

## **Press Release**

### **Hong Kong ten-dollar polymer note**

The Hong Kong Monetary Authority (HKMA) today (12 March) announced that with the approval of the Chief Executive in Council, the Financial Secretary decided to issue for trial a ten-dollar polymer note under section 3(1) of the Legal Tender Notes Issue Ordinance. The new note will be issued by the Government of the Hong Kong Special Administrative Region around the middle of this year. The new note will circulate alongside the existing ten-dollar paper notes and coins, both of which will remain legal tender.

The Financial Secretary, Mr Henry Tang, said that the decision to issue the ten-dollar polymer note was taken to find out whether polymer notes are suitable for issue in Hong Kong and whether the community will accept them. “Experience in countries that have introduced polymer notes suggests that they are cleaner, more durable and secure. They are also more environmentally friendly, since they last longer and can be recycled for other use. As an international and vibrant city, there is a need for Hong Kong to explore this alternative technology for currency notes,” Mr Tang added.

Commenting on the design of the new note, the Chief Executive of the Hong Kong Monetary Authority, Mr Joseph Yam, said that it will resemble the existing ten-dollar paper note issued by the Government, except for changes to cater for new security features specific to polymer substrate. “This is the approach often adopted in other countries when introducing polymer notes and avoids adding one more design to the existing legal tender notes,” Mr Yam added.

While retaining some of the security features of the existing purple ten-dollar paper note, the new note incorporates four new visible security features specific to polymer notes:

- a clear window with a numeral 10;
- a watermark-like image of the bauhinia flower, integrated into the clear window;
- a watermark-like image of the numeral 10, which is visible when viewed with background light; and
- the image of a ribbon on the clear window, whose colour changes between pink and purple when the note is tilted.

“Experience in some countries which have introduced polymer banknotes indicates that the annual production cost for banknotes could be reduced by about 40% due to the longer lifetime of polymer notes despite a higher unit cost of production,” said Mr Yam. However, he stressed that the Government will fully evaluate the performance of the new polymer note and its acceptance by the public, before deciding whether to convert any of the other denominations of paper notes to polymer.

The note is currently at the production stage. It is expected to be available for circulation around mid-2007 and will be released gradually to ensure the smooth co-circulation of polymer and paper notes. A further public announcement will be made nearer the time when the first notes will be issued.

Illustrations and explanations of the security features and handling characteristics of the new polymer note are available in a press pack issued by the HKMA. They can also be viewed in the same press release on the HKMA website at [www.hkma.gov.hk](http://www.hkma.gov.hk).

For further enquiries please contact:

Hing-fung Wong, Officer (Press), at 2878 1802 or

Thomas Chan, Senior Manager (Press), at 2878 1480

Hong Kong Monetary Authority

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