



Commission Recommendation concerning authentication of euro coins and handling of euro coins unfit for circulation

Part I

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Protection of the Euro

Outline

- § Definition of authentication of euro coins.
- § Recommended practice.
- § Principles for authentication and testing.
- § Recommended tests.
- § Control and adjustment of sorting machines.
- § Monitoring and reporting.
- § Evaluation.



Definition of authentication of euro coins

The process of verifying the authenticity of euro coins through:

- § automated electromechanical sorting;
- § manually.



Aim of authentication of euro coins

Rejection of:

- § counterfeits;
- § unfit genuine euro coins;
- § foreign coins similar to the euro;
- § other metallic objects such as medals and tokens similar to euro coins.



Recommended practice

Member States should carry out or supervise the authentication of the euro coins circulating on their territory (to assist implementation of Council Regulation (EC) 1338/2001):

- § to be conducted during the sorting process;
- § no common method, as yet, for detection of counterfeit coins;
- § very small quantities of counterfeit coins detected in circulation compared to those potentially circulating.



Principles for authentication and testing

- § Denominations to be authenticated, as a minimum: 2 euro; 1 euro; 50 cent.
- § Quantity of euro coins to be authenticated each year in each of the Member States: at least 10% of the total net volume issued.
- § Authentication to be carried out centrally and/or within the coin handling process.
- § Member States to carry out checks to the appropriate number of credit institutions and other professional cash handlers.



Recommended tests

The control of the functioning of sorting machines should be carried out by means of a detection test preceded, if applicable, by a check for sorting:

- § *sorting* test to check the capacity of correctly sorting all the euro coin denominations; applicable in the absence of national rules governing the sorting capacity;
- § *detection* test to check that the machine is capable of rejecting objects that are not in conformity with the specifications of the euro coins, in particular counterfeit coins.



Recommended tests: the sorting test

At least one hundred genuine euro coins of each of the denominations mixed together and passed through the machine three times:

- § acceptance ratio at least 98% in each of the trials;
- § a lower acceptance ratio may be considered in particular circumstances;
- § after three consecutive trials, all genuine coins should be accepted.



Recommended tests: the detection test

- § Samples of counterfeit coins for all denominations concerned.
- § Definition also covering materials used for producing coin-like objects and non-euro coins.
- § A number of representative families (stocks with CNACs or ETSC).
- § Counterfeits mixed with genuine coins and passed through the machine three times; all counterfeits should be rejected on each of the trials.



Control and adjustment of sorting machines

- § Tests to be performed at least once a year on each of the sorting machines at the selected establishments, where the authentication takes place.
- § Initial adjustment: manufacturers of sorting machines may test their equipment at certain CNACs or the ETSC – summary report to be provided.
- § A consolidated list of sorting machines having successfully undergone the tests can be consulted at the CNACs or the ETSC.



Monitoring and reporting

§ Member States to monitor the capacity of the selected institutions on the following basis:

- written policy and organization;
- trained human resources;
- adequacy of technical resources;
- maintenance plan;
- minimum written procedures;
- volume of coins authenticated.

§ Possibility of a light audit.



Evaluation

- § New system – to be tested.
- § To be discussed with representatives of all sectors concerned, private and public sector.
- § Represents an additional step in the fight against euro coin counterfeiting, in collaboration with the financial sector.





Thank you
for your
attention