



Enhancing the regulatory framework for the protection of the euro

*“Reinforcing the protection of the
euro: a shared responsibility”*

Conference – Brussels, 28 & 29 October 2010

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Outline

- I. Modified Regulation **1338/2001**
- II. New Regulation concerning **authentication** of **euro coins** and handling of euro coins **unfit** for circulation
- III. Modified Regulation **2182/2004**
- IV. New status of **Europol**

I. Modified Regulation 1338/2001

- **Key definitions** (Counterfeiting; Counterfeit notes and coins; Competent national authorities)
- **Procedures on technical and statistical data**
- **Obligations** for
 - **National authorities** (to transmit counterfeits)
 - **Credit institutions + other economic agents**
- **Cooperation and mutual assistance**
- **Regulation 1339/2001 extends effects to MS**
which are not in the euro area

I. Article 6 as modified by R. 44/2009

■ Broader range of addressees

■ Credit institutions

■ Other payment service providers

■ Institutions engaged in the processing and distribution to the public of notes and coins, including:

■ Bureaux de change

■ Transporters of funds

■ Other (casinos, ATMs)



I. **Article 6** as modified by R. 44/2009

■ Obligation for Institutions to



- **Check the authenticity** of euro notes and coins before putting them back into circulation
- **Withdraw from circulation** suspected counterfeit euro notes and coins
- **Hand them over** to the competent national authorities

I. Procedures for implementing Article 6

■ Banknotes

Decision of the
European Central
Bank
on the authenticity
and fitness checking
and recirculation of
euro banknotes

(ECB/2010/14)

■ Coins

Regulation of the
European Parliament
and of the Council
concerning
authentication of euro
coins and handling of
euro coins unfit for
circulation

II. Authentication of euro coins

- Authentication carried out by

- **Coin processing machines**

included – at the time of purchase – in the list published by the Commission

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http://ec.europa.eu/anti_fraud/pages_euro/euro-coins/machines.pdf

(Transitional periods possible for machines already in use)

- **Trained personnel** (manually)



II. Authentication of euro coins

- **Institutions** shall ensure that machines are regularly adjusted
- **MS** shall perform on-the-spot controls to
 - Check machines on a rotating basis
 - Obtain assurance that personnel is duly trained
 - Monitor the authentication capacity of institutions
- **Commission/ETSC** shall define
 - technical specifications for detection test
 - Training practices, guidelines for controls etc.

II. Handling of unfit euro coins

- Detection of coins unfit for circulation is a ‘by-product’ of the authentication process
- MS shall
 - **reimburse or replace** unfit euro coins (unless deliberate/reasonably expectable alteration)
 - **destroy** unfit euro coins to avoid recirculation
- Specific **packaging requirements**
- **Handling fees** may be applicable (exemptions in cases of close and regular cooperation with the national authorities)

II. Reporting obligations

- **Institutions** shall provide MS upon request with information on
 - Types, number and location of machines
 - Volume of coins processed per machine, per year and per denomination (EUR 2, EUR 1, EUR 0,50)
- **MS** shall report annually to the Commission on their coin authentication activities
- **Commission/ETSC** shall report
 - annually to Economic and Financial Committee
 - By 30 June 2014 to Parliament and Council on the operation and effects of the new Regulation



II. Timeline

- New Regulation to be published by end 2010
- Provisions on unfit coins apply from entry into force (20 days after publication)
- Provisions on coin authentication apply from 1 January 2012 + transitional periods



III. Modified Regulation 2182/2004

■ Prohibits the production, sale etc. of **medals and tokens similar** to euro coins, when:

- “euro”, “euro cent” or “€” on the surface
- size inside limits for dimensions and metal properties
- design similar to
 - any design
 - or parts thereof (including 12 stars, map, numerals)
 - symbols of national sovereignty(as) appearing on euro coins



■ The Commission

- specifies whether a medal or token falls within the prohibition
- may allow derogations by authorisation



IV. New status of Europol

- Council Decision 2005/511/JHA → Europol designated as the **Central Office** for combating euro counterfeiting
- Council Decision 2009/371/JHA → Europol established as an entity of the Union (**EU agency**)
 - Funded by general EU budget
 - Increased accountability
 - Improved organisational flexibility and effectiveness





Thank you for your attention

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