

Content

Context and substantiation of the coin creation strategy	3
Coin creation process at the Bank of Lithuania	4
Coin creation strategy: further model of the creation of coins issued by the Bank of Lithuania	5
1. Aim, tasks and measures of the strategy	5
2. Strategy implementation principles	5
2.1. Collector coins	5
2.2. Commemorative coins	7
2.3. Numismatic sets of circulation coins	7
2.4. Coin distribution	7
Definitions and legal basis	8

Context and substantiation of the coin creation strategy

The aim of coin issue is to contribute to the increasing of renown of the State of Lithuania internationally and creation of good repute, participate in the State's cultural and social life, encourage the interest in numismatics and increase coin demand in the Lithuanian and foreign markets, as well as develop new collectors. Each meaningful, interesting and good quality collector or commemorative coin issued and its presentation event help the Bank of Lithuania reach those social groups that are normally remote from the Bank's everyday activities. Subject to the specific theme of a coin, presentation events are of interest and they are attended by artists, historians, scientists, and the sports community.

The issue of collector coins helps ensure the continuity of Lithuanian numismatic tradition. National currency is an important part of national identity to be cherished that the Bank of Lithuania embeds by issuing collector coins. The issue of commemorative coins is geared to raising awareness of Lithuania in the world. It is one of the ways to represent the state: €2 commemorative coins are euro area circulation currency; they are used for payments across the euro area. Lithuanian commemorative coins interest not only domestic but also foreign numismatists. The Bank of Lithuania and other state institutions give collector and commemorative coins as representation gifts to foreign guests. Lithuania is presented at international coin competitions at which the coins issued by the Bank of Lithuania have been awarded more than once.

By fostering collecting, the Bank of Lithuania contributes to the development of civil society. Collector and commemorative coins perpetuate historical events, personalities, achievements important for the State; they raise awareness of the State's history, encourage priding on one's own country.

The aim, directions and measures of the coin creation strategy allow properly developing the country's numismatics and choosing optimal coin issue solutions. The strategy has been designed considering the existing situation, the Lithuanian coinage traditions and international experience, after discussing during a public consultation the proposals and comments submitted by the distributors of numismatic items of the Bank of Lithuania and the UAB Lithuanian Mint (hereinafter 'Lithuanian Mint').

The coin creation process at the Bank of Lithuania

Coins are created following Lithuanian coinage traditions and international experience. Collector (commemorative) litas coins and numismatic sets of commemorative and circulation coins – litas and centas have been issued since 1990, i.e. the restoration of Independence. After Lithuania joined the euro area in 2015, the Bank of Lithuania has the right to issue euro and euro cent coins. Euro coins are issued following EU legislation; they include circulation, commemorative and collector ones.

Collector and commemorative coin design process

- **The choice of coin themes and drawing up of issue plans.** When preparing collector and commemorative coin issue plans, the Bank of Lithuania takes into account proposals from the public, numismatists, state institutions, scientific institutions, social organisations and private persons. To consider all proposals, ideas and arguments submitted, the Bank of Lithuania invokes consultants (scientists, artists, specialists in history, numismatics, heraldry, other well-known competent representatives of their field) and draws up a plan for coin issue. The plan provides coin themes and technical parameters. The plan can be drawn up for several years and can be revised.
- **Competition for the creation of a coin's sketch or graphic design.** Upon approval of the technical parameters of a new coin and decision regarding mandatory elements of its design, the coin's design is created. Artists and sculptors submit projects that convey the specific theme and idea of the coin. After assessing submitted projects, the best project is selected.
- **Creation of a coin's digital relief (plaster model where necessary), striking of its pre-sample and sample.** The idea of the coin's design (graphic project) determines the choice of the next creation phase, i.e. creation of its digital model, pre-sample or plaster model. Which method to choose is up to the Bank of Lithuania and the specialists of the Lithuanian Mint, upon assessment of the coin's design. When the design project submitted is suggestive of an innovative technological solution, the coin's pre-sample is additionally created. Upon approval of the coin's pre-sample (or approval of its digital or plaster model), the sample coin is struck. Sample coin is a sample which meets all of the technical parameters set for that coin and its plaster model or digital relief.
- **Coinage and issuance of coins into circulation.** The planned mintage for a coin is minted as the Lithuanian Mint. After the coins have been struck, they are issued into circulation on a fixed day approved by the Bank of Lithuania. Collector coins and coin sets can be obtained at the Bank of Lithuania and from legal persons that have concluded a contract with the Bank of Lithuania, i.e. distributors. Commemorative coins are available at commercial banks operating in Lithuania and can also be exchanged at the Bank of Lithuania cash offices.

Coin creation strategy: Model of creation of coins issued by the Bank of Lithuania

1. AIM, TASKS AND MEASURES OF THE STRATEGY

The aim of the coin creation strategy – by fostering and developing the collection market, to achieve that, by gradually increasing during five years the total mintage of coins issued over a year by 20%, no less than 80% of the mintage is distributed over 12 months.

The tasks of the coin creation strategy – to expand the scope of themes, involve the public in coin issue and ensure high artistic level of issued coins.

To expand the scope of themes, the Bank of Lithuania will apply the following:

- issue coins dedicated to global, international phenomena that draw attention to relevant international issues. It will thus seek that coins are attractive not only in the Lithuanian but also international market;
- develop popular themes in order that collecting becomes interesting for those who were not interested in this activity to date.

To involve the public in coin issue, the Bank of Lithuania will apply the following:

- when choosing themes for coins, prior to drawing up coin issue plans, information will be disseminated on social networks, the public will be invited to take a more active part in the discussion of submitted proposals and submission of new ones, as many persons taking an interest in numismatics as possible will be involved in conducted surveys of themes or series; the aim will be to find out the opinion on a theme which will later be reflected in the coin issue plan; public open presentations of coins issued into circulation will be organised;
- by voting for the best graphic design for one coin issued during a year (it would be a free-theme competition), will provide designs to the public and will urge to vote on a specifically designed voting platform; will seek to interest the public, urging it to contribute to the creation of a coin on a free theme; will propose the public to create a sketch of the coin;
- will invite the public to vote when choosing the best coin issued during a calendar year, institute various nominations, e.g. coin of the year that was the biggest surprise, etc.;
- will convene regular meetings with numismatists together with the Lithuanian Mint.

To ensure high level artistic level of issued coins, the Bank of Lithuania will apply the following:

- together with the Lithuanian Mint will cooperate with creators, advise them through operating associations and unions (the Lithuanian Artists' Association, the Lithuanian Designers' Society), educational and development institutions;
- will organise meetings, seminars, present publishing innovations, coinage trends.

2. STRATEGY IMPLEMENTATION PRINCIPLES

Achievement of the aim laid down in this Strategy and the implementation of its tasks is the responsibility of the Coin Creation Commission. In organising the creation of coins to be issued, it will follow the principles below.

2.1. Collector coins

Collector coins perpetuate significant occasions or anniversaries, natural heritage, architectural monuments, social phenomena, topical global events; coins can be issued on different themes that popular among the public.

Themes of collector coins and the number of coins

Collector coins will perpetuate what is significant or interesting for Lithuania and/or the international numismatics market:

- Renowned figures of Lithuania, significant events, cultural events related to Lithuanian art, achievements, traditions – the plan is to issue **two precious metal coins per year** (including continuous series) dedicated to them;
- Global, international phenomena that draw attention to relevant international issues – **one precious metal coin per year**;
- popular things of interest to society, reflecting universal values – **two coins per year on a biannual basis**; one of them would be a precious metal coin, the other – non-ferrous metal alloy coin;
- themes provided by programmes offered by international organisations that will be or relevance to Lithuania, for example, Olympic Games, etc.; in case of such an occasion, it is planned to issue no more than **two precious metal coins** dedicated to them per year;

- in exclusive cases (e.g. the 100th anniversary of the restoration of Independence of Lithuania), several coins (gold, silver and non-ferrous metal alloy) can be dedicated to one theme; by theme, coins can be arranged differently than indicated (not exceeding the total number of seven themes for collector coins per year).

It will be aimed at establishing the number of coins prior to the launch of a specific series, while in case of issuing the first coin of a continuous series – specifying the packaging of the entire coin series.

Metals of collector coins

For coinage, precious metals will be used: gold in the fineness 999.9, silver in the fineness 9.25, also non-ferrous metals: copper and nickel (Cu/Ni) alloy, copper, aluminium, zinc and tin (Cu/Al/Zn/Sn) alloy ('northern gold'). The use of alloys in a different composition is also possible. Metal for collector coins will be chosen with a view to the theme of the coin:

- coins struck from gold will be dedicated to the most significant occasions (one coin per year is planned). In exclusive cases, no more than five times per year, a gold coin weighing an ounce can be issued;
- coins from the prevailing silver metal will be dedicated to other themes planned for that year (four to six coins per year are planned);
- coins struck from non-ferrous metals will be dedicated to popular things (two coins per year are planned);
- on occasion, the use of a combination of two metals in a coin will be possible (bimetallic coins); these can be combinations of both precious metals and non-ferrous metals, without compiling separate series.

Quality of collector coins

Coins of the following quality¹ will be issued during a year:

- **proof** – the prevailing category for a specific theme; coins from precious metals are usually attributed to this category, but those from non-ferrous metal alloys can also be attributed to it;
- **unc** – non-ferrous alloy coins of this quality will be issued together with the same coins from precious metals.

Form of collector coins

To diversify the appearance of collector coins, the following will be applied:

- authors will be proposed to choose the shape of the coin created at their discretion; they will be able to choose it round (the prevailing shape), polygonal (square, rectangular, dodecagon) or atypical (bent, multiple component, etc.), thereby emphasising that the shape has to add up to the coin's content rather than override it;
- after the author has created a graphic design, where appropriate in terms of the theme and metal, it will be able to use the following techniques on the coin: latent image, pad printing, partly coloured segments, etc., holograms striking, integrable segments, inserts, selected gold plating, partly antique or oxidised finish, mixrotext, rough relief, 2D microrelief.

After authors present graphic designs in the shapes chosen at their discretion, the choice of their final shape will be up to the Coin Creation Commission.

Issuance of souvenir coins, remote from the generally recognised and known classical coins by shape and composition, is not planned in the near future.

Face value of collector coins

The face value² of coins is chosen freely yet taking into account whether it is one from a continuous series. Coins of the following denominations will be issued:

- €1.5 (copper-nickel coins, in large serial mintages, together with coins from precious metals, also other coins only from non-precious metals);
- €5 (gold, silver and copper-nickel alloy coins (northern gold)), continuing the series);
- €10 (silver coins, continuing the series);
- €20 (continuing the striking of coins of respective technical parameters);
- €50 (gold coins dedicated to highly significant occasions).

¹*proof* – highest quality coins: mirror surface, matt relief; *proof-like* – coins of a somewhat lower quality, similar to highest quality coins; *BU* – coins with equally brilliant surface and relief; *Fleur De Coin* – special non-circulation coins; *unc* – coins similar to uncirculated coins.

²The face value of collector coins must be different from that of circulation coins.

Mintage of collector coins

Mintages of coins will be determined in view of the coins' recent marketability, purchasing intensity and interest in those coins, price level and the design of the future coin. The following reference mintages are planned:

- for gold coins – up to 4 thousand pcs;
- for silver coins – 2.5–4 thousand pcs;
- for non-ferrous metal alloy coins – up to 40 thousand pcs (for silver coins of the same design issued together – 2.5–4 thousand pcs).

Gold and silver coins will be packaged in a capsule and a display box. Non-ferrous metal coins will be sold in special packages.

2.2. Commemorative coins

Commemorative coins will perpetuate something which is of national and European significance. Their issuance is up to a Member State itself.

Commemorative coins will be issued in quality *unc*, a small share of them – in quality *BU*. Because of that, the coin would be marketable at a value above its face value (due to its higher value, packaging, etc.). It is not planned to issue commemorative coins of other quality in the near future.

Commemorative coins are round-shaped, meeting the specifications for €2 circulation coins.

Mintage of commemorative coins: *unc* quality – up to 0.5 million pcs, of which 1% of the mintage – *BU* quality coins, which are packaged in a transparent capsule incorporated in their leaflet, with a sleeve or without it.

It is planned to issue commemorative coins **on two themes during a calendar year.** On occasion, a common commemorative coin can be issued together with other euro area countries.

2.3. Numismatic sets of circulation coins

The issue of numismatic sets of circulation coins is planned on a yearly basis. A set will not contain commemorative medals or signs. On occasion, a €2 commemorative coin can be incorporated in a set.

Quality and mintage of coins in a set: for *BU* quality, a mintage can be up to 7 thousand pcs. The mintage for a specific year is revised considering the market situation and the marketability of the previously issued coin set. The issue of other quality sets is not planned in the near future.

2.4. Coin distribution

Coins issued into circulation will be distributed by the Bank of Lithuania and distributors (legal persons with whom distribution contracts have been signed). The sale at the Bank of Lithuania will be performed via the electronic shop and cash offices.

Duration of coin distribution: 5 years after the coin's issue (selling) date. It is planned to stop selling coins after five years. The remaining amount of coins unsold would be stored at the Bank of Lithuania. The Bank of Lithuania reserves itself the right to decide on the further use of those coins (e.g. to demonetise or, after another 4–5 years, to sell them at an auction).

Definitions and legal basis

1. Commemorative euro coins with the Lithuanian national side (hereinafter 'commemorative coins') – coins as defined in Regulation (EU) No 729/2014 of the European Parliament and of the Council of 24 June 2014 on denominations and technical specifications of euro coins intended for circulation (Recast). The authority of approval of the design for the national side of commemorative euro coins has been conferred to the Council of Europe, thus the Council takes the decision on the approval of a design for the national side. A coin's design must not breach possible constitutional requirements of Member States. The decision on the issue of commemorative coins of a common design that are issued jointly by all Member States which have adopted the euro is taken by the Council of Europe. The face value of commemorative coins can only be €2. This denomination has been chosen mainly because of this coin's large diameter and technical parameters ensuring sufficient protection against counterfeiting. Each Member State may issue only two commemorative coins per year, except in those cases when commemorative coins are issued together by all Member States which have adopted the euro. It is up to a Member State itself to choose the mintage of commemorative coins; however, it will not be able to exceed the fixed number of issues – which is fixed by the European Parliament and the Council by a regulation. The total number of commemorative coins of each issue may not exceed the higher of the two limits below:

- 0.1% of the total cumulative net number of €2 coins put into circulation by all Member States whose currency is the euro up to the beginning of the year preceding the year of issuance of the commemorative coin; this ceiling may be increased to 2.0% if a widely recognised and symbolic subject is commemorated, in which case the issuing Member State shall refrain from launching another commemorative coin issue using the raised ceiling during the subsequent four years;
- 5.0% of the total cumulative net number of €2 coins put into circulation by a respective Member State up to the beginning of the year preceding the year of issuance of the commemorative coin.

Commemorative coins can also be issued together by all Member States which have adopted the euro. Such coins are only issued to commemorate something of European significance. The design for the national side of such coins is the same; it indicates the issuing Member State and the commemorative event in the relevant national language.

2. Collector euro coins – coins, as defined in Regulation (EC) No 651/2012 of the European Parliament and of the Council of 4 July 2012 on the issue of euro coins. Collector coins have the status of legal tender only in the Member State of their issue. The choice of themes for these coins is up to a Member State. These coins should be easily identifiable from circulation and commemorative euro coins and thus their face value should be different from that of circulation coins, and their general appearance should be easily identifiable; they must be significantly different from circulation coins at least in two of the following three features: colour, diameter and weight; they must not have a shaped edge with fine scallops or a 'Spanish flower' shape.

3. Graphic design – appearance of the coin, exactly conveying the coin's form, artistic solution, composition and relief, its materiality: mirror and matt surfaces, variety of materials, texture, etc.

4. Plaster model – a coin's relief image in plaster meeting technical coinage requirements.

5. Pre-sample – implementation of an innovative design and/or technological solution in metal, performed according to a sketch, graphic design, plaster model or digital relief.

6. Sample coin – a struck example of a coin meeting the established technical specifications and, accordingly, its plaster model, digital relief or layout.

7. The Coin Creation Commission of the Bank of Lithuania – the commission advising the Board of the Bank of Lithuania on currency creation issues in order to ensure the quality and timely creation of collector euro coins and of the national side of commemorative coins. The Commission follows its regulations and this Strategy.
