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EUROPEAN CENTRAL BANK

EUROSYSTEM

OPINION OF THE EUROPEAN CENTRAL BANK

of 21 February 2007

at the request of the Slovenian Ministry of Finance on a draft law on occasional coins

(CON/2007/5)

Introduction and legal basis

On 11 January 2007 the European Central Bank (ECB) received a request from the Slovenian Ministry of Finance for an opinion on a draft law on occasional coins (hereinafter the 'draft law').

The ECB's competence to deliver an opinion is based on Article 105(4) of the Treaty establishing the European Community and the first and second indents 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 provisions[1], as the draft law relates to currency matters and 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 draft law

1.1 The objective of the draft law is to align national legislative provisions concerning the issuance of commemorative and collector euro coins with relevant EU legislation, namely Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the euro[2], Council Regulation (EC) No 975/98 of 3 May 1998 on denominations and technical specifications of euro coins intended for circulation[3], Commission Recommendation 2003/734/EC of 29 September 2003 on a common practice for changes to the design of national obverse sides of euro circulation coins[4] and Commission Recommendation 2005/491/EC of 3 June 2005 on common guidelines for the national sides of euro circulation coins[5].

1.2 The draft law introduces the distinction between collector and commemorative coins, whereby commemorative coins will be identical to normal 2-euro circulation coins in terms of dimension and physical and chemical characteristics, and collector coins will be made out of gold, silver or other metals as determined by the Slovenian government. Pursuant to the draft law,

1 OJ L 189, 3.7.1998, p. 42.

2 OJ L 139, 11.5.1998, p. 1. Regulation as last amended by Regulation (EC) No 1647/2006 (OJ L 309, 9.11.2006, p. 2).

3 OJ L 139, 11.5.1998, p. 6. Regulation as amended by Regulation (EC) No 423/1999 (OJ L 52, 27.2.1999, p. 2).

4 OJ L 264, 15.10.2003, p. 38.

5 OJ L 186, 18.7.2005, p. 1.

commemorative coins will have the status of legal tender in the euro area Member States, while collector coins will have the status of legal tender only in Slovenia.

2. General observations

2.1 The ECB welcomes the issue of collector and commemorative coins respecting the individual numismatic traditions and practices of the Member States[6]. The draft law aims at establishing a regime that is compatible with the relevant EU legislation, and in particular with the requirement that issuing coins is subject to the ECB's prior approval of the volume of the issue. Accordingly, the ECB has the exclusive right to approve the overall volume of coins, including collector and commemorative circulation coins.

2.2 The ECB would like to draw attention to Decision ECB/2006/19 of 24 November 2006 on the approval of the volume of coin issuance in 2007[7] laying down the approved volume of euro coins to be issued by the participating Member States in 2007. Article 1 of this Decision specifies the issuance of coins intended for circulation and issuance of collector coins (not intended for circulation). Therefore, the ECB's approval for the volume of commemorative coins to be issued by Slovenia should be sought on an aggregate basis together with the yearly estimates of the volume of euro coins to be issued by Slovenia.

3. Specific observations

Commemorative coins

3.1 Article 4 of the draft law specifies the main characteristics of commemorative coins. In addition to the characteristics already set out in this Article, for reasons of legal clarity, the ECB advises rewording the second sentence of Article 4(1) to include the requirement that the national side should bear 12 stars surrounding the design and the year mark[8].

3.2 Moreover, the ECB recommends that Article 4(4) concerning prior consultation with the Member States regarding the appearance of the national side also specifies that the European Commission should be informed about an intended issue of commemorative coins at least 6 months before the coins are issued.

3.3 Article 4(5) provides that '[c]ommemorative coins shall be sold at a price that may be higher than their nominal value. The price of commemorative coins shall be determined by Banka Slovenije, subject to the consent of the Ministry in charge of finance'. The ECB understands that this Article refers exclusively to the sale of commemorative coins by Banka Slovenije, while such coins will be

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6 See ECB Opinion CON/2002/12 of 23 April 2002 at the request of the Finnish Ministry of Finance on a draft proposal concerning the issue of commemorative coins in Finland and ECB Opinion CON/2006/22 of 28 April 2006 at the request of the Portuguese Ministry of Finance and Public Administration on a draft decree-law on the issue, minting, putting into circulation and marketing of coins.

7 OJ L 348, 11.12.2006, p. 52.

8 See Article 3(a) of the Commission Recommendation 2003/734/EC of 29 September 2003 on a common practice for changes to the design of national obverse sides of euro circulation coins (OJ L 264, 15.10.2003, p. 38).

issued at face value. This means, in particular, that commemorative coins are issued at their face value, and any difference in price between the face value and the selling price does not have an impact on the volume (based on face value) of coins in circulation.

Collector coins

3.4 Article 5 of the draft law contains provisions regarding collector coins. The ECB suggests that decisions regarding the nominal value of such coins to be adopted by the Slovenian Government ensure that collector coins to be issued fulfil the criteria adopted by the ECOFIN Council of 23 November 1998 and 5 November 2002[9]. The ECB would also like to point out that collector coins have different visual characteristics than normal circulation coins. In this respect, the ECB suggests amending Article 5(4) to clarify that the design on the obverse side of collector coins should, at a minimum, differ slightly from the national design for circulation coins and that collector coins should differ significantly from circulation coins with regard to at least two of the following characteristics: colour, diameter and weight. In addition, the ECB would like to point out that while collector coins will have the status of legal tender only in Slovenia, the issuing Member State, the national central banks of the Eurosystem should be able to impose certain conditions and fees for possible arrangements through which owners of euro collector coins issued in other euro area Member States can receive the face values of those coins.

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

Done at Frankfurt am Main, 21 February 2007.

[signed]

The President of the ECB

Jean-Claude TRICHET

9 Available on the European Commission's website at www.europa.eu.int.