

Kwesi Bekoe Amissah-Arthur: Review of the cash cycle in Ghana

Speech by Mr Kwesi Bekoe Amissah-Arthur, Governor of the Bank of Ghana, at the launch of the public education campaign on the GH¢2 banknote, Accra, 1 April 2010.

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1. Good morning, Ladies and Gentlemen of the mass media. I welcome you to the launch of the educational campaign on the GH¢2 Banknote.

2. You will recall that on February 25, 2010 the Bank of Ghana issued a press statement on the introduction in May this year of a **GH¢2** banknote denomination.

Rationale for the introduction of the GH¢2 banknote

3. Following the July 2007 currency re-denomination exercise, the Bank of Ghana commissioned a review of the cash cycle to determine the effectiveness of the currency reform and seek ways to further enhance efficiency in cash management in Ghana.

4. An important observation of the “Review of the Cash Cycle in Ghana” presented in July 2009 was that the **GH¢1** banknote had taken on the role of three old banknote denominations (i.e. **¢5,000, ¢10,000 and ¢20,000**), consequently putting the **GH¢1** banknote under immense pressure, contributing to the reduction of the quality of the banknote in circulation. The worn out state of the **GH¢1** banknote, in particular, defeats the Clean Note Policy of the Bank, which seeks to ensure that only good quality banknotes remain in circulation.

5. Ladies and Gentlemen of the media, since the re-denomination exercise, the general public have demanded an intermediary banknote between the **GH¢1** and **GH¢5** denominations to reduce the gap between the **GH¢1** and **GH¢5** banknotes, as well as improve exchangeability and facilitate transactions.

6. The **GH¢2** banknote will therefore expand the series of banknotes in circulation thereby providing a better choice to the public. The introduction of the new banknote would also reduce the frequency, and associated cost, of printing large volumes of the **GH¢1** banknote.

Portrait uniformity on Ghana’s banknotes

7. There has been some criticism of the use of a single, identical portrait (The Big Six) on all the five denominations introduced in the July 2007 re-denomination exercise (and the previous **¢10,000** banknote that was withdrawn from circulation in 2007). The lack of a different and distinct portrait on each banknote denomination has been noted for rectification.

8. Different portraits allow the general public to easily identify the different denominations. It is also an important consideration when it becomes necessary to upgrade and change the design and security features of banknotes. One of the key reasons for placing different portraits on different denominations is the need to frustrate counterfeiting. A continuing concern of the Central Bank is to guarantee the integrity of the banknotes and defend them against the escalating trends of counterfeiting.

9. Varying the portraits on our banknotes will also permit the nation to recognize departed national heroes who positively impacted on the lives of Ghanaians.

Selection of the portrait for the GH¢2 banknote

10. It is for the above reasons that the obverse theme, the portrait of Dr. Kwame Nkrumah, was chosen for the **GH¢2** banknote, to commemorate the centenary of the birth of this illustrious son of Africa. The reverse of the banknote depicts the old and new Parliament buildings, signifying Ghana's deepening democracy.

Ladies and Gentlemen of the media,

11. The introductory issue of the GH¢2 banknote will have the commemorative text "**CENTENARY OF THE BIRTH OF DR. KWAME NKUMAH**". Future issues of the **GH¢2** banknote are not expected to have this text; making this introductory issue a collector's item.

12. The new banknote will be issued out as legal tender in May 2010, to coincide with the conclusion of the year-long centenary celebrations of the birth of Dr. Kwame Nkrumah.

13. On this note I formally declare the educational campaign on the introduction of the GH¢2 banknote duly launched. Please remember to keep the Ghana Cedi Clean!

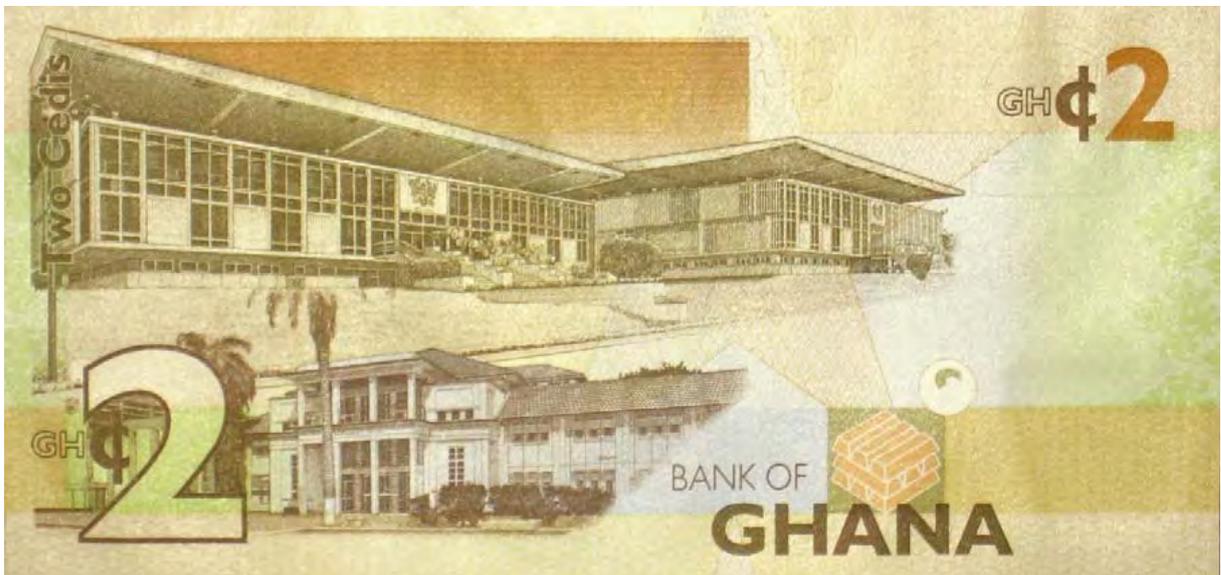
14. Thank you for honouring our invitation and May God bless us all.

The New GH¢2 banknote

Front

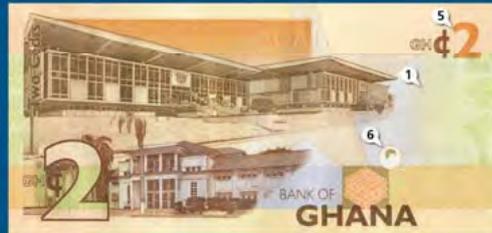


Back

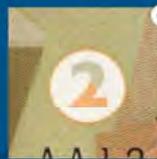


BANK OF GHANA

The new 2 Ghana Cedi Banknote



1 Watermark with Highlight "2"
When held against the light, the 3-dimensional image of Tetteh Quarshie, the Cocoa Pod and the highlighted "2" of the denomination can be recognised.



6 Perfect See Through Register
The two elements of the see through register, printed on the front and reverse, form the figure "2" when the banknote is held against light.



2 Security Thread
The silver-metallic window thread shows the text "GHANA 2". The text is readable on both sides of the banknote.



7 Iridescent Printed Figure
The figure "2" appears in metallic gold colour.



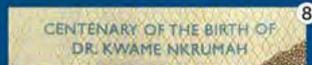
3 Gold-Iridescent Latent Image
The latent image shows the figure "2" in different shades of iridescent gold when looking at the banknote from different angles.



4 Blind Recognition Marks
A recognition mark is printed on the right corner of the banknotes with high tactility for the blind and visually impaired.



5 Intaglio Printed Denomination in Figure
The figure "2", representing the denomination, is printed in intaglio with high tactility.



8 Commemorative Text
On the 6th March, 2010 issue, the GHe2 banknote will have the commemorative text "CENTENARY OF THE BIRTH OF DR. KWAME NKRUMAH". Future issues of the GHc2 banknote may not have this text; making this introductory version a collector's item.