

PODCAST ATM STORIES – EPISODE N°4 FROM THE FRANC TO THE EURO. A FEW YEARS TO CHANGE EVERYTHING

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BNP PARIBAS

The bank
for a changing
world

ATM Stories – Always Telling More by BNP Paribas – the podcast that goes behind the scenes to bring you some little-known stories about the bank. These moments that have shaped the character and culture of a 200-year-old group, to be enjoyed anywhere and at any time!

Today, we're going back to the time when every French person had a franc-converter calculator.

That means heading back about 20 years. In those days, currencies still included marks, lira, pesetas, francs, and so on. But not for much longer.

The Brussels summit in May 1998 determined the 11 countries that would make up the eurozone and would have to change their money habits. That gave economic agents two years from 1 January 1999 to 31 December 2001 to change over to the euro.

It was a revolution. One that was supported and guided by banks. That's right. It was a major challenge for the bank. In terms of communicating, getting employees and customers accustomed to the new currency, handling technical and IT aspects, and in terms of timing. The race against time had begun, to achieve the final and complete transition to the euro on 1 January 2002.

From then on, everything was designed and planned to make sure that the transition would take place in the best conditions. A series of actions to raise awareness about the euro was launched.

At BNP, eurokiosks, inspired by urban culture kiosks were installed at bank branches as early as 1997 to help answer all customer questions.

"The euro is coming soon.... BNP helps you prepare your clients by introducing eurokiosks."

Which will remain in place at all BNP branches until 2002. Like real press kiosks, eurokiosks will include posters, magazines and special phone numbers that will be updated periodically.

Do I need two chequebooks? Will I need to change my card? How can I issue a cheque in euros from a Swiss franc account?

Any question that people could think of about dealing with this great change could find their answers at these eurokiosks! Also, to raise awareness, the magazine *"Euro News"* was launched in November 1997. The publication analysed and communicated all the latest news on the future currency.

On the agenda: special features, advice, practical information and in-depth issues relating to the euro. Enough material to give anyone the opportunity to become an expert on this new monetary world!

In addition to raising awareness of private individuals, BNP also paid careful attention to professionals.

To support them through this major change, the Bank published a detailed document in January 1998 entitled *"Preparation guide for companies to transition to the euro."*

And since all this theory would be nothing without practice, BNP offered each client the opportunity to get started, and incur expenses in euros from their account as of 1999! It was an effective way of quickly getting used to it and getting ready for 2002.

Young people were another key focus in raising awareness about the euro. That's why targeted actions were also implemented.

BNP teamed up with the *Journal de Mickey* to introduce the euro to new generations.

The cover of the magazine was titled *"L'euro c'est facile, une super BD des Castors juniors, réalisée avec la BNP."*

The report featured three beavers, who were heroes of this story about money.

Young adults were also addressed in a programme entitled "Europe of 2000 young people" supported by BNP in collaboration with NRJ, McDonald's and the Groupe France Television. The aim was to introduce Europe to these young adults as at the beginning of the year 2000.

And BNP guided them through their journeys by opening an account in euros and offering them a bank card that they could use to pay in euros and other European currencies.

The bank also turned to young people to support clients in getting used to using the euro. These student jobs were created to educate older generations about the euro. These *"Euro Angels"*, as they were called, were taught all the secrets of the future currency.

But all that was only the visible part of the changes that were taking place throughout the monetary transition....

Behind the scenes, bank employees were more active than ever to make sure the transformation would go smoothly. In anticipation of the 1999 deadline, the bank was committed to organising the technical aspects of the coexistence of the euro and the franc.

"That means 60,000 computer programmes, which have so far been operating in francs and for three years will have to be based in both francs and euros."

As of 1 January 2002, there was no turning back:

- all accounts and accounting would be kept in euros
- all non-cash means of payment would be denominated in euros
- all contracts, including contracts in French francs, were executed in euros

We had to get ready. And all bank employees were mobilised.

The Cetelem euro flash, an internal document from June 2001, reported on the progress of the transformation work before the big date of 1 January 2002:

"The changeover of general accounting to the euro was successful. This complex transition involved converting 5 million accounting entries. Technical teams were mobilised throughout the period, including weekends, to run IT and interim checks. Final approval was given on Sunday, 27 May. After this crucial step (...) we could consider that the IT component of the Euro project was 75% complete. Other 'peripheral' accounting software programmes still needed to be gradually transferred (invoicing, management of fixed assets, etc.), which is expected to take place between June and September". All human and technical resources were implemented to ensure that the change would go as smoothly as possible."

1 January 2002 marked the official introduction of the euro in our lives. But the bank's work was far from over!

After that, the objective was to introduce the euro into the system as quickly as possible, through ATMs and by working with retailers, who would play a key role in developing the circulation of coins.

The franc was still present on the market. The final step involved gradually removing francs.

As such, for 10 years until February 2012, banks worked together to collect, free of charge, the national currency of francs, thus permanently switching to the single currency: the euro.

This large-scale operation seems far behind us, because the euro has become such an integral part of our daily life. But it encompassed a genuine feat of management and communication!

Even though today, paying in euros feels natural, it is always fun to reflect back on that period of great change. A period of the new millennium, its potential IT bug, and its new currency that would radically disrupt the way we did things. But who would have thought all that would be so quickly forgotten? In fact, now, how many of you can say how much 100 euros is in francs?

Another fascinating story from ATM Stories – Always Telling More. We will be back again very soon with more interesting stories from the history of BNP Paribas.