



OPINION OF THE EUROPEAN CENTRAL BANK

of 7 May 2010

on new coin and banknote denominations

(CON/2010/38)

Introduction and legal basis

On 29 March 2010 the European Central Bank (ECB) received a request from Sveriges Riksbank for an opinion on a draft legislative proposal to amend the Law on Sveriges Riksbank (1988:1385) (hereinafter the 'legislative proposal').

The ECB's competence to deliver an opinion is based on Articles 127(4) and 282(5) of the Treaty on the Functioning of the European Union and the second indent of Article 2(1) 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 draft law relates to means of payment. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

1. Purpose of the legislative proposal

Under the legislative proposal, Sveriges Riksbank is given the right to issue two and 20 kronor coins, and 200 kronor banknotes. It is also proposed that the Riksbank should no longer have the right to issue 50 öre coins, due to their ceasing to be legal tender on 30 September 2010.

2. General observations

According to Chapter 9, Article 14, of the Swedish Constitution, Sveriges Riksbank has the exclusive right to issue banknotes and coins. Chapter 5, Article 1, of the Law on Sveriges Riksbank provides that banknotes and coins issued by Sveriges Riksbank are legal tender. However, general rules concerning the monetary and payment system, such as decisions on certain Swedish banknotes and coins ceasing to be legal tender, are laid down by legislation enacted by Sveriges Riksdag (the Swedish Parliament).

The ECB acknowledges that Sveriges Riksbank has conducted an in-depth examination into the need for new coin and banknote denominations, taking into account use, demand for and cost of the different

¹ OJ L 189, 3.7.1998, p. 42.

alternatives. The opinions of the general public, banks and the retail trade have also been taken into account.

This opinion will be published on the ECB's website.

Done at Frankfurt am Main, 7 May 2010.

[signed]

The President of the ECB

Jean-Claude TRICHET