

Question	Answer	Guidance for more information
Monetary policy in the euro area, the action of The Bank of Latvia after the introduction of the euro.		
Who and how determines the monetary policy in the euro area?	<p>The European Central Bank is responsible for monetary policy in the euro area.</p> <p>The main objective of the monetary policy is to maintain price stability, which is ECB's greatest contribution in promoting economic growth and new job creation. Monetary policy affects the economy by setting short-term interest rates to ensure price stability in the medium term. The European Central Bank uses a special strategy for successful monetary policy implementation by defining price stability as a consumer price index below but close to 2%. This strategy is based on the economic and monetary analysis. Monetary policy decisions are adopted by the Governing Council of the European Central Bank with the participation of the governors of the Central banks of eurozone countries. After the introduction of the euro, the Governor of the Bank of Latvia will also participate in the European Central Bank's monetary policy decision making process.</p>	<p>www.ecb.europa.eu</p>
Who will determine the interest rates in Latvia?	<p>When Latvia becomes a member of the euro area, the same monetary operation interest rates set by the European Central Bank will apply here as elsewhere in the euro area.</p> <p>Decisions on the interest rates are taken by the Governing Council of the European Central Bank with the participation of central bank governors of euro area countries. After the euro introduction, the Governor of the Bank of Latvia will also participate in determining the European Central Bank's interest rates. It should be noted that the rates for the euro loans and deposits determined by the commercial</p>	

	<p>banks usually are close to the rates set by the European Central Bank and change along with them.</p>	
<p>How will the functions of The Bank of Latvia change after the introduction of the euro?</p>	<p>After joining the euro area, the functions of the Bank of Latvia will remain unchanged. Only the location of monetary policy decision making will change: in the euro area, the Governing Council of the European Central Bank takes monetary policy decisions. The central banks of the euro area` countries have equal representation there.</p> <p>Instead of narrowing, the Banks of Latvia`s range of functions will expand, when Latvia fully joins the euro area. As previously, the central bank will issue cash currency, only then it will be euros instead of lats; it will ensure system smooth functioning of the payment systems and account for the balance of payments, but in regard to interest rate and other monetary policy decisions, it will have to have in sight the entire euro area in order to be able to participate in equal decision-making. The Bank of Latvia (also in cooperation with other state institutions such as the Ministry of Finance) will continue to represent the interests of Latvia in several international institutions (e.g., the International Monetary Fund, European Commission Expert forums, etc.).</p>	<p>www.ecb.europa.eu</p>

<p>What will happen with the Bank's of Latvia foreign currency and gold reserves after the introduction of the euro?</p>	<p>After the introduction of the euro, foreign currencies and gold reserves will remain property of the Bank of Latvia. The Bank of Latvia will transfer 4.4 % of the foreign reserves to be managed by the European Central Bank, but the Bank of Latvia will continue to receive the accrued interest.</p> <p>In accordance with the statutes of the European Central Banks System and the European Central Bank, a relatively small foreign currency and gold reserves are transferred from the euro area member states for the management of the European Central Bank, which includes them in the composition of its foreign reserves. For the relevant sum, the Bank of Latvia will obtain a claim expressed in euro against the European Central Bank and receive interest income. The Bank of Latvia will transfer to the ECB international currencies and gold worth 252 million euro. The proportion of gold in this sum is expected at 15% or approximately 38 million euro, with the remainder as foreign currency assets. At the end of 2012, the assets of the Bank of Latvia were approximately 3.99 billion lats (approx. 5.68 billion euro), thus, the part of the foreign currency and gold reserves transferred to the ECB will amount to 252 million euro or 4.4%. All other foreign currency and gold reserves, just like before will constitute reserve assets of the Bank of Latvia and they will be invested in safe financial instruments.</p>	<p>Treaty on European Union and Treaty on the Functioning of the European Union</p> <p>Statute of the ESCB and of the ECB</p> <p>The Bank of Latvia's Balance Sheet</p>
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<p>Will the Bank of Latvia continue to earn and will the profit be transferred to the government budget?</p>	<p>As before, if the Bank of Latvia makes a profit, part of the profit will be transferred to the government budget.</p> <p>After the introduction of the euro, the Bank of Latvia will continue to finance its activities mostly from the profit earned from managing its foreign exchange and gold reserves. These revenues provide funding for the activities of the Bank of Latvia so it can effectively fulfill its tasks and achieve its goals. Unlike other financial institutions such as commercial banks, however, the main objective of central banks (including the Bank of Latvia) is not to make profit, because that might interfere with the Bank of Latvia's main task - to maintain price stability. Moreover, because of their specific tasks, central banks normally are exposed to greater financial risks and, as a result, their profit is largely determined by external conditions, such as interest rate and exchange rate changes in the external financial markets as well as by the need to perform certain monetary transactions. If the Bank of Latvia makes a profit, then, according to the law "On the Bank of Latvia" the Bank transfers to the basic national budget a part of the profit from the reporting year, which is calculated by applying the tax rate for residents set in the Law "On Corporate Income Tax", as well as payments for the use of state capital at 50 per cent of the profit gained in the reporting year.</p>	<p>The Law "On the Bank of Latvia"</p>
<p>How will the Bank of Latvia set and publish the euro Exchange rate against other currencies?</p>	<p>After the introduction of the euro, the Bank of Latvia will discontinue setting the official foreign exchange rates. Instead of the official foreign Exchange rate, the euro reference rate published by the European Central Bank (ECB) will be used and republished on Bank of Latvia's website.</p> <p>Currently, on every business day, the Bank of Latvia determines the Exchange rates of several foreign currencies against the lats. These rates come into force on the next day and are used as provided for by the Republic of Latvia laws and regulations</p>	<p>www.bank.lv</p> <p>www.ecb.europa.eu</p>

	<p>(reevaluation of foreign assets in accounting, calculation of customs duties, etc.). Current procedure also ensures that current daily exchange rates are available at the beginning of the day (published on the Bank of Latvia website, in newspapers, sent by e-mail). After the introduction of the euro in Latvia, the Bank of Latvia will cease to determine the official foreign exchange rates . One of the exchange rate sources for the euro is the so-called euro foreign exchange reference rate, which is determined by the European Central Bank on the basis of the System of Central Banks and other central banks conciliation procedure, and it is determined every working day at 15:15 (Latvian time) and reflects the exchange market conditions at that time. The euro exchange reference rate set by the ECB is available on the ECB website, as well as in electronic information systems (Reuters, Bloomberg). As of the day of the introduction of the euro in Latvia, the reference to the published ECB euro reference rates will be published on the website of the Bank of Latvia.</p>	
<p>What will be the money market index instead of the lats RIGIBOR index?</p>	<p>Since there will no longer be the lats, the money market index RIGIBOR will not exist either; instead of RIGIBOR the EURIBOR index will be used.</p> <p>After the introduction of the euro, the Bank of Latvia will no longer continue to calculate the RIGIBOR. Already now, the variable part of euro interest rates is often linked to the EURIBOR index. The EURIBOR index is set by the European Banking Federation, EURIBOR is an interest rate at which banks can borrow EUR resources in the euro area interbank market. The index was established in 1999, along with the implementation of the euro. It is determined on each working day, considering interest rates offered by the euro area and other major global banks.</p>	<p>http://www.euribor-ebf.eu/</p>

<p>Why are the lats already pegged to the euro?</p>	<p>The lats peg to the euro is the first step in joining the euro area.</p> <p>On 30 December 2004, the Bank of Latvia determined a fixed lats and euro conversion rate: 1 EUR = 0.702804 LVL, which, in accordance with the Government approved a plan for Latvia's preparation for full membership in the Economic and Monetary Union, has been in effect as of 1 January 2005. The peg to the euro is a necessary first step towards the euro as our own future currency: it is required that at least two years before the introduction of the euro, the national currency must be pegged to the euro and its Exchange rate against the euro should not fluctuate too much. Latvia took this step on the 2 May 2005 by joining the Exchange Rate Mechanism II.</p>	<p>The Latvian participation in the Exchange Rate Mechanism II</p>
<p>Basic questions about the rest of the process.</p>		

<p>When will the euro be introduced?</p>	<p>Latvia will introduce the euro on the 1 January 2014.</p>	<p>Law on the Procedure for the Introduction of Euro</p>
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<p>Which laws and regulations stipulate that the euro will be introduced in Latvia on 1 January 2014?</p>	<p>Latvia's full membership in the euro area is set in the agreement of its accession to the European Union (EU); Latvia's participation in the EU was determined in 2003 by referendum. According to the Treaty on the Functioning of the EU, the decision on the date on which a country is to join the euro area is adopted by the EU Council of Ministers, which has an exclusive right of deciding this matter. In accordance with the legal procedures, in order to reach a decision on a country's membership in the euro area, this country must stabilize its national currency against the euro and decide, at the national level, on its participation in the Exchange Rate Mechanism II, stabilizing its economy in accordance with five criteria: low inflation, low budget deficit and government debt, low interest rates and a stable exchange rate. Latvia's participation in the Exchange Rate Mechanism was launched on 2 May 2005.</p> <p>The practical process of the introduction of the euro is determined in the law on the introduction of the euro and the National plan for the introduction of the euro.</p>	<p>Latvia's National Euro Changeover Plan</p> <p>Law on the Procedure for the Introduction of Euro</p>
<p>Will the introduction of the euro constitute a currency reform?</p>	<p>This is not a currency reform. At the Bank of Latvia, the Latvian lats will be exchanged at the current rate without any commission in perpetuity and in unlimited amounts. It will amount to replacing of one currency with another.</p> <p>Historically, reforms have been instituted in Latvia whereby people lost a good part of their savings: during the war and Money reform in 1961 and as a result of the Soviet monetary reform of 1991, commonly referred to as the "Pavlov Reform". This time all the lats that people have at home or in the bank, will be exchanged and no lats piece belonging to the citizens or companies will be lost at the currency change time! At the Bank of Latvia, the Latvian lats will be exchanged in perpetuity and in unlimited amounts.</p>	

<p>Doesn't the changeover to the euro amount to a loss of identity?</p>	<p>No such causality if there is more of Europe, then less of Latvia. It would be like saying: the more there is of Latvia, then the less of - Vidzeme or Latgale. By wisely participating in the euro area, Latvia will become a prosperous place for ourselves and for others as well.</p> <p>Did Germans become less German and Estonians less Estonian? Was it easier for other countries to abandon their stable, beautiful, long used currencies? Latvia's euro will be graced by the proud symbol of our money design, Milda- the Latvian maiden, which was featured on the 5 lats coin prior to the Second World War. If we enjoy the fact that the world knows Latvian opera singers, why not likewise enjoy the fact that millions of Europeans will be using the most beautiful money in Europe coming from Latvia?</p> <p>Money is first and foremost an economic instrument and currently it is more convenient and safer to operate a large region like Europe with a single currency. The United States would never have one of the most successful and influential economies, if it had 50 different currencies.</p>	
<p>Will we lose our influence and independence with the euro?</p>	<p>We will not lose our independence! After the introduction of the euro, the impact of Latvia will rise in the EU and Latvia will be able to better defend its interests.</p> <p>For strengthening the national sovereignty, it is the economic structure and debt levels that play the most important role and not the currency. Countries with a healthy economy and the euro have more sovereignty than the countries that have their own currency but, because of economic problems, they have problems financing the country debt.</p> <p>For two years now, Estonians have had the euro instead of the krona. Have Estonians lost their independence and self-confidence? Estonia and Estonians are still there, and two years after the introduction of the euro, public support for the euro has exceeded 70%. The euro has helped the Estonian economy and strengthened our neighbouring country's influence in the European Union.</p>	

<p>At what rate will the lats be exchanged to the euro?</p>	<p>Lats to euro will be exchanged without commission according to the rate hitherto used by the Bank of Latvia and irrevocably fixed by the member states of the European Union at 0.702804 lats per euro (1 lats = 1.42 euro).</p> <p>The lats peg rate to the euro has been beneficial for the Latvian economy, which fact has been recognized by the businessmen and the general population at like, therefore the rate will remain unchanged. So for one lats a person will get 1.42 euro. The lats has been pegged to the euro since 1 January 2005, and since May of the same year Latvia has been a participant in the Exchange Rate mechanism (ERM II). At least two years of membership in ERMII is one of five euro (Maastricht) criteria for assessing correspondence of the exchange rate of the national currency to the economy. Latvia has been in the mechanism for seven years, and the exchange rate of the lats has corresponded with the country's economic development, so the Bank of Latvia considers the rate of 0.702804 LVL / EUR to be sound, and so on until the introduction of the euro, or a full-fledged participation in the Economic and Monetary Union (EMU), the lats peg will not change. This means that for 100 lats after the euro changeover one will receive 142.29 euro and for 1000 lats - 1422.87 euro.</p>	<p>The Latvian participation in the Exchange Rate Mechanism II</p>
<p>Will cash and non-cash euro be introduced at the same time?</p>	<p>Yes, both cash and non-cash euro will be introduced at the same time in Latvia.</p>	<p>Law on the Procedure for the Introduction of Euro</p>
<p>How long will people be able to exchange cash lats to the euro?</p>	<p>Lats to euro will be exchanged for an unlimited period of time without commission according to the rate hitherto used by the Bank of Latvia and irrevocably fixed by the member states of the European Union at 0.702804 lats per euro (1 lats = 1.42 euro).</p> <p>To wit: lats will be exchanged to euro for an unlimited period of time at the Bank of Latvia; for six months after the introduction of the euro it will be possible to exchange lats for euro at the credit institutions; for three months it will be possible at the 302 Latvian Post Offices.</p> <p>Currency exchange offices, who will offer to change lats to euro, are obligated to do it at the official rate and without commission for six months after the introduction of the euro. According to after joining the euro area, it will be possible to exchange the Latvian lats in branches of credit institutions, some currency exchange offices throughout Latvia, at the 302 Latvian post offices and at the Bank's of Latvia offices in three cities. It will also be possible to withdraw euro from 1061 cash machines.</p>	<p>Law on the Procedure for the Introduction of Euro</p>

<p>How long will the simultaneous circulation of the lats and the euro last?</p>	<p>The lats and the euro will be in circulation at the same time for two weeks as of the euro introduction date, i.e. as of 1 to 14 January 2014.</p>	<p>Law on the Procedure for the Introduction of Euro</p>
<p>How long will the prices be shown in both lats and euro?</p>	<p>Prices must be shown in both lats and euro for months before and 6 months after the introduction of the euro, i.e. from 1 October 2013 to 30 June 2014. Vendors can show the prices in both lats and euro before and after this time, for the convenience of their customers.</p>	<p>Law on the Procedure for the Introduction of Euro</p>
<p>What are rounding principles when calculating amounts during the euro changeover?</p>	<p>The amount of money is rounded according to the normal mathematical principles. The amount of money is rounded to the nearest cent taking into account the third decimal place. 1) If the third decimal place is between 0 and 4, the cent value does not change; 2) If the third decimal place is 5 to 9, the cents are rounded a single value up. For example, if an item costs 1 lats, at the official conversion rate it is 1.4228 ... euro, and then the price will be rounded down to 1.42 euro. If the product costs 3 lats, which amounts to 4.2686... euro using the official conversion rate, then the price will be rounded up to 4.27 euro.</p>	<p>Law on the Procedure for the Introduction of Euro</p>
<p>How to make the changeover easier for oneself?</p>	<p>If possible, keep the money in your bank account, because non-cash change from lats to euro will take place automatically and free of charge. Remember: if you want to exchange more than 3,000 lats at once, banks and the Latvian Post Office will have the right to evoke the requirement that you apply for the exchange operation a maximum of three working days in advance.. It is also important to know that when executing transactions with large amounts of cash, banks and the Latvian Post Office have the right to demand your passport or identity card (I.D.).</p>	
<p>What to do with one-and two-lats special design circulation coins, such as the ones featuring a stork, mushroom and other</p>	<p>During the changeover to the euro, people will be able to exchange these coins like any other lats banknotes and coins. The special design lats circulation coins will be exchanged for euro at the Bank of Latvia, commercial bank and the Latvian Post Office. At the Bank of Latvia, lats banknotes and</p>	

images? Will they be accepted as legal tender?	coins will be exchanged for an unlimited period of time after the euro introduction. Of course, there will be people who will want to keep the special circulation coins and collector's coins as part of their collections.	
Who is responsible for the introduction of the euro in Latvia?	<p>The decision on the introduction of the euro is a political one - it is decided by the Government. All issues related to the introduction of the euro are coordinated by the Ministry of Finance.</p> <p>The Bank of Latvia (and other institutions and organizations involved in the euro introduction project) provides a transition from the lats to the euro cash and non-cash transactions.</p>	
Where is the information on the transition progress available?	<p>The most comprehensive information on the changeover to the euro you will find in a specially created website www.eiro.lv or by telephoning 80003000, which is the special information phone number created by Ministry of Finance.</p> <p>The information on the euro banknotes and coins as well as the economic impact of the introduction of the euro you can find in the "EU and euro." section at the www.bank.lv website.</p>	<p>www.eiro.lv ; www.ecb.europa.eu ; www.fm.gov.lv ; www.europa.eu</p>
What is being done to provide a convenient and smooth transition to the euro?	<p>The National Euro Changeover Plan is created for the introduction of the euro.</p> <p>The Latvian government has set up a Euro Project Steering Committee. Its mission is to choose the strategy for the euro introduction, develop the National Euro Changeover Plan and coordinate and manage the implementation of the necessary measures. Subordinate to the Steering Committee are five working groups set up for specific tasks..</p> <p>One of the main guiding principles of the Euro Project is to focus on people to whom financial services are not easily available. Everything possible is being done to ease the transition to the euro in those regions of the country where there is no access to banking services.</p>	<p>Euro Changeover in Latvia. Project structure.</p>

Economic impact of the introduction of the euro

<p>What are the benefits of the transition to the euro?</p>	<p>The benefits for the Latvian economy will cover euro implementation costs already in the first year:</p> <ul style="list-style-type: none"> • Overall, the country will gain from the changeover, because the euro will promote economic development and there will be more money in the national budget that will help to increase prosperity. • The main benefit for the population will be increased prosperity. It will be ensured by the opportunities of additional financing from the national budget to be diverted for social needs and economic development; long-term loans will become cheaper. The expenses and inconvenience related to currency exchange will be eliminated. • The main benefits for entrepreneurs are associated with cheaper and safer long-term lending resources, better investment and export opportunities as well as cheaper cross-border payments and currency conversion costs reduction. <p>The introduction of the euro will promote Latvia's economic development:</p> <ul style="list-style-type: none"> • Higher credit ratings will mean more attractive borrowing rates in international financial markets, which can significantly reduce the national debt servicing costs (in 10 years, the savings might reach 900 million euro). This money could then be allocated for other purposes - social, educational, healthcare etc. • Lower country credit risk will also mean advantages for entrepreneurs: lower funding costs will increase investment opportunities making Latvia more attractive to foreign investors. • An overall increase in exports and foreign trade will provide better opportunities for entrepreneurs to earn more, increase salaries for their employees and create new jobs. • As a result of rising of economic activity, gross domestic product will grow more rapidly (between 2014 and 2020, it will increase by for 8 billion euro more than without adopting the euro). In addition to lower interest rates, this is the second reason why the introduction of the euro will produce more income to the budget to be spent for the needs of the society. 	<p>http://www.makroekonomika.lv/eiro-latvija-finansialie-ieguvumi-un-izmaksas</p> <p>Infographics: Latvia and the euro area Euro and the credit rating of the country Euro and investment Euro and devaluation fears Euro and entrepreneurs</p> <p>Articles www.bank.lv and www.macroeconomics.lv</p>
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- The abolishing of currency conversion costs for euro transactions will decrease the costs for entrepreneurs and the general population` by 700 million euro over the next 10 years.
- The disappearance of currency devaluation is important both for entrepreneurs and the general population, for those, for example, who have taken out loans in euro.
- Latvian financial system's resilience to panic will be significantly strengthened by financial market integration and the possibility for the banks to borrow at the ECB. This means a significantly reduced risk for the state if some credit institution should have problems and should need to be rescued by means of money from the budget.

The main benefits for the population:

- Business activity and rapid economic development will lead to a gradual salary growth and a gradual increase in jobs in the private as well as in the public sector.
- Decrease in government budget expenditures (less interest payments on the national debt), and increase in national budget revenues (faster GDP growth), will significantly increase the amount of funds which the government may allocate to healthcare, education, pensions, and other social needs, as well as other areas funded from the budget. Lower interest rates, because the euro area provides a unified financial market for all participants - banks, investment funds, insurers, pension funds, etc. This means more opportunities for both borrowers and lenders, including increased competition for banks.
- People will have the opportunity to compare the prices for goods or services in different countries, for example, compare prices for the most important food products. Because of increased competition, the quality of the goods and services will improve and prices will drop.
- The euro changeover will also contribute the development of tourism: both Latvian tourists travelling in many European countries and tourists from euro area entering Latvia will have no need for currency conversion. The easier to compare

	<p>prices will provide for intense competition in the tourism sector and tourists will have more choices when planning a trip.</p> <ul style="list-style-type: none"> • There will no longer be any currency conversion costs when purchasing goods and services in the euro area, for example, when shopping online. • It is expected that after the euro changeover cross-border payments in euro from Latvia will cost about as much as domestic payments in lats at present. <p>The main benefits for enterprises:</p> <ul style="list-style-type: none"> • A lower national credit risk will also create advantages for entrepreneurs: lower funding costs will increase investment opportunities and Latvia will become more attractive to foreign investors. • Latvia will have greater stability and international reliability, so for the exporting enterprises in Latvia, the adoption of the euro will mean more confidence of their partners and greater export opportunities. • The euro changeover will ensure significant financial benefits for enterprises which make cross-border transactions, because of no currency conversion in euro between enterprises. • Along with decreasing currency risk costs for cross-border payments will also drop, and it will be easier to predict revenue and cost flows. 	
<p>What will be the cost of the euro changeover?</p>	<p>The costs for the Introduction of the euro will be negligible for the economy - less than 1% of gross domestic product. Benefits of the euro changeover will cover these costs in the first year.</p> <p>Public sector costs: 8.6 million lats. Costs for the private sector: approximately 115 million lats. The Ministry of Finance has summarized the costs for the public sector as follows:</p> <ul style="list-style-type: none"> • Adaptation of Information systems - 3.5 million lats • Cash changeover at the Latvian Post Office- 1.5 million lats • Public information - 1.4 million lats • Additional safety measures - 0.9 million lats • Price monitoring and other non-financial sector measures- 0.3 million lats • Other costs - 1 million lats 	

	<p>Joining the euro area, the Bank of Latvia will ensure transition to the euro as legal tender in both cash and non-cash to continue the smooth functioning of money flows in the country without disruption. The most "visible" as well as the most important in terms of cost are banknotes and coins: the minting and delivery of Latvian euro coins as well as the delivery of banknotes to the Bank of Latvia and further provision of banks with cash will amount to total costs of approx. 12 million lats.</p> <p>Bank of Latvia estimates indicate that the costs of euro introduction will pay off in the very first year.</p>	
<p>Are prices expected to rise due to the euro changeover?</p>	<p>Experience in other countries indicates that, as a result of the changeover, prices increased by no more than 0.2-0.3%.</p> <p>In none of the five new EU member states where the euro has been introduced any significant increase in prices has taken place.</p> <p>It is estimated that the euro cash changeover effect on the overall rate of inflation in Estonia was 0.3, Slovakia - 0.25 and Malta - 0.2 percentage points. So, objectively, the overall impact was minimal. A much greater price increase may be caused by administered price increases, as well as spring frost or rainy autumn, affecting agriculture and increasing food prices.</p> <p>The introduction of the euro in Latvia will have no significant impact on prices, because price monitoring is supervised by the Ministry of Economy, merchants are involved in a fair price exchange contract, merchants and service providers will have to specify the prices in lats and the euro for 3 months before and 6 months after the euro introduction.</p> <p>It is also important to involve the public in the fair goods and services pricing campaign and abstaining from using the services of unfair providers.</p>	
<p>Is Latvia accepting too great a risk to suffer losses by joining the euro area should the economic problems in the euro area deepen?</p>	<p>Should the economic problems in the euro area deepen, Latvia would suffer additional losses anyway. As a member of the euro area, we can participate in solving these problems.</p> <p>By joining the euro area, we have committed ourselves to participate in the common euro area's problem solving both in other euro area countries and, if necessary, in our own country. The other euro-area countries have made a similar commitment, so the issue of possible rescues should not be viewed one-sidedly, i.e. from the point of view of costs.</p> <p>Any deepening of the economic problems in the euro area would mean that Latvia would incur additional losses in any case, because the Latvian economy is open and integrated with</p>	

	<p>the European Union. Being in the euro area, the Latvian financial system will more protected against any possible negative impact. Moreover, only as a member of the euro area Latvia will be able influence decision-making on possible solutions to euro area's problems , whereas outside the euro area we would have to implement decisions made by others.</p>	
<p>Is the euro a reliable currency?</p>	<p>The euro is a reliable currency. It is the second largest currency in the world - 40% of global trade transactions are conducted in euro and 25% of foreign exchange reserves in the world are held in this currency.</p> <p>More and more companies and people in the world and also in Latvia use euro. Half of Latvian residents and companies` deposits are in euro and, in the period of economic instability, people rushed to change their lats to the euro.</p> <p>The population of Latvia and companies trust the euro - almost half of the money is deposited in euro, more than 80% loans are in euro and 60% of the external payments for goods and services are also made in euro.</p>	
<p>Will Latvia may have to pay for debts of other euro area countries after the introduction of the euro?</p>	<p>Latvia will not have to pay for the debts of other euro area countries.</p> <p>The hitherto used help instruments (bilateral loans to Greece and the European Financial Stability Facility) have already fulfilled their objectives and Latvia will not be involved in funding assurance.</p> <p>The population of Latvia can rest assured: we won`t have to be involved in Greece, Portugal, Ireland problems antedate.</p> <p>Henceforth, the support will be provided by a permanent crisis resolution mechanism - the European Stability Mechanism (ESM).</p> <p>By joining the euro area, Latvia will become an ESM "shareholder". In substance, the ESM is an insurance policy where the euro area countries participate as shareholders and if necessary receive financial support. To decide on the ESM operating framework change (for example, changes in capital and stock structure), a unanimous decision of all the euro area finance ministers is needed, including, potentially, Latvian.</p> <p>The myth is not justified that the Greek Government debts are written off: in fact, only private investors were forced to write off part of the Greek government debt, the liabilities to official lenders will still have to be met.</p>	<p>Articles www.bank.lv and www.macroeconomics.lv on the European Stability Mechanism and Greece</p>

Lats cash and non-cash changeover to the euro		
How long will lats be exchanged to euro?	<p>Lats to euro will be possible to be exchanged in accordance with the enacted rate of the Bank of Latvia, which was irreversibly fixed by the EU member states, at 0.702804 lats per euro (1 lats = 1.42 euro), without commission and for an unlimited period of time.</p> <p>At the Bank of Latvia, lats will be changed to euro in perpetuity. For six months from the date of introduction of the euro, exchanges will be possible at credit institutions and for three months, at 302 Latvian Post offices. It will be possible to withdraw euros from 1061 ATMs.</p>	Law on the Procedure for the Introduction of Euro
How will the lats in bank accounts be exchanged to euro?	<p>Lats in bank accounts will be changed to euro automatically in accordance with the enacted rate of the Bank of Latvia, which was irreversibly fixed by the EU member states, at 0.702804 lats per euro (1 lats = 1.42 euro).</p> <p>On the euro changeover day, all non-cash lats in bank accounts will be calculated and expressed in euro according to the official conversion rate, and all non-cash transactions and payments will be made in euro. As of the euro changeover day, all payments will be made only in euro in the Bank of Latvia payment systems.</p>	Law on the Procedure for the Introduction of Euro
Will there be any restrictions on non-cash exchanges from lats to euro?	<p>Non-cash money, i.e. money in bank accounts of private individuals and companies will be automatically converted on 1 January 2014. In accordance with the enacted rate of the Bank of Latvia, which was irreversibly fixed by the EU member states, at 0.702804 lats per euro (1 lats = 1.42 euro) - free of charge and without any restrictions.</p>	
What will happen to my lats checking/payment account at the bank?	<p>The customer account number will remain the same. The lats in the account will be automatically converted at the official rate without charge.</p>	

	<p>For example, if the customer of the bank has two accounts - one for lats and one for euro, then, after the introduction of the euro, he will have two accounts in euro.</p> <p>Within two months, i.e. until 28 February 2014, the customer will be able to transfer the balance of one account to the other account and close the empty account free of charge.</p>	
What will happen to my payment card?	<p>Your payment card will continue to operate as before.</p> <p>Because of the euro changeover, there is no need to change your card. Each card will continue to operate until the expiry date, which is stated on the card. As of 1 January 2014, using the card at the ATM you will receive and make payments only in euro.</p>	
In what way will my payment history appear in Internet bank after 01/01/2014?	<p>Payments made by 31 December 2013 will appear in lats and the payments made after the introduction of the euro will appear in euro.</p>	
How long it will be possible to pay in lats?	<p>For the convenience of the population, a 2-week dual currency (lats and euro) use is planned.</p> <p>People will be able to make all payments in lats, receiving the change in euro.</p>	Law on the Procedure for the Introduction of Euro
Will trading venues be able to issue balance in lats after the euro changeover day?	<p>Trading and service venues will be able to issue balance only in euro, but there are some exceptions.</p> <p>In t public transport, it will be possible to provide change in the currency in which the payment is made. Slot machines and gaming machines will be able to use one or the other currency during the parallel circulation of the lats and the euro.</p>	Law on the Procedure for the Introduction of Euro
Will there be a limitation to the cash exchange from lats to euro?	<p>Individuals and companies will be able to exchange all of their disposable cash without any amount restrictions.</p>	Law on the Procedure for the Introduction of Euro

Will exchange offices also change lats to euro?	If six months after the introduction of the euro, currency exchange offices will choose to change lats to euro, this exchange will be free of charge.	Law on the Procedure for the Introduction of Euro
Is there any advantage to exchanging lats to euro prior to the changeover?	This can be done only if there is a need for cash euro. Keep in mind that before the introduction of the euro banks and currency exchange offices can determine a different rate of exchange and it may be less favourable than the official rate.	
What currency will it be possible to get from ATMs while both lats and euro are in circulation at the same time?	After the introduction of the euro, ATMs will no longer dispense lats Most ATMs will issue euro from the first day of the implementation of the euro. –Some of the older generation ATMs could be disabled for some time to prepare them to dispense euro .	Law on the Procedure for the Introduction of Euro
How to compare the value of the lats and the euro?	For 3 months before and 6 months after the euro changeover, prices will be specified in both lats and euro. Lat is nominally a more valuable currency than the euro, consequently people's income: salaries, pensions etc. as well as prices will numerically be greater in euro. So that it would be easier for people to orient themselves and get used to the value of the euro, prices and other information on transaction documents will be indicated in both lats and euro for 3 months before and 6 months after the introduction of the euro, i.e. from 1f October 2013 to 1July 2014.	
When will the Bank of Latvia deliver banknotes to banks and banks to stores?	In November 2013, the Bank of Latvia will supply euro banknotes and coins to commercial banks, so that from can begin to provide them to their customers: businesses etc.	
How much does the production of euro banknotes and coins cost?	Joining the euro area, the Bank of Latvia will ensure transition to the euro as legal tender both in cash and non-cash to continue smooth money circulation around the country without any disruptions.	

	<p>The most "visible" as well as greatest part of the costs is related to the banknotes and coins: Latvian euro coin minting and delivery, as well as delivery of banknotes to The Bank of Latvia must be organized and then banks` have to be provided with cash. The total costs will come to about 12 million lats.</p>	
<p>What will happen with the lats banknotes and coins?</p>	<p>Lats banknotes will be shredded and destroyed. The metal coins will be crushed and the metal sold, with the income to be used to pay for the euro coins.</p> <p>The law on the introduction of the euro provides for the lats banknotes to be destroyed. Storing of all of the withdrawn lats for some unforeseen "time of need" would be more expensive than producing them from scratch.</p>	
<p>Will 1 and 2 euro cent coins, whose usefulness was evaluated this year by the European Commission, be minted for Latvia?</p>	<p>As Latvia adopts the euro on 1 January 2014, all nominal value euro and eurocent coins will be put into circulation. The nominal value of euro coins are not different from what Latvian customers and businesses are used to. The cost of all Latvian euro coins is less than their nominal value. Current euro area countries have also not decided to withdraw 1- and 2-cent denominations.</p> <p>What denomination coins be released throughout the euro area is determined by EU Council regulation.</p> <p>The prices for many small goods and services in Latvia are currently expressed in santims, and shopkeepers often have to give the customer change in small denominations of coins. Latvian customers have become accustomed to them and actively use them. The demand of money users determines how many particular banknotes are in circulation, the shops and service providers demand them from banks and banks demand them from the Bank of Latvia.</p> <p>Currently, there are 480 million santims coins in circulation in Latvia, with small denominations, 1- and 2-santims, at 320 million</p>	

	pieces or 67%. Accordingly, the total Latvian euro cent amount which will be minted is 400 million pieces, of which 1-and 2-cent coins amount to 200 million pieces or 50%. Under the agreement about coin minting, the cost of a 1cent coin is 0.0072 euro, and of a 2-cent coin it is 0.0094 euro.	
Will it be possible, after 1 January 2014, to change lats to euro also in foreign countries?	For two months, lats banknotes will be exchanged to euro at the official conversion rate in all euro area countries. In all euro area countries in one place (the central bank or its designed institution) are exchanged to euro new euro area member's banknotes at the official conversion rate two months after the introduction of the euro.	The European Central Bank Guideline: ECB/2006/10
How will lats be exchanged in foreign countries' bank accounts?	Latvian laws have no effect in another jurisdiction, and how lats will be converted depends on the conditions for conversion of money in multi-currency accounts; these conditions were accepted by the customer when opening the account. It is worth it to find out about this process as soon as possible.	
The changeover to the euro in payments and transactions		
At the time when both lats and euro will be circulated, which banknotes and coins will be used to pay in cash machines (e.g., in parking lots, fuel stations)?	From the very first day of euro changeover, it will be possible to use only euro coins and banknotes in cash machines.	Law on the Procedure for the Introduction of Euro
What will happen to the loan and deposit agreements denominated in lats?	There will be no need to amend or replace the existing agreements with new ones. The amount will be automatically converted into euro in accordance with the enacted rate of the Bank of Latvia, which was irreversibly fixed by the EU member states, at 0.702804 lats per euro (1 lats = 1.42 euro) . The law on the introduction of the euro provides for automatic recalculation.	Law on the Procedure for the Introduction of Euro

	<p>The same applies to all other contracts between private companies.</p> <p>After the changeover to the euro, lats loans will become cheaper. The loan rate is formed from a variable part and bank's rate. The euro floating rate or EURIBOR is lower and more stable than lats rates RIGIBOR. RIGIBOR at the transition will be automatically converted to the EURIBOR rate and thus drop.</p> <p>In addition, lats rates of economic instability moments have risen substantially, with the lats borrower's monthly payment increasing even up to three or four times, from 150 to 500, whereas the euro rates even in a crisis have remained low and stable.</p>	
What will happen to debit and credit cards issued for payments in lats?	Lats credit and debit balances will be automatically converted to euro in accordance with the enacted rate of the Bank of Latvia, which was irreversibly fixed by the EU member states, at 0.702804 lats per euro (1 lats = 1.42 euro)	Law on the Procedure for the Introduction of Euro
How will the amounts of money expressed in lats in contracts between individuals and businesses be converted?	These amounts will be recalculated automatically in accordance with the enacted rate of the Bank of Latvia, which was irreversibly fixed by the EU member states, at 0.702804 lats per euro (1 lats = 1.42 euro).	Law on the Procedure for the Introduction of Euro
How and when will the securities expressed in lats be expressed in euro?	<p>On the euro changeover day, lats securities will be denominated to euro at the official conversion rate according to the principles of rounding.</p> <p>The nominal value of shares will be expressed in euro and euro cents and limited liability companies' nominal value of capital will be expressed in whole euro. Each individual investor-owned debt securities rated amount will be expressed in euro cents.</p>	Law on the Procedure for the Introduction of Euro
What will happen to gift cards and other payment instruments which show	After the euro introduction date, gift cards and other payment instruments in lats will be valid until the specified deadline.	Law on the Procedure for the Introduction of Euro

nominal value expressed in lats?	A gift card or other payment instrument in lats will be automatically converted into euro at the official conversion rate.	
Electronic payments		
What will change after the euro changeover in payments by individuals and banks?	<p>All transactions and payments to banks as of the euro changeover day will be conducted in euro only.</p> <p>As of the day of euro changeover, all payments in the Bank of Latvia payment systems will be made in euro only, in accordance to the previous principles for execution of payments between Latvian banks</p>	Law on the Procedure for the Introduction of Euro
Are the payment systems of the Bank of Latvia prepared for the euro changeover?	<p>Yes, the payment systems of the Bank of Latvia are prepared for the euro changeover.</p> <p>Since 2007, the Bank of Latvia together with other European System of Central Banks members ensures the operations of the Automated Real-time Gross settlement Express Transfer system TARGET2. TARGET2 provides payments, interbank transactions, large and urgent customer payments as well as other final settlements of EU payment systems. The Bank of Latvia maintains the TARGET2 component of Latvia whose participants are Latvian commercial banks, the Bank of Latvia and the State Treasury. The Bank of Latvia maintains the customer payment system ECS (Electronic Clearing System), which provides a quick and efficient settlement of payments in lats and, as of 2008, in euro. Since November 2010, the ECS is a SEPA (Single Euro Payments Area) compliant system and, with the help of the ECS, the banks can execute and receive its customers' payments in euro in all the EU countries as well as Iceland, Liechtenstein, Norway, Switzerland and Monaco. Within the EU, the ECS enables payments in euro to be executed within one business day.</p>	The payment systems of the Bank of Latvia

<p>Will the commission on money transfers to euro area countries decrease?</p>	<p>It is expected that after the introduction of the euro, cross-border payments in euro from Latvia will cost about as much as current domestic payments.</p> <p>As of 2003, the commission for payments in euro must be the same for both domestic and cross-border payments to European Economic Area countries.</p> <p>After joining the euro area, all domestic payments made in lats will become domestic payments in euro. The Bank of Latvia does not see any reason for increases in domestic payment commission. Therefore, we expect that after the introduction of the euro, cross-border payments in euro will cost about the same as the current domestic payments in lats.</p> <p>As before, the fees will depend on the competition among banks providing payment services.</p>	
<p>Will transfers to other euro area countries will be faster after the introduction of the euro?</p>	<p>Payments to other euro area countries will be just as fast as at present - the recipient must receive the payment no later than on the next business day.</p> <p>This is determined by EU regulations and the Law on Payment Services and Electronic Money. The same will apply after the lats changeover to the euro. Banks already have access to the payment systems that allow them to swiftly execute payments in euro.</p>	
<p>Other issues related to the changeover</p>		
<p>Who will control whether the lats changeover to euro is not used for the purposes of personal gain?</p>	<p>The implementation of the laws will be overseen by the Consumer Rights Protection Centre, Financial and Capital Market Commission, the Bank of Latvia, the Ministry of Transport and the tax administration.</p> <p>The participation of the public in the campaign of Fair Trade and Services Pricing is very important, refraining from using services of dishonest merchants.</p>	<p>Law on the Procedure for the Introduction of Euro</p>

<p>Will it be possible to pay with Latvian euro coins outside Latvia?</p>	<p>Yes, all issued euro coins by euro area countries are legal tender in other euro area countries. This means that, for example, the Latvian euro coins will be used for payment in Portugal and the Italian coins in Latvia. The exception is the euro collector's coins, which will only constitute legal tender in the country which has emitted these coins.</p>	
<p>The European single currency, the euro</p>		
<p>What is the euro?</p>	<p>The euro is the single currency of the European Union. It is now implemented in 17 EU countries, which, for the sake of brevity, we call the euro area, but whose legally accurate name is the Economic and Monetary Union.</p>	<p>www.ecb.europa.eu</p>
<p>What is the right name of the single European currency in Latvian "eiro" or "euro"?</p>	<p>The European single currency is officially called the euro. But in everyday communication, we can (and mostly do) use "eiro". According to Item 4 of Article 3 of the Treaty on European Union, the Union is to establish an economic and monetary union whose currency is the euro. According to the Council Regulation No. 974/98 "On the Introduction of the Euro" of 3 May 1998 and the introduction of the euro currency policy, the name of the currency is euro. This, however, does not prevent Latvian speakers to use "eiro" in their everyday communication. In legislation, <i>euro</i> (in italics) must be used</p>	
<p>How was the EU's single currency name invented and what is its graphic symbol?</p>	<p>EU's single currency's name symbolizes Europe. The graphic symbol for the euro is €. The name "euro" for the EU single currency was approved in December 1995 in Madrid, when the decision was adopted to introduce, as of 1 January 1999, the single currency as a non-cash payment instrument for payments in 11 EU countries. The single euro currency graphic symbol € is designed using the Greek letter "epsilon" and it symbolically refers to the first letter</p>	<p>The name and symbol of the euro</p>

	<p>of the word "Europe". The two horizontal stripes represent the stability of the euro.</p> <p>Euro graphic marking colours are blue and yellow.</p> <p>The official abbreviation for the euro (currency code) is EUR.</p>	
When was the single currency created?	<p>The non-cash form of the single currency was introduced on 1 January 1999. Three years later, on 1 January 2002, the euro was put into circulation in its cash form in the euro area, gradually replacing the national currencies.</p>	
In which countries is the euro circulated?	<p>At present, the euro is legal tender in 17 countries: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.</p>	<p>www.ecb.europa.eu</p>
When will the euro be introduced in the EU countries, which have not yet done so?	<p>This decision depends on meeting the economic criteria of each individual country.</p>	
Is the euro a stable currency?	<p>The euro is as stable a currency as the other global currencies: the U.S. Dollar, the Japanese yen and the British Pound.</p> <p>The value of euro, expressed in other currencies is constantly changing depending on the demand and supply of the euro and the currency at hand.</p>	
What determines the rate of the euro against other currencies?	<p>The value of the euro, expressed in other currencies is constantly changing depending on the demand and supply of the euro and the currency at hand.</p> <p>The euro is one of the major world currencies because it represents a very significant part of the global economy, - the Economic and Monetary Union of 17 countries whose number will increase in the future.</p> <p>The exchange rate against other currencies is determined by economic development and economic potential, the difference of interest rates of currencies, as well as demand and supply from</p>	

	investors. For example, any piece of good news about euro area economic growth or raising the euro interest rate can lead to a greater demand for the euro and to its exchange rate increase.	
Euro banknotes and coins		
What denominations of euro banknotes are in circulation?	There are seven euro banknote denominations: 5, 10, 20, 50, 100, 200 and 500 euro. So the only difference between the euro and the lats is that the euro has a 200 denomination banknote.	http://www.ecb.europa.eu
Are the euro banknotes the same in all euro area countries?	Euro banknotes have a common design in all euro area countries. On the front or obverse of the banknote are featured various architectural elements: -doors and windows symbolizing freedom and openness. On the back or reverse of the banknotes are featured bridges, symbolizing human cooperation. On the banknotes are shown the map of Europe and the European flag. Each denomination banknote is of a different colour and size. As of 2013, the euro area began the introduction of the second - European - series i of euro banknotes. The new notes will be the same in all countries, but the design will differ slightly from the first series.	http://www.ecb.europa.eu
Who is the designer of the euro banknotes?	The euro banknotes were designed by Austrian artist Robert Kalina. His offer was selected based on the results of a competition and community survey. Kalina in his drawings chose the theme "Ages and the Styles. They represent seven European cultural history periods of architectural styles: Ancient for the 5 euro banknote Romanesque for the 10 euro banknote, Gothic for the 20 euro banknote, Renaissance for the 50 euro banknote, Baroque and Rococo for the 100 euro banknote, 19th century`s steel and glass architecture for the 200	

	<p>euro banknote and modern 20th century architecture for the 500 euro banknote.</p> <p>Windows and doors are the main features of the obverse and bridges -of the reverse of the banknotes. The images are created based on the typical architectural styles of the period, instead of representing concrete buildings.</p> <p>The second (European) series of euro banknotes have improved security features as well as a slightly modified design. They have been gradually introduced as of 2 May 2013. On the new euro banknotes will still appear the styles and motifs used in the first series, also the same dominant colours are used, but because of the new security features they will look a little different.</p> <p>Renewal of the second series of euro banknotes was entrusted to the German artist Reinhold Gerstetter.</p>	
<p>What changes are expected in connection with the release in circulation of the second series of euro banknotes?</p>	<p>As of 2013, the euro area started introducing the second - Europa - series of euro banknotes. They have several improved security features that are easy to see.</p> <p>The design of the euro banknotes is continually being improved, including the incorporation of advanced security features.</p> <p>The new - Europa - series of banknotes will be phased into circulation over several years. On 2 May 2013, the new 5 euro banknote was put into circulation.</p> <p>For some time, the first series of five euro banknotes will be circulated along with the new 5 euro notes in order to use the remaining stocks. The date s of which the first series of banknotes will no longer be legal tender, will be announced well in advance. However, the first series of banknotes always will retain their value and it will be possible to exchange them in euro area`s national central banks for an unlimited time.</p>	

What denominations of euro coins are in circulation?	There are eight different denomination coins of the euro and euro cent in circulation: 1 and 2 euro and 1, 2, 5, 10, 20 and 50 cents. So they are nominally the same as the lats and santims coins.	http://www.ecb.europa.eu
Are the euro coins in all euro area countries the same?	The euro coins have a common side and a national side. The national side indicates the issuing country. For the national side, each euro area country mints its own symbols. The common side of the euro and euro cent coins features one of three types of outline of the EU surrounded by the 12 stars symbolizing the EU.	
Who is the designer of the euro coins?	The common side of the euro coins is designed by Belgian artist Luc Luycx.	
Are euro coins issued in countries that are not in euro area?	Yes, in the Vatican, Monaco and San Marino.	
Will the Latvian euro coins and banknotes have different design?	All banknotes in the euro area have the same design, but, like any euro area country, Latvia will mint coins with its own national symbols on the national side.	http://www.bank.lv
What will be featured on the Latvian euro coins?	From the national contest of ideas it emerged that the Latvian euro coins will feature images that are significant to us - the 1 and 2 euro coins will be graced by the portrait of the folk maiden from our five-lats silver coin. The 10, 20 and 50 cent coins will feature the large coat of arms of the Republic of Latvia and the 1, 2 and 5 cent coins, the country's small coat of arms.	http://www.bank.lv
Will in Latvia be available only Latvian euro coins?	All euro banknotes and coins are legal payment instruments in the euro area. Consequently, after the introduction of the euro in Latvia, different euro coins will be accepted as payment and will end up in their wallets.	

	<p>Mostly Latvian euro coins will be found in Latvia. The euro coins issued by other member states, will usually come to Latvia from tourists.</p>	
<p>If the coins with Latvian symbols are taken out of the country, will we not soon lose our own euro coins and will we not be forced to use those of other countries? Are coins sorted and then sent back to the countries of their origin?</p>	<p>All euro coins are valid in all euro area countries. In Latvian transactions, there will indeed appear also coins minted by other countries while the Latvian euro coins will circulate in other European Union countries, telling them something about Latvia.</p> <p>People usually export a small amount of coins to other countries because of their weight. Therefore it is the locally issued coins that are mostly circulating in any particular country. No special coin sorting and return is being practiced. As coins wear out over time, they are replaced by new ones.</p>	<p>http://www.ecb.europa.eu</p> <p>http://www.new-euro-banknotes.eu/</p>
<p>Are there specific measures to help the blind and visually impaired people to distinguish among the different euro banknotes?</p>	<p>One of the beliefs underlying the development of the euro banknotes was that "a good design for the blind and visually impaired people is a good design for all". So the euro banknotes are simple to use.</p> <p>Each of the seven notes has a slightly different size. Therefore, it is easier for blind and the visually impaired people to distinguish among them. In addition, some design elements are embossed using special printing technology (intaglio).</p> <p>Visually impaired people can easily distinguish banknotes because:</p> <ul style="list-style-type: none"> • each banknote has a dominant colour (eg, 20 euro banknote is blue); • to distinguish each of the denomination of banknotes, bright contrasting colours are used (e.g., red for the 10 euro banknote, blue for the 20 euro banknote); • Each banknote's value is printed in large, bold numerals. 	

How are euro banknotes protected against counterfeiting?	A number of security features have been incorporated in the banknotes, making their counterfeiting difficult, such as a watermark, microprint, metallic strip, metallic mark, intaglio technology, the optically variable colour and others.	
Are euro more often counterfeited than lats?	<p>The euro banknotes are well protected against counterfeiting and the amount of counterfeit money against money in circulation is negligible.</p> <p>Dissemination of counterfeited money in the euro area is more likely because of the size of its territory and vast population. In addition it is more profitable for criminals to invest more resources (underground printers etc.) for euro counterfeiting. The design of the euro banknotes is constantly being improved including the incorporation of advanced security features. As of 2013, the release of a second – Europa – series of banknotes has been started the second. They have several improved security features (watermark, hologram, embossed printing, a security thread, etc.) that are easy to spot.</p>	
Where will Latvian euro banknotes be printed?	<p>To meet Latvia’s needs for euro banknotes, an open competition among the printing works approved by the European Central Bank will be organized in collaboration with other national central banks.</p> <p>In the first year of euro changeover, we will borrow from other euro area countries.</p>	
Where will Latvian euro coins be minted?	Latvian euro coins are minted by the Baden-Württemberg State Mint (Germany). It was selected in an open contest among five participants.	http://www.staatlichemuenzenbw.de/
Are there any euro collector’s coins? Will any of them feature Latvian scenes?	<p>Even after the introduction of the euro, Latvia plans to release collector’s coins with national motifs.</p> <p>Collector’s coins will be released every year in about the same amount as before. The mintage run will depend on the demand in the domestic and international markets. Such coins are the</p>	

	<p>payment instruments only in the country of issue. Their value must be different from circulation coins.</p> <p>Every year, each Member State has the right to mint two special commemorative 2 euro coins, dedicated to an event of national, European or global significance. Additionally, any country can mint a commemorative 2-euro coin as part of a common EU project, for example, marking the anniversary of the EU or EMU.</p>	
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