



Our Currency Story – Part 2

Currency Design Review Exercise Overview

The Reserve Bank of Fiji (RBF) has the sole right in Fiji to issue and redeem currency banknotes and coins under the provisions of the RBF Act, however, decisions on the various denominations, banknote substrate, metallic composition for coins and designs are approved by the Minister for Finance. The Reserve Bank will usually undertake a currency design review exercise once every ten years although the timing could differ depending on necessity.

In the initial stages of designing a new currency series, the RBF will establish a Currency Design Committee comprising Fijians from the public and private sectors chosen for their respective expertise in various fields which would be critical during the selection process. In the most recent flora and fauna series the Design Committee included members well versed in Fijian history and culture, national heritage and our flora and fauna. In fact in all of the previous reviews of Fiji's currency over the past three decades, a currency committee has been formed with members from the general public. Once agreement is reached on the likely designs for each banknote and coin denomination these are then conveyed to the design artists at our selected Banknote Printer and Coin Mint. The designs are drawn up and require final approval of the RBF Board before seeking the Minister's final approval.

A second in-house RBF Currency Technical Committee is also formed to support the Design Committee and also assess the latest available security features to go onto the notes to help deter counterfeiting. This Committee will also submit recommendations on what substrate to use for the banknotes, the respective denominations and relative sizes and any special recognition features, including those for the visually challenged. For our coins this Committee will analyse and recommend the metallic composition, denominations and size as well as other special features.

In combining the design and technical features together to get the final banknote and coin product it is clearly important that the RBF comes up with a currency that is clearly authentic and appealing to the people.

Prior to the launch of any new series of banknotes or coins the RBF will undertake an extensive public awareness campaign to ensure the public is aware of the changes. This will help ensure that the transition from old to new design is smooth and successful.

Why do we need to do a Currency Review?

Primarily, a currency review exercise is underpinned by the following considerations:

- a) **The designs shown on the banknotes and coins.** Currency designs are highly regarded as an identity of a nation and speak volumes about the issuing country. Designs on our currency usually depict a theme or a combination of themes such as

history, national heritage, architecture, economic activity, sports and culture to name a few. These themes reflect the vibrancy and story of a nation.

- b) **The substrates or materials used for banknotes.** There are a number of substrates available now which can be used for banknotes, the most common being cotton-based (which we know as “paper” money) and polymer-based (often referred to as “plastic” money). Each substrate has its advantages and disadvantages and technology is such that no one material has dominated when you look at the various currencies of the world. The RBF has traditionally issued “paper” banknotes and still does for the \$10, \$20, \$50 and \$100 denominations. However in an effort to extend the circulation life and hence the efficiency of the lowest denomination \$5 banknote it was decided to issue it on polymer during the last currency review. Hence all Fijians witnessed the introduction of the polymer \$5 banknote in 2013. Regardless of the material used, the Reserve Bank will continue to adhere to its policy of maintaining good quality and cleaner banknotes in circulation.
- c) **Metallic composition for coins.** Unlike banknotes, coins are much more durable and on average can last 15 years in circulation if used actively. In February 2009, the RBF issued smaller and lighter coins which, apart from being easier to handle, have helped the nation save in terms of metal costs over the years.
- d) **Rapid technological advancements leading to potential counterfeit threats** are also taken into consideration when reviewing security features. Counterfeiters need to be aware that the act of counterfeiting or possession of counterfeit banknotes is a **serious offence**. Anyone caught **counterfeiting or copying** banknotes may face a maximum penalty of **life imprisonment** under Section 164 of the Crimes Decree (2009). Those caught **using** a counterfeit banknote in a transaction face a maximum penalty of 5 years imprisonment. Compared to some other larger countries where counterfeiting has become a serious issue, Fiji’s counterfeiting statistics are relatively very low with less than 1 counterfeit note per 1 million banknotes in circulation.
- e) **Banknotes gain legal status by the Governor’s signature.** Previously, when the RBF was known as the Central Monetary Authority of Fiji, the banknotes were endorsed by both the General Manager and the Chairman of the Authority. This changed with the inception of RBF in 1984 with the Governor assuming this legal responsibility.

For Fiji, the most recent currency review and consequent design upgrade was undertaken from 2010 – 2012. This new design series saw major changes to our banknotes and coins, including the: replacement of the portrait of Her Majesty Queen Elizabeth II across all denominations to recognise Fiji’s biodiversity; introduction of Fiji’s first \$2 coin (and consequent demonetising of the \$2 note); introduction of Fiji’s first polymer banknote in the \$5 denomination; and the addition of new security features to circumvent counterfeiting. The design subjects chosen were unique and, in most cases, only found in Fiji.

Our new flora and fauna design banknotes received the *Regional Banknote of the Year Award 2013* at the *Reconnaissance International Limited Asian Middle East and African High Security Printing Seminar*.

Know Your Banknotes Better

While counterfeiting is minimal in Fiji we have recently seen a spate of counterfeit notes being used for transactions. All these notes lacked the key security features embedded in our genuine Fijian notes and were poor quality copies, hence should have been easily recognised as fakes with a little attention or scrutiny. Some of the basic security features to look out for on our new flora and fauna banknotes are:

Banknote Security Features	
Security Feature	Method of Inspection
1. Watermark	<u>Present on \$10, \$20, \$50 and \$100 denominations.</u> Hold the banknote up against the light to see an outline (Watermark) of an <i>i-taukei</i> man.
2. See-through Feature	<u>Present on all denominations.</u> Hold the banknote up against the light and you will find that the white circle inside the RBF logo <i>tagaga</i> on the front of the note is neatly filled in with the patterns on the back.
3. Security Thread	<u>Present on \$10, \$20, \$50 and \$100 denominations.</u> When viewed under normal light, the thread will appear as metallic dashes. Hold the banknote up against the light and you will find the thread appearing as a continuous line with the letters “RBF”, RBF logo <i>tagaga</i> and the denominational numeral clearly written on the thread.
4. Hidden Text	<u>Present on \$10, \$20, \$50 and \$100 denominations.</u> Tilt the banknote at an angle to see the word “FIJI”.
5. Foil	<u>Present on \$10 denomination only.</u> Features a foil with a star printed over it. Tilt the banknote to

		see a movement inside the star.
6. Raised Intaglio		<u>Present on \$10, \$20, \$50 and \$100 denominations.</u> The left and right edges on the front of the note have raised line prints.
		
7. Polymer Window	Clear	<u>Present on \$5 denomination only.</u> Hold the banknote up against the light to see the clear window with an outline of an <i>i-taukei</i> man.
8. Hologram		<u>Present on \$20 denomination only.</u> Tilt the banknote at different angles to see the image of the bird <i>Kacau ni Gau</i> , letters “RBF”, RBF logo <i>tagaga</i> and the number 20 inside the hologram. You will also be able to see different colours in the hologram as and when you tilt the banknote.
9. Holographic Stripe		<u>Present on \$50 and \$100 denominations only.</u> Tilt the banknote at different angles to see the Fiji Coat of Arms, the letters “RBF”, RBF logo <i>tagaga</i> , the denominational numeral and flora & fauna design decorations. You will also find that the thread displays bright colours as and when the banknote is tilted.
10. Colour Thread	Changing	<u>Present on \$100 denomination only.</u> Tilt the banknote at different angles and you will find that the thread changes colour from red to green.
11. Fluorescent Features		<u>Present on all denominations.</u> The fluorescent features are seen on both the front and back when the note is placed under an ultraviolet light and appear in the form of the denomination numeral and other designs.

Tips on Caring For Your Currency

The RBF spends millions of dollars every year to replace worn out currency in circulation and to meet demand. e all should help save money for the nation by looking after our currency; keeping them cleaner and making them last longer. Some tips on caring for our currency are:

- Avoid stapling banknotes as they tear off from the holes created by staple pins. Use paper clips instead as these do not damage the banknotes.

- Store banknotes in cool and dry places. Water, moisture, excessive heat and dirt damage the banknotes.
- Keep the banknotes straight to help them last longer. Folding and crumpling damages them and reduces their life.
- If possible, keep banknotes in wallets and purses as this will prevent them from being damaged and also keeps them clean.
- Do not apply cellotape as this will damage and also destroy the look and feel of the banknotes.
- Do not write on the banknotes as writing destroys the look and feel of the banknotes. Writing on banknotes is also illegal.
- You can help save money for the nation by reusing coins that may be received as change from your shopping. Using idle coins means we have to order fewer coins and thus helps us save money.

If anyone is in possession of torn or damaged Fijian banknotes these can be brought into the Tellers at the Reserve Bank for a refund.

The Reserve Bank of Fiji will be publishing Part 3 of this series on Fiji's Currency History in the Fiji Sun on 25 June 2016. Part 3 of this series will be on The Process of Demonetisation of Old Banknotes and Coins and What Happens to Old Fiji Banknotes and Coins.