

MINT NEWS QUARTERLY™

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Colombian Mint and Responsible Resource Consumption

On the occasion of the Coin Conference 2019 in Rome, *Mint News Quarterly™* interviewed Señor Bernardo Antonio Duarte Páez, Director of the Colombian Mint. He summarises the measures that have been taken to make coin production at the *Fábrica de Moneda* as environmentally friendly as possible.



Bernardo Duarte Páez.

Q: *In a few words, could you tell us the basic facts about the Mint of Colombia?*

A: Our mint is located in Ibagué, about 150 km southwest of the capital Bogotá. Our facility for the production of coin blanks has been located there since 1982, and in 1986, we took up work at the coin mint. Since then, the entire production of circulation coins – from the coil to the final packaged product – has been carried out there.

We have about 100 employees active in blank production as well as coin minting.

Q: *What is your productivity rate?*

A: We are able to produce 420–450 million coins a year.

Q: *What kinds of coins do you produce?*

A: For the most part, the Colombian circulation coins, of which there are five different denominations. The two smallest are made from plated steel, the 200 peso coins are from white alpaca, ie. nickel silver, and the 500 and 1,000 peso coins are bimetallic.

Q: *What is the organisational framework of the Colombian mint?*

A: We're owned by the central bank – Banco de la República – but we do have a certain autonomy. The central bank is subject to the government, but we make our own decisions. The Board of Directors is the main body of the organisation and is composed of the Minister of Finance, the Governor and five permanent members. The Treasury Department, which belongs to the central bank, is our client when it comes to the production of Colombia's circulation coins.

Q: *Do you also produce bullion or commemorative coins?*

A: No bullion coins, but commemorative coins occasionally.

Q: *Do you mint coins for other nations?*

A: No, we mint exclusively for the domestic market.

Q: *What role does cash play in Colombia these days?*

A: It is still of great importance, but of course, we are also experiencing change. Today, there are more and more transactions via credit cards and mobile phones.

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The Coin of the Year Award is Back

The popular Coin of the Year Award Contest will also take place in 2020. After the crisis of Krause, the organiser of the COTY, the future of the competition was uncertain. Active Interest Media (AIM) bought, among others, the numismatic magazine *Numismatic News* and decided to continue the COTY and thus to honour the most significant new coin issues with this award.



The winner of the 2019 COTY award – the €50 'French Excellency Guy Savoy' coin.

The judges were contacted and asked to vote. As of 8 December, the winners in each of the ten different categories have been determined. Then, one of these coins will be chosen as Coin of the Year.

COTY 2020 will honour 2018-dated coins. Tom Michael is responsible for the organisation. The competition is sponsored by the *Journal of East Asian Numismatics*.

1st International Forum for Coin Design Art

By Peter Anthony

The Shanghai Mint hosted the Shanghai Coin Design Forum for the first time. This Forum gives a place for discussion to another group participating in the creation of coins. While there have been many congresses for medallists who are focused on the production of art objects in marginal mintage, this was the very first meeting of those who are designing circulation and commemorative coins.

'We have to express all of our ideas and imagination in a tiny, tiny coin. So, we have to choose the right elements to tell the story in a very limited space. It is a very large challenge,' reflected Italian coin designer Chiarra Principe. From near and far the Shanghai Coin Design Forum brought artists together to discuss and explore that challenge in today's world.

Over three days, from 11-13 November 2019 at the Renaissance Hotel in Shanghai, the focus was always on coin design, coin creation. Some speakers described how they now create exclusively on computers, while others work entirely with traditional tools. Many related how they combine multiple skills in innovative ways. All in all, a fascinating range of approaches to an art form in transition was presented.



The artist participants of the Shanghai Coin Design Forum pose for a group photo (© Peter Anthony).

The significance that China attached to this Shanghai Mint-sponsored Forum could be measured by the large contingent of officials there. For example, Mr Li Huifeng, the People's Bank of China's Deputy Director of Currency and Mr Bu Jiangchen, the General Manager of China Banknote Printing & Minting, spoke to open the conference. 11 foreign artists and engravers from as far afield as the US, Canada, Germany, Italy,

Australia, Egypt and the Philippines made the journey to Shanghai, as did more than 100 coin designers from every Chinese coin mint to discuss the past, present and future development of coin and medallic art designs

The first to speak was United States Mint artist Joel Iskowitz. His speech last year to the Shanghai Mint's coin designers is warmly remembered. Mr Iskowitz continued

The Mint of Colombia *(Continued)*

Q: Colombia is a country with both extremely densely populated cities and large, sparsely populated rural areas. How does that play out in terms of money? Do people in the countryside, like in Sweden, pay more often by credit card because the cash supply isn't guaranteed?

A: To the contrary. Especially in the rural areas, people prefer traditional means of payment like coins and banknotes.

Q: Ensuring the money supply must be quite a challenge. After all, Colombia is about three times the size of Germany, and

features not only densely populated cities like Bogotá, but also the Andes with summits of over 5,000 m. Not to forget the rainforest in the Colombian part of Amazonia.

Colombia contributes 10% to the world's biodiversity, that's the second highest biodiversity in the world. Which role does environmental protection play in your country?

A: Colombia is one of the pioneers of environmental protection. The first laws in that area date back as far as the 18th century.

But the most important milestone was the Environmental Protection Act of 1991, which forced a lot of companies to rethink their use of natural resources. Today, we have consistent laws. Unfortunately, there are of course also companies, especially informal ones, that do not respect the legal requirements. But for us as a public enterprise, that is not an option.

In 2012, we presented a new series of circulation coins. All our coins depict endangered animal and plant species. They're a sign for how much we care about the environment, especially the water. Take our 1,000 peso coin. It features the image of a sea turtle swimming through stylized waves. In micro-lettering, there is the word AGUA (water) seven times. On the value side, you can read CUIDAR EL AGUA four times, which means 'Take care of the water'.

Q: So this is important to you?

A: Yes, very much so. At about the same time that we issued the new circulation coins, we started a campaign aimed at sensitising our fellow Colombians about careful use of water.



The Mint of Colombia (©Mint of Colombia).

his thoughts at the Design Forum and added, 'I think that if the artist is doing his, or her, job... it will speak to anyone in any part of the world.'

Susanna Blunt, the Canadian portrait artist, explained how her image of Queen Elizabeth II has been impressed on more than 17 billion Canadian coins. The most senior artist at this event, she charmed the Forum and quickly became an audience favourite.

The next two speakers presented almost opposite approaches. First was Wang Min – Deputy Director of the Academic Committee of the Central Academy of Fine Arts and one-time art student who was one of Adobe's first dozen employees. He led the Forum through how PC software revolutionised publishing and design, but created burdens that fell ever more heavily on artists' shoulders. The solution, Mr Wang continued, is AI (artificial intelligence). Many examples of AI-influenced design were shown. It was quite an interesting preview of what the future may hold.

As if in reply, Heidi Wastweet, President of the American Medallion Sculpture Association, asked, 'how do we combine tradition with the modern?' Her presentation broke down an elegant bird medal design into its basic elements. 'At this point I am not yet thinking about the medal. I am exploring the subject and looking for repeating patterns.' As she

reconstructed the medal's design, the audience hung on her every word. It was a master class for designers and went down like cool water on a hot afternoon.

The next morning began with US master artist and coin designer Thomas S Cleveland. As part of his presentation 'Feng Shui in Cross-Cultural Aesthetics', he told his fellow designers, 'yesterday is today, today is tomorrow. The Shanghai Mint has brought a brighter future to coin making.'

That was very much in tune with Italian sculptor, medallion and coin designer Loredana Pancotto's presentation. Of all the speakers, her work methods were perhaps the most traditional. Every character appeared hand-chiseled in example after example of powerfully sculpted subjects that ranged from portraits to fountains. 'We must see beauty in harmony,' she observed.

Coin design and sculptor Aleksandra Stokic then showed the Forum some of her exceptional designs for the Royal Australian Mint. One that's very close to her heart is the 12-sided 2019 50 cent coin. It honours the country's indigenous languages – many near extinction. 14 translations of the word 'coin' are drawn from native languages. A blank spot honours those already lost.

A speaker then walked on stage who has his feet firmly planted in traditional techniques, but is truly a master of the digital world: Emerson RG Abraham of the

Philippines. He has mastered everything from manually polishing dies to virtuoso level digital designs. With his characteristic good humour, he explained how he once rejected using an unauthorised program. Instead, he wrote to the company and offered to create a marketing design in exchange for a license. The company agreed. His work was accepted and the company immediately requested another design. 'Sure,' replied Mr Abraham, 'but first send me my license'.

'We are constantly on a journey through life. It enriches us and is expressed through our art,' remarked Chiara Principe. The talented and accomplished Italian designer and sculptor presented a compelling case for this thought through her outstanding designs. A favourite subject was children and families. She concluded with a medal design that brought a gasp from the audience; her interpretation of the Pandora's Box legend.

The artist who is probably the People's Republic of China's most honoured coin designer then took the stage – Luo YongHui. The audience closely followed his reminiscences of his 1979 design for the first set of commemorative coins for his country. 'All we had was conviction and attitude. We put our hearts into it.' Mr Luo then used the 2008 gold 100,000 yuan coin to discuss his philosophy and methods for coin design.

Q: *Colombia is extremely important when it comes to the global water supply, being one of the world's richest countries in water resources. With a water production of 58 litres per second, it comes in third place. The international average lies at only 11 litres per second. And although your country has such rich supplies of water, you care about protecting this resource?*

A: Yes, our campaign put an emphasis on the fact that water is a little bit like coins. It travels from one hand to another. It belongs to everyone and must be preserved by everyone. And of course, we as the mint take responsibility about our use of water.

Q: *What is it you do to save water?*

A: Let me point out something first: As a human being, I, too, depend on water. That is why I do what we do at our mint out of my deepest conviction.

I'm a chemical engineer with a degree in Environmental Engineering. At first, Banco de la República hired me to research possibilities to better implement environmental protection measures into our industrial facilities (banknote printing works and the mint), but also within the central bank.

So I made a gap analysis – not only for the production sites, but also for the administration and cultural activities. Then I prepared the strategic plan to implement the Environmental Program for the Banco de la República. Later on, back in 2011, I was nominated as Mint Director, my current position.

Q: *So you came just in time to experience the introduction of the new circulation coins. What an exciting start!*

A: Yes, back then, we were just working on the designs. All the testing and the technical details were still to come. That was an enormous challenge, with all the security features our coins have, especially the higher denominations.

Q: *What did you do to save resources?*

A: We started with our waste, according to the popular 'Four R's' program – Reduce, Reuse, Recycle, and Recover. We thought about all our waste products, how to best handle them, and implemented that strictly. That was our very first measure.

Furthermore, we took care of our emissions. Since we also carry out melting processes, we need to be particularly careful in that respect. In 2016, we improved our emissions control system by acquiring filters that retain all harmful emissions with an efficiency of 99,99%.

During that process, mainly zinc oxides are collected, which are then sold as a raw material for agricultural purposes.

Q: *And how about the water?*

A: In that respect, too, we endeavoured to understand the entire process, to know where all the water ends up.

We were surprised by the findings. Our facility is surrounded by a wide area with lots of lawn and trees, and a large part of our water consumption was used for watering the plants! So we spent almost \$3 million on a fully automatic watering system. Rainwater is collected, purified and stored in order to water the plants with it. The ground's humidity is measured to ensure that the plants are only watered when necessary.

Q: *And what about the water consumption during coin production?*

A: Well, we already had a water-cleaning system before, but we wanted more. We were still wasting water. Our goal was a closed water circuit for the entire production. So we tested various possible technologies for that.

At first, we tried the traditional physical-chemical purification, but that didn't lead to the water purity we needed for cleaning coin blanks.

A panel discussion with three of the guests then wrapped up the Forum schedule. It included Zhu Xihua, the current leader of the Shanghai Design Center's team. He asked, 'what is the way forward? We compete with mobile payments and digital currencies. Even, I myself use mobile payments'.

'I think the future will focus more on the art side. It will have the function of currency, but it will be an art product. Designs are becoming more diverse in all countries. For young designers we must focus on how to develop more useful aspects for coins.'

The Shanghai Coin Designer's Forum was a first. There had never been a gathering of artists like this before, brothers and sisters in numismatic art. A goal for every designer present was to improve the quality of his, or her, own work and to lead their country's numismatic products into the world of tomorrow. The bar was set high, but everyone is determined to return and soar even higher next year.

Work on the Shanghai Coin Design Forum and Award for 2020 has already started. As this event will coincide with the 100th anniversary of the Shanghai Mint, it is expected to be a particularly significant and memorable event in the minting industry calendar for 2020.

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Many of the artists had submitted designs for a competition and now the winners were announced. Top prize winner was Zhu Xihua. Sandra Deiana took the silver prize. Honorable Mention recognition went to Aleksandra Stokic, Lu DanYe and Qiu YanXin. The awards were handed out by Prabir De (© Peter Anthony).

Then we tried newer methods and opted for vacuum evaporation. With that, we get the water quality that is ideal for washing blanks.

At the same time, we reached our goal of a closed water circuit by buying an H2O vacuum evaporator about 18 months ago.

Q: How easy was it to integrate the vacuum evaporator into the processes?

A: That was quite simple. We were in the middle of modernising our water distribution system anyway and had changed some of the water pipes. We prepare our blanks for minting in a Spaleck unit which is directly connected to the vacuum evaporator.

Q: How about the daily usage? Is the unit easy to supervise? What is the service life?

A: The unit is very easy to operate. Our quality team has taken over its supervision. They check the normal operation every day, which is a very simple process without any special requirements. Sure, you have to become acquainted with this new technology, but no extra employee is needed for that. With a physical-chemical cleaning system, that would be an entirely different story.

Q: And are you satisfied with this unit?

A: Yes, we are. Every Friday, we organise guided tours for schools, aspiring technicians and other groups. We show them how we managed to make the processes environmentally friendly. It is in particular young people who we want to

sensitise for the importance of all these measures of preserving resources.

Because protecting the environment is our responsibility. We mustn't use a product as means of payment that is harmful to our society.



Third Time Lucky? The Curious Case of the Elusive 50 Pence Brexit Coin

By Michael Alexander, London Banknote and Monetary Research Centre

For anyone not to have heard of 'BREXIT' you would have had to be asleep for the last three years or, been a long-time contestant in the Big Brother House, cut off from any and all forms of current news.



This coined-phrase became internationally known as Brexit that referenced a proposed exit of the UK from the EU. Coin collectors who have been keeping up with European politics may have recently read that the anticipated commemorative Brexit coins eagerly awaited by some – derided by others – came very close to being released into circulation at the end of October.

When the results of the June 2016 referendum were announced, few had accurately predicted the United Kingdom would choose to leave the European Union after a membership of 43 years – although one of tumultuous highs and lows. There were cheers and jeers, parties and celebrations, as well as some lamenting the opportunities they saw as no longer available to them as EU citizens.

A landmark national moment needs a keepsake after all!

The last thing many ordinary Britons thought about at the time was 'will there be a commemorative coin for Brexit?' But, it was a legitimate question. On 7 March 2017, Prime Minister Theresa May signed into law the Article 50 clause of the Maastricht treaty which stated the UK intended to leave the EU – no later than 29 March 2019. One of the country's most popular tabloids actually campaigned to its readers to support the issue of a commemorative 50 pence coin to mark the event.

In October 2018, Britain's Finance Minister (known as the Chancellor of the Exchequer) announced the UK would indeed issue a commemorative coin to mark the its departure.

The announcement was made after the delivery of the annual budget speech and many coin collectors were excited about the announcement. It was however the least of the country's worries since many constitutional experts warned there would be a long period of negotiations ahead.

On the day the Chancellor made the announcement, the story made headlines, the newspaper campaigning for such a keepsake claimed success with: 'Persuading the Government to create an enduring gesture to mark Brexit as a landmark national moment'.

Predecessors

The idea of a commemorative coin wasn't so far-fetched and did have precedent. The second commemorative coin issued in the UK after decimalisation was in celebration of the country having joined the precursor to the European Union, the European Economic Community, in 1973.

Two more EU-themed coins would follow and all issued as the distinctive seven-sided 50 pence denomination. Coins dated 1992 were minted when Britain assumed the rotating European Council presidency and another one for the same subject in 1998.

That there would one final coin was perhaps on the minds of many coin collectors, as the ultimate issue with an EU-theme which would in some way bring the UK's membership to a full circle so to speak.

Setbacks

Of course, the future release of commemorative coins focusing on Brexit essentially hangs on the ability of the UK to negotiate an eventual exit from the EU, and actually leave. On two occasions, there have been much publicised delays in releasing the coin. Depending on the side of the political spectre – pro- or anti-Brexit – the delay of the coin is either exasperating or comical, and perhaps indicative of the state of negotiations as a whole.

Blame the negotiators, the politicians, for heaven's sake – blame the voters... all or none of the above. If we want to get down to the nitty-gritty, would blaming the designer of the reverse side of the coin be valid for including the proposed exit date? Well, aside from the sincere though uplifting message which features as part of the overall motif, the date of departure does feature in the design.

But, let's have a look at the quote: 'PEACE, PROSPERITY AND FRIENDSHIP WITH ALL NATIONS, 29 MARCH 2019' Then changed to... '31 OCTOBER 2019'. A thoughtful sentiment borrowed from writings that partially quote America's third president and author of the US declaration of independence, Thomas Jefferson. Was this perhaps a subliminal message to Brussels or simply a message of friendship – nothing more?

Almost

Because the coins included the actual date of Britain's departure, the event will have to take place in order for the coin to be relevant and not an expensive (some say very collectable) numismatic error.

Enter Boris Johnson, boisterous former Mayor of London who succeeded Theresa May as Prime Minister in July of this year. Promising to deliver Brexit by 31 October 2019 and as a gesture of good faith, he instructed the Treasury to begin production of an estimated 3 million coin keepsakes in earnest. The Royal Mint assured the Treasury the bulk of the much publicised and elusive Brexit coins would be available in time for release on the day.

In early October, it was all-go at the Royal Mint who had proposed to produce at least 1 million coins, and on time. When the Johnson government, without a majority in Parliament and therefore at a stalemate with the predominantly Remain-supporting legislative body, advised Brussels they were officially requesting yet another extension to Brexit to 31 January 2020 (which was granted), the brakes were duly applied on this numismatic project once again. The British Treasury advised the public that the significant quantity of 50 pence Brexit coins carrying the 31 October date were all melted down – just before their official release date.

Time, and events, move on, and after the last few years of setbacks and delays, this month's UK general election resulted in a sizeable majority for the Prime Minister and his party – with the result that the mandate to leave the EU on 31 January has been secured, and it will finally go ahead.

With the leave date having been extended for a third time, is it possible therefore that these coins may actually see the light of day? Would anyone want to place a bet on some of these elusive error coins surfacing in the future – perhaps even before the official Brexit coins, and for staggering sums? Keep your eye on the prize, and on those popular on-line auction websites!

While Estonia Announces Plan to Issue 10 Million 1 Cent Coins, their Elimination is Also Discussed

By Michael Alexander, London Banknote and Monetary Research Centre

The Bank of Estonia announced on 25 October through their press department that they have ordered 10 million 1 euro cent coins from Slovakia's Kremnica Mint to meet the needs of merchants demanding low value coins for use with cash payments in the years ahead.

As Estonians readily circulate 5 cent coins and larger coin denominations routinely, the Bank deems there are sufficient quantities of the six higher denominations to meet public demand.

The central bank reports that those denominations, 5 cents to €2, are in sufficient quantity and as such it does not need to order new supplies of these coins every year. The Bank of Estonia reported that an average of two truckloads of new 1 and 2 cent copper coloured coins are brought to Estonia every year.

As with many countries who are part of the Eurozone, those who receive the two smaller coin values during cash transactions do not re-circulate them, as a rule, but deposit into their bank accounts larger quantities, exchange them at post offices or simply save them up. The reason for this is that throughout much of the eurozone, the 1 and 2 euro cent coins have no buying power as individual or stand-alone denominations.

The Bank of Estonia, which introduced the single currency in 2011, has started a discussion about whether the circulation of 1 and 2 cent coins should be limited or discontinued, with rounding prices to the nearest 5 cents introduced.

If Estonia does introduce this rule, it will not be alone, as its neighbours across the Gulf of Finland abandoned the use of these two coins almost immediately after the introduction of the euro in 2002. In 2004, the Dutch Central Bank announced it would discontinue the distribution of 1 and 2 euro cents. The Central Bank of Ireland announced the practise of 'rounding' in 2013 with a great public awareness campaign. In 2014, it was the turn of the National Bank of Belgium, which announced it would no longer support the use of the two smaller coins, and the Banca D'Italia announced in 2018 that it would also halt the distribution of the two smallest denominations.

The Bank of Estonia has offered advice on the rule of rounding of prices. It has reiterated that it is not individual items for sale or services that should be either rounded up or down but, rather, collectively, the final total at the point of sale, and only for cash purchases. Studies have shown that experience from other countries who have put this practise in place have indicated that rounding up or down does not exponentially raise prices overall. However, rounding is effective in substantially reducing the use of one and two cent coins.

A Eurobarometer survey carried out last year showed that 71% of Estonian consumers would be in favour of the idea of introducing rounding rules. Estonia's legacy currency, the kroon, when first reintroduced in 1992 was easily converted to the euro as soon as the irrevocable rate of exchange was set for the deutschmark against the single currency in 1999. Since the kroon was officially valued against the German currency at a rate of 8 per DM, as such the value of the krooni against the euro was routinely traded at EEK 15.65.

At the time of its introduction in 2011, the 1 euro cent coin was equal in exchange to the previous 15.6 senti and the 2 euro cent coins equal to 32 senti. The smallest Estonian coin within the krooni currency was the 10 senti coin. The new consignment of 10 million 1 euro cent coins equates to just 7.55 cents per person for the whole of the country's population of 1,324,000.

Nation	Average Monthly Income (€)	1 and 2 cent eliminated
Lithuania	706	
Latvia	812	
Slovakia	942	
Estonia	1089	
Portugal	1264	
Slovenia	1594	
Greece	1639	
Malta	1779	
Cyprus	1873	
Spain	2102	
Italy	2585	x
EU28	2610	
France	2864	
Austria	2994	
Finland	3300	x
Belgium	3346	x
Germany	3380	
Netherlands	3544	x
Ireland	4003	x
Luxembourg	4246	

Not only are the nations with a high average income discussing the elimination of the smallest denominations, but also Estonia, which is the country with the fourth lowest income in the EU.

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