

ANNEX II

GUIDELINE OF THE EUROPEAN CENTRAL BANK
of 22 April 1999
on the authorisation to issue national banknotes during the transitional period
(ECB/1999/NP11)

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty establishing the European Community (hereinafter referred to as the 'Treaty'), in particular to Article 105(a)(1) thereof, and to the Statute of the European System of Central Banks and of the European Central Bank (hereinafter referred to as the 'Statute'), in particular to Article 16 thereof,

Whereas:

- (1) The European Central Bank (ECB) has the exclusive right to authorise the issue of banknotes within the Community from 1 January 1999. In the light of Articles 2, 3 and 6 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro ⁽¹⁾ banknotes denominated in national currency units are subdivisions of the euro from 1 January 1999. The aforementioned provisions entail that the right to authorise the issue of national banknotes during the transitional period, as defined in the sixth indent of Article 1 of Council Regulation (EC) No 974/98 belongs to the ECB from 1 January 1999.
- (2) The issuance of banknotes is a demand-driven process. With regard to national banknotes the national central banks are, during the transitional period, in a good position to assess the necessary volume to be issued. The Governing Council of the ECB will decide at the beginning of 2001 on the authorisation of the issue of euro banknotes.
- (3) In accordance with Articles 12.1 and 14.3 of the Statute, ECB Guidelines form an integral part of Community law,

HAS ADOPTED THE FOLLOWING GUIDELINE:

Article 1

Authorisation to issue national banknotes

1. National central banks are hereby authorised to continue to issue national banknotes during the transitional period according to national practice.
2. National central banks shall inform the ECB by the end of February of each year of the amount of national banknotes issued during the preceding year.

Article 2

Final provisions

This Guideline is addressed to the national central banks of participating Member States.

Done at Frankfurt am Main, 22 April 1999.

On behalf of the Governing Council of the ECB
Willem F. DUISENBERG

⁽¹⁾ OJ L 139, 11.5.1998, p. 1.