

Mario Draghi: Address to mark the launch of the new €50 banknote

Speech by Mr Mario Draghi, President of the European Central Bank, at The ECB and Its Watchers XVIII Conference, Frankfurt am Main, 6 April 2017.

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It is my pleasure to be here this afternoon to launch the new €50 banknote. This is the culmination of a huge amount of research and dedication from my colleagues in the ECB and the Eurosystem, and I applaud them for producing another first-rate product. Although banknotes may not receive as much attention as other aspects of our monetary policy, they are a fundamental part of what we do. And in some ways their role is even more important in the euro area than in other parts of the world.

Though electronic payments are becoming more popular, cash is still our most important means of payment. A soon-to-be-published survey on cash use, carried out on behalf of the ECB, shows that over three-quarters of all payments at points-of-sale in the euro area are made in cash. In terms of transaction values, that's slightly more than half. So even in this digital age, cash remains essential in our economy.

And this is particularly the case for the €50 note, which is our most important denomination. There are more than 9 billion of them in circulation, accounting for 46% of all euro banknotes. That's more than the total number of banknotes issued at the time of the euro cash introduction in 2002.

So it's clear that, for the economy to function, people must be able to have trust in cash – it has to be robust, easy to check and readily available. And perhaps most importantly, it has to be secure: we need to stay ahead of counterfeiters, who might undermine the public's trust in money. This is why we always put innovation at the heart of our banknote development and strive to use the latest and most efficient banknote technology.

The new €50 note, for example, incorporates all the improved security features of the new €20 note, making it even more resistant to counterfeiting than the first series. It is also more user-friendly for visually impaired people, thanks to bolder large letters and numbers on the front and tactile marks near the edges.

And in order to ensure that the public is familiar with the new note, the Eurosystem has conducted a wide-ranging communication campaign, aiming to reach its audiences via multiple channels. This has given our stakeholders the necessary information about the banknote and its security features.

But there is also another reason why banknotes are a fundamental part of what we do – one which is more significant for the euro area than for others. In a multi-country union such as ours, it is inevitably harder to create a shared identity than in a single nation state with its own culture and history. The euro is something we all have in common – it is a tangible symbol of European unity.

Holding a euro banknote and knowing that it can be used in 19 countries is a reminder of the deep integration Europe has attained. Indeed, when asked about the most important elements of European identity, the single currency is the one most frequently quoted by euro area citizens after democracy and freedom. And in spite of the difficulties in recent years, support for the single currency now stands at 70%, equalling the highs recorded in the pre-crisis period.

With the collaboration of the national central banks, credit institutions and banknote equipment manufacturers, hundreds of thousands of machines and devices have been updated during the last nine months, meaning that – starting today – the new €50 banknote is available.