

# EUROPEAN CENTRAL BANK

## RECOMMENDATION OF THE EUROPEAN CENTRAL BANK

of 6 December 2001

**regarding the abrogation of participating Member States' provisions limiting the amount of coins denominated in a national currency unit that can be used in any single payment**

(ECB/2001/17)

(2001/C 356/05)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty establishing the European Community (hereinafter referred to as the 'Treaty'), and in particular to the last sentence of Article 105(4), Article 106 and the third indent of Article 110(1) thereof,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank (hereinafter referred to as the 'Statute'), and in particular to Article 4(b) and Article 34.1 thereof,

Whereas:

(1) The status of legal tender of banknotes denominated in euro has been laid down in Article 106(1) of the Treaty, as well as in Article 16 of the Statute and Article 10 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro <sup>(1)</sup>.

(2) Article 11 of Regulation (EC) No 974/98 establishes the legal tender status of coins denominated in euro and limits the obligation to accept coins denominated in euro in any single payment to the amount of 50 coins.

(3) Article 14 of Regulation (EC) No 974/98 states that after the end of the transitional period the references made in legal instruments to the national currency units shall be read as references to the euro unit according to the respective conversion rates.

(4) Some of the Member States which have adopted the euro in accordance with the Treaty have legal provisions in force limiting the amount of coins denominated in a national currency unit that can be used in any single payment. Such national provisions may give rise, after these coins lose their legal tender status, to an ambiguous state of affairs and jeopardise the clarity and certainty of the law. Given the wording of Article 14 of Regulation (EC) No

974/98, parties may be unclear about the legal limits on the amount of coins that can be used to discharge pecuniary debts. In particular, parties might continue to apply the limits established by national legal provisions to coins denominated in euro after the end of the dual circulation period or, in the absence of such a period, of the transitional period.

(5) Legal clarity and certainty could be jeopardised if participating Member States insert clauses or wording referring to national provisions that limit the amount of coins denominated in a national currency unit that can be used in any single payment, where these provisions have not been abrogated, in their future contractual arrangements with national central banks for the issue of coins denominated in euro by them.

(6) The European Central Bank (ECB) may submit recommendations in its field of competence to the appropriate Community institutions or bodies or to national authorities. In the process of the issue of legal tender coins by the participating Member States approval by the ECB of the volume of the issue must be granted. In order to avoid any misunderstanding of the scope of the legal tender status of euro coins issued by the participating Member States and approved by the ECB, the ECB considers it necessary to address a recommendation to participating Member States on national provisions, which may still be in force, limiting the amount of coins denominated in a national currency unit that can be used in any single payment,

HAS ADOPTED THIS RECOMMENDATION:

### Article 1

#### Definitions

For the purposes of this recommendation:

— 'participating Member States' shall mean all Member States which have adopted the single currency in accordance with the Treaty,

<sup>(1)</sup> OJ L 139, 11.5.1998, p. 1.

— 'national currency unit' shall mean each unit of the currencies of participating Member States, as that unit was defined on the day before the start of the third stage of economic and monetary union or, as the case may be, on the day before the euro has been substituted for the currency of a Member State which has adopted the euro at a later date.

*Article 2*

**Abrogation of national provisions limiting the amount of coins used in any single payment**

1. Participating Member States should expressly abrogate any legal provision which may still be in force in their respective legal orders limiting the amount of coins denominated in a national currency unit that a party is obliged to accept in any single payment.
2. Participating Member States should seek to abrogate the legal provisions referred to in paragraph 1 so that they are no

longer in force when coins denominated in a national currency unit lose their legal tender status in accordance with Regulation (EC) No 974/98 and the relevant national cash changeover legislation.

*Article 3*

**Final provisions**

This recommendation is addressed to participating Member States.

This recommendation shall be published in the *Official Journal of the European Communities*.

Done at Frankfurt am Main, 6 December 2001.

*The President of the ECB*

Willem F. DUISENBERG

---