



**STATEMENT BY
GOVERNOR, EASTERN CARIBBEAN CENTRAL BANK
TIMOTHY N. J. ANTOINE**

Launch of EC Polymer Notes

ECCB Agency Office, Grenada with Videoconference Connections to ECCB Headquarters
and other ECCB Agency Offices

29 May 2019

Salutations:

Dr. The Rt. Hon Keith Mitchell, Prime Minister of Grenada and Chairman of the ECCB
Monetary Council

Mr. Trevor Brathwaite, Deputy Governor

Management and Staff of the ECCB

Lady Lynda Venner

CEOs, Commercial Banks

CEOs, Credit Unions

Reverend John Lewis

Mr. Fabio Ongarato, Representative of De La Rue

President of the Grenada National Council for the Disabled

Other Members of the Blind/Visually Impaired Community

Members of the Media

Citizens and residents of the ECCU

Good morning.

Introduction

As always, I am delighted to be in the Isle of Spice. Today, I am especially pleased, to mark this visit with the launch of our highly anticipated EC polymer notes.

Before I continue with my brief remarks, I hereby confirm that our EC dollar is strong. As of Friday, 24 May 2019, the backing ratio was 98.4 per cent. More importantly, our foreign reserves continue to grow and now total US\$1.75 billion.

As we celebrate the strength of our currency, let me be very clear. The ultimate defense for our strong EC dollar is our production. It is through the production of goods and especially services (increasingly higher up the value chain) that we will earn our way in the world; enhance our capacity to finance and determine our development scope and trajectory; reduce



public debt and deliver shared prosperity for the citizens of the Eastern Caribbean Currency Union (ECCU).

Today marks another milestone in the ECCB's Strategic Plan 2017-2021, styled *Transforming the ECCU Together*. As an ECCU citizen or resident, if you are not familiar with this Plan, I invite you to visit our website (www.eccb-centralbank.org); familiarise yourself with the Plan; and become an implementation partner.

Strategic Plan implementation aside, I confess my relief to finally settle a question that has been posed to me not only here in Grenada, but throughout the Currency Union: *when will we see EC notes that bear the signature of the current Governor?*

Our Motivation

Why are we moving from paper to polymer? Simply put, to enhance the security and usability of our EC notes.

It is amazing to observe how commerce, banking and money have *evolved over the past 3,000 years. From barter to bitcoin; private money to central bank money and, now, crypto assets. Notwithstanding this long history, the fundamentals of money have not changed. Stripped to its core, money is based on trust and has three basic characteristics: unit of account, store of value and medium of exchange.*

To maintain trust and to stay ahead of counterfeiters, our Central Bank has a duty of care, indeed an obligation, to continually upgrade our notes. But our motivation is also personal.

On several occasions, I have had fishermen and vendors lament to me, their inability to get value for their notes after they were soiled or torn. These stories have affected me. I have asked myself how can our Central Bank help ensure that these hardworking folks get full value for their hard-earned money? I believe polymer will greatly ease this hardship.

Our Decision

In making our recommendation to the Monetary Council, the ECCB considered the following options:

1. Cotton Paper;
2. Cotton/Polymer Combination;



3. Endurance High Durability Paper; and
4. Polymer.

From an economic standpoint, polymer notes are more cost-effective than paper. Although polymer notes are more expensive to produce upfront, their extended lifespan means that the notes are replaced less often. Consequently, there will be a reduction in transportation and handling costs thus reducing the overall cost of cash for the ECCB, commercial banks and credit unions.

As part of our due diligence, the ECCB consulted with colleagues from the Bank of England, the Bank of Scotland and the Bank of Canada on their experiences with changing from paper to polymer.

Compared to paper notes, polymer notes are:

- **Cleaner:** resistant to dirt and moisture;
- **More secure:** they have advanced security features which make them harder to counterfeit;
- **More durable:** they last at least, three times longer; and
- **More environmentally friendly.**

Consequently, fisherfolks, vendors and the people of the ECCU will soon have, in their hands, bank notes that are *cleaner, safer and stronger*.

The switch to polymer necessitated some changes to the designs of the notes in respect of technical and security specifications. However, even with these new design elements, we were careful to maintain a degree of familiarity for ease of use. Very importantly, we have incorporated a feature (raised bumps) to make it easy for the blind and visually impaired to handle their money and their business. At this juncture, I wish to recognise the advocacy of John Rulow, who a decade ago, approached the Ministry of Finance in Grenada and made an appeal for features that catered for the blind and visually impaired.

Our Launch

Today, we unveil the first note in the EC family of notes – the EC\$50. This new note bears the image of our late, great Governor, the Honourable Sir K Dwight Venner. Once again, I hail the colossal contribution of my illustrious predecessor.



We are particularly pleased that Lady Venner has been able to join us for this special occasion. We wish to publicly thank Lady Venner and her family for their enormous sacrifice and support in sharing Sir Dwight with the people of the Currency Union, as Governor, for more than quarter of a century.

Fellow citizens and residents, the circulation of the new notes will be phased. As unfit paper notes are returned to the Central Bank and our current inventory of paper notes is depleted, they will be replaced by polymer notes. Therefore, as a practical matter, the public ought to expect that both paper and polymer notes will be in circulation at the same time. They are both legal tender.

In respect of the rollout, our current projection is: the \$100, \$20 and \$10 notes will be issued around September of this year and the \$5 note around September of next year.

Conclusion

In conclusion, today is, indeed, a happy occasion for our Currency Union.

I wish now to acknowledge the contribution of De La Rue with whom the ECCB has a long-term service agreement. Leveraging its global experience with polymer, De La Rue has been invaluable throughout this process.

I thank my ECCB colleagues who have contributed to this Project and today's launch including Maria Cumberbatch, immediate past Director of the Currency Management Department, Rosbert Humphrey, our current Director, our Polymer Working Group and our team from the Corporate Relations Department including Shermalon Kirby among others. I also thank our team in Grenada: Resident Representative, Linda Felix-Berkeley and Senior Administrative Officer, Valene Streete.

I also wish to thank the Monetary Council and our Board of Directors, both of whom have been very supportive of this Project from the outset.

Fellow citizens and residents of the ECCU, your new notes are considerably better hence the tagline of our public education campaign: *cleaner, safer, stronger*. Moreover, they are aesthetically pleasing. Above all, they are a symbol of regional accomplishment.

Let us enjoy them.

I thank you.