

José Manuel González-Páramo: Address at the opening ceremony of the Euro Exhibition

Speech by Mr José Manuel González-Páramo, Member of the Executive Board of the European Central Bank, at the Bulgarian National Bank, Sofia, 16 September 2011.

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Governor Iskrov,

Ladies and gentlemen,

It is a great pleasure for me to be here in Sofia today at the Bulgarian National Bank for the opening of the Euro Exhibition, which is dedicated to Europe's single currency, the euro.

It is remarkable that in a few months we will be celebrating the tenth anniversary of the introduction of euro banknotes and coins. They came into circulation on 1 January 2002 and replaced the legacy currencies of twelve EU Member States in what was one of the most ambitious logistical exercises ever undertaken in Europe. Since then, the euro area has grown to comprise 17 countries. Over 14 billion euro banknotes are currently in circulation and are used on a daily basis by more than 331 million inhabitants of the euro area. In fact, the euro banknotes and coins have become an important and integral part of the daily lives of citizens in the euro area. They can be seen as the most tangible symbol of European integration. Moreover, they have brought many advantages, benefiting not only euro area citizens but also the citizens of the other EU Member States, including Bulgaria. For example, Bulgarian citizens travelling within the euro area no longer need to change money when crossing from one euro area country to another. Moreover, in particular through remittances sent by Bulgarians living in the euro area, the euro has already gained a significant presence here in Bulgaria. Bulgarian enterprises can carry out transactions with business partners in all 17 euro area countries using just the euro.

Bulgaria, like any other Member State without an "opt out" clause, is expected to adopt the euro at some point in the future. As you know, the road to euro adoption is well defined and the requirements are laid out in the Treaty and the Protocol on the convergence criteria. The decision to adopt the euro is a very fundamental one and should not be taken lightly. Very careful preparation is required to ensure that convergence is sustainable and participation in the euro area is successful.

Appropriate economic policies are necessary not only before, but also after the adoption of the euro. The challenges that some euro area countries are currently facing illustrate the importance of sustainable convergence very clearly.

Achieving an environment conducive to sustainable convergence in Bulgaria requires the conduct of economic policies geared towards ensuring overall macroeconomic stability, including sustainable price stability. Given the limited room for manoeuvre for monetary policy under the currency board arrangement, it is imperative that other policy areas provide the economy with the wherewithal to cope with country-specific shocks and to avoid the recurrence of macroeconomic imbalances. Let me emphasise in particular the role of fiscal policy, which is one of the most important macroeconomic management tools at the disposal of policy-makers.

Since the accession of Bulgaria to the European Union and the European System of Central Banks in 2007, Bulgarian citizens have already become more familiar with the euro banknotes and coins. The objective of the Euro Exhibition is to improve the general public's awareness of the euro banknotes and coins and their security features, and explain how to distinguish a genuine euro banknote from a counterfeit.

The Euro Exhibition gives visitors the chance to explore subjects ranging from the history of money to the production of banknotes. As you walk around the exhibition, you will no doubt recognise the images of bridges that feature on the back of the euro banknotes. They symbolise the communication between the people of Europe and between Europe and the rest of the world. The bridges also represent the connection between the past and the present, and symbolise a common European future. The diversity of Europe is reflected on the national sides of the euro coins, which depict national icons and symbols representing the heritage and culture of each euro area country.

The exhibition also has plenty to interest the younger generation. In the kids' corner, children can play educational computer games, learn more about the features of euro banknotes from interactive displays and follow the story of Anna and Alex as they catch counterfeiters. Many other interactive components of the Euro Exhibition will appeal to both children and adults alike. The best way to learn how to check the authenticity of a euro banknote is to explore the security features showcases. And why not investigate the showcase displaying the different steps in banknote production or try to lift the weight of a gold bar?

Sofia is the 11th city to play host to the Euro Exhibition. Previously the Euro Exhibition has travelled to Frankfurt, Bratislava, Barcelona, Rome, Berlin, Luxembourg, Warsaw, Tallinn, Bucharest and Paris.

Several activities are planned in 2012 to mark the tenth anniversary of the introduction of the euro banknotes and coins and I would encourage you to keep checking the "euro pages" of the ECB's website for news on the initiatives that we plan to launch.

Governor Iskrov, ladies and gentlemen, I sincerely hope that you enjoy your visit to the Euro Exhibition today here in Sofia. It is a pleasure for me, on behalf of the European Central Bank, to declare the exhibition open.