Adoption by Slovakia of the single currency on 1 January 2009

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This communication concerns the introduction of the Euro in Slovakia.

Following the Council Decision of 8 July 2008 that Slovakia fulfils the necessary conditions for the adoption of the Euro, the Euro-area enlarged to 16 members on 1 January 2009, the day when the tenth anniversary of the Euro was celebrated.

Slovakia opted for a "Big Bang" changeover scenario, i.e. without a transitional period. As in Slovenia, the period of dual circulation, during which payments were accepted both in Euro and Slovak koruna, lasted for two weeks. The successful changeover confirmed that, if meticulously prepared, a short dual circulation period can be sufficient, even for a country with a high amount of cash in circulation. A large majority of Slovak citizens (91%) perceived the changeover as smooth and efficient.

This Communication covers the most important aspects of the changeover process, in particular the cash changeover, the measures taken to fight citizens' fears of price increases, the price developments in the changeover period, the information campaign and the citizens' opinion on the running of the changeover.

Cash changeover: the frontloading and sub-frontloading operations were well organised. The value of cash supplied to businesses before the changeover was significantly higher than during the three last changeovers.

High demand for Euro coins mini-kits in Slovakia confirmed that citizens are attracted by the first Euro coins with the national side of their country, even when they already hold Euro coins issued by other countries. It is important to prepare sufficient numbers of mini-kits for all citizens so that they can get familiar with their new currency ahead of the changeover. Since businesses need the Euro coins for giving the change as from the changeover day, special retailer starter kits should systematically be foreseen to meet their needs. The demand of businesses and various institutions that may use coins kits as presents should be also taken into account when planning the volumes of production.

In order to facilitate the access of small businesses to Euro cash, the new simplified ECB guideline for sub-frontloading should henceforward be used.

Citizens’ opinion on the running of the changeover: the changeover in Slovakia was well prepared and smooth. Slovaks successfully managed to avoid many problems which occurred in the other countries introducing the Euro (e.g. long waiting line in banks) by learning from their experience. Although the cash changeover started a bit more slowly than in the other countries which used a “big bang” changeover scenario, the results attained are overall very positive.

In order to speed up the changeover and thus reduce the burden put on retailers who have to handle two currencies simultaneously, the change should be given exclusively in Euro as of 1 January. It could be considered for future changeovers to introduce a legal prohibition on the use of the legacy currency for giving change (with an exception for cases where it is materially impossible to use the Euro). To avoid cash shortages in shops, the salaries and pensions - when paid in cash - should be distributed primarily in small denomination banknotes.

The retailers should plan carefully their Euro cash needs for the changeover period and the banks should consider adapting their fee policy to the exceptional circumstances due to the changeover.

Combating fears of price increases: Slovakia has implemented a comprehensive set of measures to prevent misperceptions of the evolution of prices and price abuses, in line with the recommendations of the Commission. The authorities should make sure that all complaints from the citizens are duly investigated and pay special attention to the price developments at the end of the dual display of prices period.

Information campaign: the well managed information campaign in Slovakia contributed to ensuring a smooth changeover to the Euro. The campaign was comprehensive: it paid attention to all target groups, including the minorities and people with special information needs. The authorities should address the population's persisting information needs: to provide additional information on the security features of Euro cash and to keep addressing the fair pricing issues and fears related to it.