



MINT INDUSTRY COMMUNIQUÉ

MDC PRESIDENT Mr Yong-man Cho, Korea Minting, Security Printing and ID Card Operating Corp. (KOMSCO)

MDC VICE-PRESIDENT Ms Honey Mamabolo, South African Mint

MDC SECRETARY-GENERAL Mr Ross MacDiarmid, Royal Australian Mint

MDC 2021 Ms Christine Roux, South African Mint

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Ross MacDiarmid
Secretary-General

SECRETARY GENERAL'S MESSAGE

As we head to the year end and Christmas period the industry has a chance to stop and reflect on a year that none of us have ever experienced before and let's hope never will again.

Mints around the world have been experiencing many different demand dynamics. From the extraordinary amount of hoarding of low denomination coins as the result of a surge in the use of cash, to the continuing decline in demand resulting from the use of cashless technology to business as usual.

This month MDC Mint Directors participated in a virtual meeting. Thank you to Marc Schwartz from Monnaie de Paris, David Ryder from the US Mint and Marie Lemay from the Royal Canadian Mint for their very insightful presentations about their experiences in these challenging COVID times. These presentations provided us as an industry with the opportunity to learn from others experiences and for those who 'attended' and contributed to the session I hope you found it helpful.

Pre COVID some Mints were experiencing a decline in demand for circulating coin. Based on the recent meeting with Mint Directors, once COVID is brought under

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KOMSCO'S NEW PAINTER SERIES INCORPORATES BANKNOTE DESIGN TECHNOLOGY INTO GOLD & SILVER NOTE

KOMSCO has introduced a new collection of Masterpieces of Korean Painter Series. The series consists of banknote-shaped gold and silver collections that Korean modern painter's portrait and masterpieces are articulated.

The first collection of the series is 'Lee Jung Sup' who is one of the most famous and beloved modern painters in Korea. His paintings are characterized by depicting naive and innocent world of children. The design and technology applied to Lee Jung Sup gold and silver note have been inspired by his work of art "Children", which was done on a silver foil of cigarette's pack that gives a very unique quality and technique.

On the obverse, the portrait of Lee Jung Sup and his painting "Children and Fish and Crab" are especially re-designed in fine lines utilizing same technique that applied to banknotes of the Republic of Korea.

On the reverse, a work of art "Children" by Lee Jung Sup and explanatory note of his life written in Korean and English are put together.



This will be issued in Gold (Au999) 20g and Silver (Ag999) 10g in November, and worldwide mintage is 300 pcs for Gold and 2,000 pcs for Silver.



ANNOUNCEMENT: MDC WEBINAR OPEN TO ALL MDC MEMBERS

DATE Tuesday, 15 December at 11am – 12pm GMT

ZOOM WEBINAR Cash, Coins and COVID – the Perfect Storm

LENGTH 1 hour

GUEST SPEAKER John Winchcombe

FREE REGISTRATION More information soon www.mintindustry.com

JAPAN MINT: THE COIN SETS FEATURING A JAPANESE BLOCKBUSTER ANIMATION

Now we are on the way to the cashless society and facing the spread of COVID-19, which changes the landscape surrounding the Japan Mint day by day. In such circumstances, like other world mints, the Japan Mint is also emphasizing its business relating to the commemorative coins and numismatic items, and acknowledges that, as the current customers are mainly belonging to the middle and older aged groups, its urgent task is to develop a new customer segment by bringing a product featuring a theme popular among the younger generations.

This year 2020 is the 25th anniversary of the first TV broadcast of an anime series *Evangalion* in 1995. To commemorate this, the Japan Mint has launched “*Evangalion* 2020 Brilliant Uncirculated Coin Set” and “*Evangalion* 2020 Proof Coin Set”.

Evangalion is a Japanese anime series and hugely popular around the world. Its initial series of TV broadcast in 1995 created a great sensation in Japanese society. The story describes teenage pilots’ emotions delicately on the canvas of complex and layered narrative work, which received critical acclaim not only domestically but internationally.

EVANGELION 2020 PROOF COIN SET

20,000 sets

(For overseas market: approx. 400 sets)



STERLING SILVER MEDAL

(35 mm/ Approx. 20 grams)



The both sets are using a lot of screen captures of important scenes of the new films of *Evangalion* for their package and display case.

The BU set includes 6 brilliant uncirculated coins of Japan as well as a special medal depicting two main characters of *Evangalion*.

The proof coin set with 6 denominations of Japan includes also an exclusive silver medal; the obverse features the color-printed *EVA Unit-01* of which pilot is a protagonist of this anime franchise, and the reverse carries a logo of the NERV, which is an organisation out of this anime, using colour printing and iridescent colour shining technology.

After the domestic sales announcement in the end of this August, we’ve received applications to these sets from many new customers more than our expectations, and understood that we could accomplish our original purpose to acquire them. Also, the inquiries from international enthusiastic fans have already reached the Japan Mint.

These sets will be distributed internationally with limited quantities through the Japan Mint’s distributors after this November.

EVANGELION 2020 BU COIN SET

50,000 sets

(For overseas market: approx. 2,000 sets)



RED BRASS MEDAL

(27 mm/ Approx. 7.5 grams)



Images: ©khara

SECRETARY GENERAL’S MESSAGE

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control, that decline will likely continue towards a less cash society. The added risk will be the potential of many of the coins that are currently being produced and ‘hoarded’, returning into their supply chains – which will no doubt exacerbate the challenge. Additionally we cannot assume that this trend of a move to a less cash society will not start to impact on other countries around the world, irrespective of their current strong ‘cash culture’.

While I understand the challenge many Mints face in being able to individually present and or prosecute an argument on behalf of cash and coin usage, we as the MDC can certainly provide compelling data and research to support the retention of (or at least the coalescing of) cash with digital, as a critical part of a functioning society. Marc Schwartz is doing this in relation to the situation in France - see his article in this Communique.

This will be the continuing primary focus of the MDC in 2021 and when combined with some papers on digital transformation, innovation and organisation change, as they impact the Minting community and society, we will provide our industry and our key ‘stakeholders’ with the information that builds a credible position and that challenges BAU – Business As Usual.

ANNOUNCEMENT - MDC TECHNICAL COMMITTEE

Manfred Matzinger–Leopold of the Austrian Mint has been re-elected as the Chairperson of the MDC Technical Committee for a further period of two years.

This decision is a clear indication of the overwhelming endorsement of the leadership Manfred has provided in his past tenure as Chairperson.

Thank you to all those Mints who participated in the voting and congratulations to Manfred on his reappointment.

CASH IS NOT DEAD - AND IT IS EVEN DOING VERY WELL!



Marc Schwartz
Chairman & CEO,
Monnaie de Paris

For some years now, proponents of a “cashless society” have been promoting the strange idea that cash, an outdated vestige of pre-digital society, will disappear.

The rise of contactless payment, the arrival of digital payment applications, and the rising interest of GAFA for digital payment, have given substance to this idea. And besides, shouldn't the health crisis, with its procession of barrier gestures, give cash its final blow?

If the supporters of the “cashless society” were right, there should be a decrease in the volume of cash in circulation. But the reverse is true: the demand for cash is constantly increasing and the circulation of fiat money has never been so important! Since the introduction of the euro in 2002, the total value of coins and banknotes in circulation has seen a six-fold increase and, at the end of July 2020, exceeded the record level of €1.4 trillion. The same goes for the US dollar, whose circulation has tripled in value since 2000.

Has this growth slowed down since the start of the health crisis?

Not at all, since, on the contrary, there is a strong acceleration in the circulation of cash: + 9% year-on-year for the euro and + 11% for the dollar, the United States being confronted by an unprecedented shortage of coins.

This development may seem surprising, as contactless payment progresses, fuelled by fears about the transmissibility of coronavirus through cash. These fears are unreasonable, as no scientific study has provided proof of this risk. We know, on the contrary, that the virus survives much longer on stainless steel (a doorknob) than on a banknote or a coin.

However, the reality is clear: even during this health crisis, the demand for cash continues to increase. Economic agents are hoarding more and more cash: whether it is cash or short-term deposits in banks, all forms of liquidity have experienced a strong rebound since the beginning of the crisis.

This is not very surprising: in times of crisis, households return to the secure basics and liquidities. The surge in gold prices since the start of the year (+ 27%) cannot be explained otherwise. We can see it at the Monnaie de Paris: our sales of gold collector coins are very strong.

Paraphrasing Mark Twain, one could therefore say that the rumours about the death of cash have been greatly exaggerated. Even countries in favour of a cashless society, like Sweden, have evolved and now recognize the need to keep cash. Let us recall the reasons for this.

► CASH IS UNIVERSAL

It is easy to use and free of charge. It carries a legal tender and mandatory acceptance everywhere.

► CASH IS AN INCLUSIVE MEANS OF PAYMENT

It is widely used by the most fragile populations: the elderly, those who are unbanked or those who are reluctant to digital technologies. In a cashless society, how would these people go about shopping for essentials?

► CASH IS A RESILIENT MEANS OF PAYMENT

No need for a payment terminal, an electrical connection or a latest generation smartphone to pay in cash, even in the event of a power failure.

► CASH PRESERVES FREEDOM OF CHOICE

The ability to choose between payment means is a key factor of confidence in a currency. Removing one of these although it continues to be used very widely would seriously harm that confidence.

► CASH PRESERVES PERSONAL DATA

Digital payment leaves a trace that becomes personal data, which can be used for advertising purposes. Some people put up with it; others don't want to.

Even if the growth of digital payment was to continue in the future, that does not mean that cash will disappear from our societies.

Translation from French in English
of the Newspaper Article in Les Echos 16 Sept 2020

POSITION OF MDC EXECUTIVE OFFICER TO BE FILLED BY ROSS MACDIARMID

In this period of COVID uncertainty and in the interest of maintaining continuity and momentum created in the period of the current MDC Secretary-General, in September the MDC Working Group recommended that for a period of 12 months with the option of a further 12 months, a position to be occupied by Mr MacDiarmid be created to conduct the business of the MDC and prepare options and recommendations for the future of the secretariat of the MDC to be considered by the members in fall 2021. This proposal was subsequently put to the MDC membership and gained majority support via virtual election which was undertaken by President Mr Cho and his team at KOMSCO. The position, Executive Officer, will be funded by voluntary financial support offered by 10 Mints and will report to the President of MDC and work with the MDC Working Group.



WORLD MONEY FAIR 2021 POSTPONED!

Barbara Balz has announced that the World Money Fair 2021 will not be taking place in January 2021, and is to be postponed to a later date and time. A Media Forum – with a press conference – and a Technical Forum will take place as virtual meeting places. The Technical Forum will take place as virtual with 3 or 4 presentations per session including Q&A - spread out into different weeks. More details are to be announced soon.

Please circulate to relevant staff and interested industry members and help build our collective voice.
To sign up for the Mint Industry Communique email mint.industry@ramint.gov.au