



TRANSITIONAL REGIME FOR THE IMPLEMENTATION OF THE BANKNOTE RECYCLING FRAMEWORK IN THE NEW PARTICIPATING MEMBER STATES

The framework for the detection of counterfeits and fitness sorting by credit institutions and other professional cash handlers (hereinafter the ‘framework’), adopted in December 2004 and published on the ECB website¹, will also apply to new participating Member States when they adopt the euro.

Pursuant to a decision by the Governing Council:

(a) For new participating Member States that adopt the euro **before or on 31 December 2009**, the following transitional regime will apply, instead of Section 3 of the framework:

- The national central banks (NCBs) of each new participating Member State will implement the framework at national level as soon as possible, at the latest within 12 months of the date on which euro banknotes and coins acquire the status of legal tender in the relevant new participating Member State.
- Additionally, as of the expiry of the above-mentioned 12-month implementation period there will be a transitional period of 12 months for the adaptation by credit institutions and other professional cash handlers of cash handling procedures and existing machines in operation to the requirements set out in the framework.

(b) For new participating Member States that adopt the euro **after 31 December 2009**, the following transitional regime will apply, instead of Section 3 of the framework:

- The NCBs of each new participating Member State will implement the framework by the date on which euro banknotes and coins acquire the status of legal tender in the relevant new participating Member State.
- As of the date when euro banknotes and coins acquire the status of legal tender, there will be a transitional period of 12 months

for the adaptation by credit institutions and other professional cash handlers of cash handling procedures and existing machines in operation to the requirements set out in the framework.

(c) Where credit institutions and other professional cash handlers decide against the recycling of banknotes, they will continue to have the option of having their euro banknote requirements met by NCBs, as defined by each NCB.

¹ <http://www.ecb.int/pub/pdf/other/recyclingeurobanknotes2005en.pdf>

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