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## Euro coin counterfeiting in 2008

***The total number of counterfeit euro coins removed from circulation in 2008 was 195 900, down from 211 100 the year before. While this development confirms the success of the action to render euro coins safer for the users, Member States should maintain and intensify efforts to remove counterfeits from circulation. Two Commission initiatives presented in 2008 to further improve the fight against euro counterfeiting, were successfully adopted by the Council in December: ensuring that financial institutions authenticate euro coins and banknotes before putting them back into circulation and ensuring that medals and tokens are sufficiently different from euro coins, so as to avoid potential confusion of coin users.***

For the Commission, it is encouraging to see that Member States make efforts to remove counterfeits from circulation. But these efforts need to be intensified: With the adoption by the Council of reinforced rules on the protection of the euro, the euro and its users can be even better safeguarded against counterfeiting and confusion. As a major currency, the euro is exposed to counterfeiters' bad intentions, but it is well protected and safe to use.

The fall in the number of counterfeit euro coins removed from circulation in 2008 is 7% compared to the year before. The number of 2-euro counterfeits decreased by 15%, although this denomination remains by far the most counterfeited euro coin. Counterfeit coins of 50-cent and particularly 1-euro increased strongly, by 28% and 51%, respectively.

The Commission considers that counterfeit euro coins are, however, not a significant cause of concern for the public. Indeed, the overall number is very small by comparison to the total number of around 15 billion genuine euro coins put into circulation of the three highest denominations, with a resulting ratio of 1 counterfeit for every 76 000 genuine coins. The proportion is even smaller compared to the total number of circulating euro coins: about 80 billion. The number of detected counterfeits is also lower than the sum of counterfeit coins in the euro area countries before the introduction of the euro.

These counterfeit coins, while increasingly sophisticated, should generally be rejected by properly adjusted vending and other coin-operated machines.

<b>Counterfeit euro coins detected in circulation, 2005 – 2008</b>				
	<b>50-cent</b>	<b>1-euro</b>	<b>2-euro</b>	<b>Total</b>
<b>2008</b>	16 600	24 500	154 800	195 900
<b>2007</b>	13 000	16 200	181 900	211 100
<b>2006</b>	8 300	14 100	141 400	163 800
<b>2005</b>	4 000	12 800	83 700	100 500

The progression in the number of counterfeit euro coins removed from circulation reflects the efforts Member States are making to implement Commission Recommendation of 27 May 2005 concerning the authentication of euro coins. This caused sharp increases of counterfeits removed from circulation in 2006 and 2007, thus making euro coins even safer for users. However, the efforts to remove the counterfeits vary among Member States. In 2008, the decline in the numbers of counterfeits removed, was recorded mainly in those Member States which are still in the process of implementing the Commission Recommendation. EU-wide implementation of such procedures is needed in the future to fight effectively against euro coin counterfeiting and to share the efforts evenly among Member States.

Law enforcement is also successful in fighting euro coin counterfeiting: according to information provided by competent national authorities, one more illegal mint was dismantled in 2008, in Austria. This brings to 15 the total number of illegal mints discovered since the introduction of the euro currency in 2002. In addition, the Italian Carabinieri marked an important success against the distribution network of a major counterfeiting class. In these and other operations by law enforcement, around 11 000 counterfeit euro coins were seized in 2008 before coming into circulation.

As far as counterfeit euro banknotes are concerned, around 666 000 pieces were withdrawn from circulation in 2008, as announced today by the [European Central Bank](#).

### **Policy developments in 2008**

In order to strengthen the protection of the euro, the Commission proposed a number of legislative initiatives. Based on these proposals, four amendments to existing legislation were adopted by the Council in December 2008.

Two amendments concern the Regulations (EC) 1338/2001 and 1339/2001 (on the protection of the euro banknotes and coins) and will make it mandatory for financial institutions to ensure that euro coins and banknotes are authentic before putting them back into circulation. Two further amendments concern the Regulations (EC) 2182/2004 and 2183/2001, ensuring that medals and tokens are sufficiently different from euro coins, so as to avoid potential confusion. The amendments specify that distinctive elements of the designs on legal tender euro coins should not be reproduced on medals and tokens.

The Commission, in cooperation with Europol, the European Central Bank and experts from Austria, Belgium, France, Germany, Italy and Interpol has also produced a booklet to support police officers across Europe, entitled "Counterfeit euro? What to do". The document helps recognising counterfeits and outlines the first measures to take when first discovering a counterfeit euro.

## **Background**

In protecting the euro against counterfeiting the Commission collaborates closely with its partners: the European Central Bank (ECB), Europol, Interpol and the competent national authorities.

In line with Regulation (EC) 1338/2001, the European Technical & Scientific Centre (ETSC) carries out the analysis and classification of new stamped counterfeit euro coins. The Council decided, in December 2003, that the **Commission** ensures the functioning of the ETSC and the co-ordination of the activities of the competent technical authorities to protect the euro coins against counterfeiting. In October 2004, the Commission decided to establish formally the ETSC in the European Anti-Fraud Office (OLAF), using the technical equipment and installations of the Monnaie de Paris.

The Commission is also responsible for the implementation of the 'Pericles' programme for training and technical assistance for the protection of the euro banknotes and coins against counterfeiting. The Commission prepares legislative initiatives and monitors the implementation of the relevant legislation.

The **European Central Bank (ECB)** performs a technical analysis of counterfeit euro banknotes of a new type at the Counterfeit Analysis Centre located on the premises of the ECB, stores the technical and statistical data on counterfeit banknotes and coins in a central database, also located at the ECB, and disseminates the relevant technical and statistical information to all those involved in combating counterfeiting.

**Europol** supports the Member States' law enforcement services in combating serious organised crime by facilitating the exchange of information and providing operational and strategic analysis. In addition, it provides expertise and technical support for investigations and operations carried out by the Member States' law enforcement services within the EU. Europol maintains a central database for law enforcement information relating to euro counterfeiting and also uses the technical database located at the ECB. Europol provides the means for financing police investigations in the domain of euro counterfeiting and will become the EU central office for combating euro counterfeiting, when Member States formally assign this responsibility.

[http://ec.europa.eu/anti\\_fraud/pages\\_euro/index\\_en.html](http://ec.europa.eu/anti_fraud/pages_euro/index_en.html)