



EUROPEAN CENTRAL BANK

OPINION OF THE EUROPEAN CENTRAL BANK

of 20 April 2001

at the request of the Euro Changeover Board of Ireland on a draft legislative proposal on certain provisions included in a draft Euro Changeover (Amounts) Bill, 2001

(CON/2001/5)

1. On 27 March 2001 the European Central Bank (ECB) received a request from the Euro Changeover Board of Ireland for an ECB opinion on two provisions included in a draft Euro Changeover (Amounts) Bill, 2001.
2. The ECB's competence to deliver an opinion is based on Article 2 of Council Decision 98/415/EC of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions¹, as the legislative proposal contains provisions concerning currency matters, means of payment and payment and settlement systems. In accordance with Article 17.5, first sentence, of the Rules of Procedure of the European Central Bank, this ECB opinion has been adopted by the Governing Council of the ECB.
3. The first provision in the draft Bill on which the ECB has been consulted concerns Section 135 of the Central Bank Act, 1989, which has been amended to provide, *inter alia*, that no person shall be compellable to make any payment or do any act on a day on which the TARGET system is closed where that person would not be so compellable on Christmas Day or Good Friday by virtue of any rule of law relating to banking. 'A day on which the TARGET system is closed' has been defined to mean such day or days as the ECB Governing Council from time to time decide to be a day or days on which the Trans-European Automated Real-time Gross settlement Express Transfer system will be closed. The ECB welcomes this clarification under Irish law which makes provision for the inability of a party to make payment or conduct banking transactions on days on which the TARGET system is closed. The flexible approach to the definition of a TARGET closing day is also consistent with the provisions regarding operating days contained in Article 3(d)(1) of the ECB Guideline of 3 October 2000 on a Trans-European Automated Real-time Gross settlement Express Transfer system

¹ OJ L 189, 3.7.1998, p. 42-43.

(ECB/2000/9). The ECB notes, however, one drafting point: it is assumed that there is in fact an established rule of law relating to banking in Ireland, perhaps dating back to the 19th century or arising at common law, whereby a person would not be compellable to make payments on Christmas Day or Good Friday, but the ECB is in fact unaware of the precise source of any such rule of law.

4. The second provision in the draft Bill on which the ECB has been consulted concerns Section 5 of the Economic and Monetary Union Act, 1998, which has been amended to re-define the ‘participating Member States’ (i.e., Member States having adopted the euro) to include Greece and any other EC Member State adopting the single currency as its currency. The ECB welcomes this amendment, which will ensure that certain provisions of the 1998 Act relating to euro-denominated coins issued by the participating Member States will be applicable to coins issued by Greece and such other Member States.
5. The ECB confirms that it has no objection to this ECB opinion being made public by the competent national authorities at their discretion.

Done at Frankfurt am Main on 20 April 2001.

The President of the ECB

[signed]

Willem F. DUISENBERG