

Public administrations and the preparation of the euro changeover

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WARSAW

The « interministerial mission for the preparation of public administrations to the euro changeover », often called « Euro Mission », was in charge of coordinating the euro changeover of all ministerial departments and public collectivities in France for 6 years (1996 – 2002).

Euro was the official currency in France from 1/1/1999 but euro notes and coins were introduced from 1/1/2002.

The Euro Mission played a major role in applying the National Plan for the Euro Changeover in France. The Head of the Mission was a member of the Euro National Committee for Euro (50 persons) chaired by the Minister of Economy, Finance and Industry. He also attended the restricted weekly meetings (8 persons) that the Minister organized from October to December 2001 in order to prepare the DDay (1st January 2002).

1. The organization of the Euro Mission

Composed of:

- + a permanent staff of 6 civil servants including the Head of the Mission and a Deputy Head ;
- + 50 euro correspondents : 1 per ministry and 1 per direction of the Ministry of Finance.

- Placed under the direct authority of the Minister of Economy, finance and Industry with a interministerial authority on all ministries, by decision of the Prime Minister
- 250 working group meetings chaired by the Head of the Euro Mission from 1996 to 2002 : one permanent working group of all euro correspondents (every month) and working groups on specific issues
- 40 practical guides edited
- 100 local euro changeover committees chaired by prefects and local representatives of the Ministry of Finance (Trésoriers-Payeurs Généraux)
- A new type of administrative action through common ambitious goals, innovation, anticipation, consensus, best practices, rigourous follow-up, obligation of result on DDay.

2. The Main issues

Concerning public administrations, a series of issues had to be dealt with for the euro changeover : the rounding of Franc amounts present in official legislation and regulations, the changes needed in public computer programs, the training of civil servants, the changeover of public procurement, the preparation of local authorities to euro, the euro payment of civil servants and pensioners and communication.

The Euro Mission was not in charge of the introduction of euro notes and coins and the withdrawal of Franc notes and coins. That was organized by the French central bank, Banque of France, the Treasury and the French Mint with the banking community.

2.1 Franc amounts in legislation

It is not necessary to convert to euro all amounts fixed by national or other legislation and regulation. From DDay, all French amounts in official texts are supposed to be read in euros and cents by applying the official exchange rate between euro and the former national currency (in France $1 \text{ €} = 6,55957 \text{ F}$).

But for the most well known thresholds mentioned by all types of legislation, it may appear desirable to round up/down to the nearest euro, or hundred, thousand... of euros. The tax field was the main area in France for such an exercise.

For instance, 10 000 F officially equals 1 524,49 €. By a new legislation decided before DDay and applicable from DDay, it can be rounded to 1 524 or 1 525 €, 1 520 €, 1 500 € or any other amount according to the aim of the rounding.

In France, 160 new texts of law and regulations were prepared and issued before 1/1/2002 concerning about 2000 new thresholds rounded in a neutral way. So business could get accustomed to these new thresholds in advance.

2.2 Adapting administrative computer programs (softwares) to euro

May-be the biggest structural change to monitor for public administrations.
778 programs (softwares) concerned, including 358 for the ministry of Finance.
83 000 days of work.

An action plan was defined at interministerial level and a member of the Euro Mission was designated as the head of project.

Each program with euro values to be incorporated for replacing Franc values had to be prepared and tested. Globally, the workload estimates were realized according to the following progress :

November 2000	30,45 %
March 2001	46,47 %
June 2001	65,15 %
September 2001	84,26 %
November 2001	92,66 %

The real switching of all programs (softwares) took place between mid December 2001 and mid January 2002.

It was a complete success.

2.3 The training of civil servants

A euro training plan was designed with the support of the European Commission and implemented through a dedicated web site called « Euro-talent ». The most successful product was a « euro-quizz ».

Two types of training products were offered : specialised high level trainings for a certain number of jobs (public procurements, public accounting, cash operations...) and products of general euro information and training for all civil servants at any level, including local authority personnels.

A lot of voluntary trainers were trained.

The general objective decided by the French Government was that during the period 2000 – 2001, each civil servant (total 2,8 millions) would have to attend either a euro specialised training or a euro general training session during half a day.

For all ministries at central and local levels, 75 % of personnels did attend such trainings, including top civil servants. So all of them were able to explain the changeover to people around.

2.4 Public procurement

It was very important for all suppliers of public bodies to be well informed and prepared about the euro rules for procurement contracts.

A series of practical guides (vademecum) were issued. Special trainings were organized for all concerned persons in public and private sectors.

In order to get contractors used to euro before DDay, the prime Minister decided that from 1st of July 2000, all new procurement contracts signed by the State would be euro contracts. Local authorities were invited to do the same from 1st January 2001. The intention was also to avoid any potential contractual difficulty when the general changeover takes place.

2.5 Euro pay-slips

From 1st of July 2001, six months before DDay, all state civil servants were paid by euro bank transfers. Civil servant unions had been consulted.

From July to December 2001, each civil servant monthly received two pay-slips : the usual green one in francs and a second blue one in euros. On the former one, it was written in very big capital letters : « Bulletin en euros pour information » (just for information).

At the end of January 2001, only the blue pay-slip was sent to employees and it had a full legal value.

That system was very efficient because civil servants had got accustomed to the new pay slip for six months and there was no complaint at all afterwards.

2.6 Local authorities

The Euro Mission helped local authorities and public bodies for the euro changeover through about 15 practical guides, common training of staffs and many exchanges of views at central and local levels.

A fruitful cooperation took place with the « Association of French Mayors » and the associations of presidents of regions and « départements ».

Elected representatives of local authorities were also encouraged to inform all people about the concrete impact of the euro changeover in the daily life. Documents were made available for that and conferences were proposed. A special effort was suggested towards elderly and disable persons.

2.7 Communication

The Euro Mission was not directly in charge of the euro communication which dealt with all sectors, all publics and all media and was placed under the responsibility of the « Direction de la Communication » of the ministry of Finance. Most of the communication budget for the euro changeover was provided by the European Commission.

The Euro Mission was involved in most euro communication actions.

Among the most original actions concerning public administrations, there was a big program of euro information towards teachers and pupils aged from 10 to 17 years old.

Twice, all civil servants from the Ministry of Finance were invited to come to classrooms all over France and spent one or two hours explaining the euro changeover in the context of the European union and discussing with the pupils and the teachers. That was very popular and successful.