 1 January 2002 when notes and coins will be put into circulation, respondents said they would:

- use a calculator;
- use two purses;
- use mnemonics;
- use a small list of general prices in euros and national currencies;
- try to use only one of the two currencies during dual circulation;
- shop mainly in big stores because they would be more trustworthy.

Attitudes to information on the euro were generally negative in all countries. Information was said to be too difficult and technical to understand by the ordinary consumer. Television campaigns have the most impact but the credibility of the source of information is very important. All countries mentioned television and the banks as primary sources; France, Luxembourg, Portugal and Spain thought children were an important source; the Netherlands looked to the national government while France, Luxembourg and Portugal also cited supermarkets.

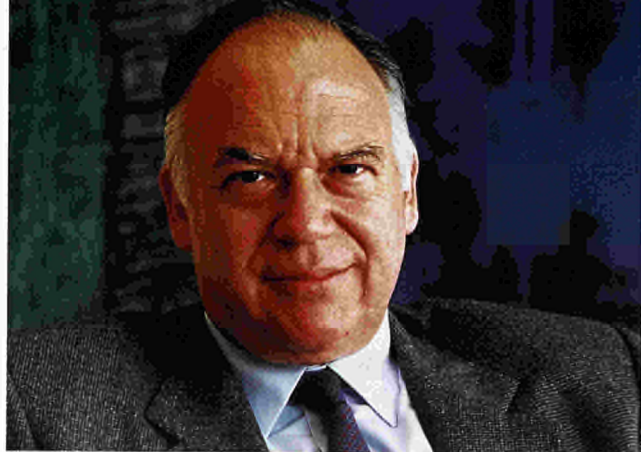
Information that respondents felt they needed covered the timing and impacts on the consumer, the appearance of euro notes and coins, the effects on everyday life, the specific exchange rates, the advantages and disadvantages for consumers and background information on the euro.

In the four pre-in Member States, knowledge about the euro was vague in Greece, very low in the United Kingdom but clearly better in Denmark and Sweden. Attitudes to the euro can be roughly summarized as insecure and defensive in Greece, open to the euro in spite of anti-Europe feelings in Denmark and Sweden, and hostile to the euro as well as to Europe in general in the UK.

Positive feelings in all four countries referred to the convenience (especially when travelling abroad), the modernizing impact, the euro being a logical step in the construction of Europe which also gives concrete expression to the unification of Europe and the improved prospects of monetary stability.

In the UK, fear of loss of national identity was strong, while in the other countries it was evident but less strong. ■

*Women and the euro - A Qualitative Study in the EU Member States. Commissioned by DG X of the European Commission and carried out by PQR in the Netherlands and Optem in France and their partners in the EU Qualitative Research Network.*



## Eugenio Domingo Solans, Member of the Executive Board of the ECB

**Inf€** *What is the current stage in the process to produce 13 billion euro banknotes and 56 billion euro coins? Will they be ready in time for their launch on 1 January 2002?*

I should like to make a distinction between the banknotes and the coins. Banknote production is the responsibility of each national central bank, whereas responsibility for the production of the euro coins lies with the Member States. Euro banknote production started in July this year. We plan to have the initial supply ready by the third quarter of 2001, which will give us a security margin of approximately three months before their launch on 1 January 2002.

**Inf€** *Of the 13 billion banknotes currently being produced, 9 billion banknotes are needed to replace the national banknotes in circulation and 4 billion banknotes will make up a reserve stock. Why is it necessary to have a reserve stock of 4 billion banknotes?*

Logistical stocks are nothing new. The 4 billion banknotes are necessary to ensure that the banknote change-over operates smoothly and to accommodate changes in demand. A considerable stock will be needed in order to satisfy any demand for a particular denomination at any point in time, be this in one of the 11 euro area countries or elsewhere.

**Inf€** *Do you have any estimates regarding the projected level of use of euro banknotes outside the euro area?*

The fact that euro banknotes will circulate outside the euro area is natural and will be the result of the free choice of economic agents. We are prepared for this phenomenon which, in fact, already exists: euro area national banknotes currently circulate outside the euro area. Nevertheless, it is still too early to determine more precisely the number of banknotes that will be used outside the euro area.

**Inf€** *What are the respective roles of the ECB and the national central banks in the banknote production and distribution process?*

The Eurosystem, which comprises the ECB and the national central banks of the Member States which adopted the euro at the start of Stage Three of Economic and Monetary Union, is a decentralised system. Against this background each national central bank has been responsible for deciding where to print the initial supply of euro banknotes required by its own country. For the same reason, the national central banks will also distribute the banknotes and coins to the banking system.

**Inf€** *Questions have been raised with regard to the preference given to paper as opposed to plastic. What is the reasoning behind this choice? Does it give the total guarantee necessary against counterfeiting?*

There are two main reasons for which we opted for paper banknotes rather than plastic ones. The first

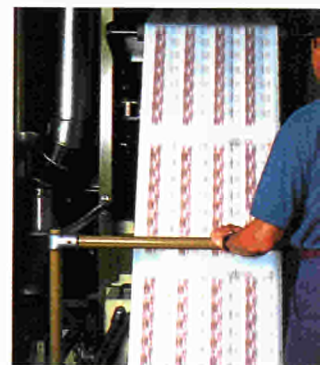
is that all banknote printing in Europe has normally been on cotton paper; it would have been an additional and difficult task to print the euro banknotes not only according to a completely new specification but also on a new substrate. The second reason concerns the citizens of the 11 countries making up the euro area: the change-over to the euro banknotes and coins will already be a challenge for the public, as people will have to adapt to a new scale of value; we did not want to compound the change with a radical modification of the substrate.

**Inf€** *There will be seven denominations of the euro banknotes: 5, 10, 20, 50, 100, 200 and 500. It has been claimed that the high-value banknotes, i.e. the 200 and 500 notes, could be used on a wide scale within the "informal" economy, or indeed be used by criminal organizations as a privileged transaction tool. What is your response to these concerns?*

I would give the following two answers: the first is that six out of 11 participating Member States are currently using high-value banknotes in the range from Euro 200 to Euro 600, namely Austria, Belgium, Germany, Italy, Luxembourg and the Netherlands. A large number of Europeans are therefore already used to high-value notes for transactions and as a store of value. The second answer is that the issue of high-value banknotes does not foster underground or illegal transactions. Not issuing the Euro 200 and Euro 500 notes would have little impact on unlawful transactions. Demand may simply shift to the lower denomination euro banknotes (e.g. Euro 100) or to foreign banknotes (e.g. the CHF 1000 or USD 100 note).

**Inf€** *There have been exhaustive studies regarding the euro banknotes in order to promote their use, especially with regard to the partially sighted. What are the perceptible results of this research?*

From the very start of the design stage for the euro banknotes (in 1995), we have enjoyed successful cooperation with the European Blind Union. We took the view that "a good design for the blind and partially sighted is a good design for everybody". As a result, we are now producing banknotes which are user-friendly. For blind people, tactile marks will help them to differentiate between the different banknotes. For partially sighted people, each banknote denomination has a clear dominant colour (for instance blue for the Euro 20 note), while sharply contrasting colours have been chosen to distinguish between pairs of banknote denominations (for instance, the Euro 10 banknote is red and the Euro 20 banknote is blue), with large numbers used on all notes.





( < 2 )

## Viviane Reding - Member of the Commission with responsibility for Education and Culture

With the euro, I also see an opportunity to bring the generations closer together. Why not encourage young people to volunteer to act as mentors for the elderly? A young person could undertake to help an old person, particularly one living alone, to learn about the transition to the euro. These relations between the generations furthest apart in age would give young people a mission and give elderly people the feeling of taking part in a change in everyday life, and the euro will be the everyday reality in the countries that have adopted it.

For many young children and those yet to be born, the euro will be the only reference currency, and they will never have known any other. This is what brings out the full significance of this important step in European integration. Informing the people about the euro is a task that the Member States and the players in civil society have been involved in over the last few months, in partnership with the Commission. The role of teachers and young people in this great challenge is a vital one. Everything must be done to facilitate it. ■

## About InfEuro

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An overview of the many educational games devoted to the euro all over Europe, several of which were created for people with disabilities. ■



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