

Three Arrested in Italian Counterfeit Coin Raid

An illegal mint was discovered during a late night raid of a garage in a secluded villa near Rome. Three criminals were arrested while producing fake €1 and €2 coins at the fully-equipped premise in Galliciano nel Lazio, and approximately €120,000 worth of equipment and materials were seized. The joint on-the-spot investigation was carried out on January 16 by the Italian Carabinieri and Guardia di Finanza in cooperation with OLAF. The police operation has prevented further production of a large number of counterfeit coins.

Two of the three people arrested were jewellers experienced in engraving. Their illicit mint produced a large amount of good quality counterfeit coins and had the potential to yield substantial profits. "The criminals clearly knew how to work with metals – they were treating the poor quality, dull-looking metals in a galvanic bath. The result of this process is a shiny silver colour which is much closer to the genuine colour of the Euro coins. Only people experienced in working with metal would have known how to do this," Marco di Benedetto of OLAF's European Technical Scientific Centre explained (ETSC).

The coins found during the raid were rather unusual and would probably not be recognised in Italy. They included rare commemorative €2 coins from the 2006 Olympic Winter Games in Turin and €1 coins with the French national side. The materials used to create these coins, including a high capacity hydraulic press, punching dies and thousands of blank coins, were also found on site. These materials, along with a large number of finished counterfeit coins, were seized by investigators. Expert technicians from the Italian Coins National Analysis Centre (CNAC) and OLAF's European Technical Scientific Centre were on hand to classify the counterfeit coins. The Italian CNAC carried out an in-depth analysis and classification of all the materials seized to find out if there were any possible links with existing counterfeit euro coin categories.

The OLAF/ETSC team was called in to provide technical expertise in examining the coins as well as to oversee any possible links with similar cases across Europe. OLAF/ETSC found that the case was technically linked to a mint which was discovered in Mons in April 2011. One of the men arrested in Galliciano nel Lazio was found to have been a contact point to provide the machinery required and has been linked to a network in Italy.

OLAF/ETSC helps beat the counterfeit criminals

The European Commission established the European Technical & Scientific Centre within OLAF in 2004 to analyse and classify each new type of stamped counterfeit euro coin, assist CNACs and Law Enforcement Authorities and coordinate technical actions to protect euro coins against counterfeiting (technical assistance and training). OLAF/ETSC can provide input at various stages of an investigation: in the early stages it can analyse coin samples; during the actual investigation it can analyse coins and equipment seized, as well as provide assistance to the Public Prosecutor's offices and in the final stages it can assist in forensic examination for the competent Judicial Authority. The team can also provide further information on how the results of technical analyses may be used, and how to remove items for analysis.

The number of counterfeit euro coins removed from circulation increased by 17% from 157,000 in 2011 to 184,000 in 2012. Compared to the 16.5 billion genuine coins currently circulating, the number of counterfeits is relatively low. That is to say that for every 100,000 genuine coins, there is just one fake coin. Unsurprisingly, €2 coins are the biggest target and account for two thirds of counterfeit euros.

Since the introduction of the Euro in 2002, 19 illegal mints have been discovered: ten in Italy, two in Spain and one in each of the following countries: Austria, Portugal, Hungary, Poland, Bulgaria, Belgium and Greece. For more information please see Euro coin counterfeiting in 2012.