



EUROPEAN COMMISSION

## MEMO

Brussels, 19 February 2014

### **Vice-President Reding and Commissioner Šemeta welcome agreement to protect euro from counterfeiting**

The European Commission has welcomed today's political agreement on the proposal to better protect the euro from counterfeiting through EU-wide criminal law measures. The agreement follows two so-called trilogue meetings between the Commission, the European Parliament and the Council of Ministers. The breakthrough, endorsed by Member States today, shows that Europe is willing to take all measures necessary to fight counterfeiting of the euro. Member States will have to make sure that such behaviour is punishable with effective and deterrent sanctions everywhere in Europe.

Vice-President Viviane Reding and Commissioner Algirdas Šemeta said: *"This agreement will strengthen confidence in our most valuable asset: the euro. It will also help to protect honest businesses and citizens from ending up with fake money in their pockets. It is a strong and unified response to protecting our currency and clamping down on the criminals that threaten it. We would like to thank the European Parliament, especially its rapporteur, Anthea McIntyre, and the Greek Presidency for their excellent work in arriving at this agreement. It is a good result. One thing we do regret however: that co-legislators could not agree on the introduction of minimum sanctions for the most serious offences. The guarantee of a minimum 6 month jail sentence would have been an additional deterrent to crimes against our common currency. This idea was supported by the European Central Bank. Mario Draghi knows what is good for the euro."*

The agreed legislation aims to crack down on criminals who counterfeit euro notes and coins – a crime estimated to have led to damage of at least €500 million over the past decade. The agreed new measures strengthen cross-border investigations, e.g. by ensuring that investigative tools provided for in national law for organised crime or serious cases can also be used in cases of counterfeiting of currency. The new instrument also introduces common maximum penalties, including imprisonment of at least eight years for production and five years for distribution, for the most serious counterfeiting offences. Furthermore, the law will enable an early analysis of seized forgeries during judicial proceedings in order to better detect counterfeit euros in circulation and to prevent their circulation.

The agreement however did not back the Commission's proposal to introduce a minimum penalty of at least six months imprisonment for serious cases of production and distribution of counterfeit currency.

#### **Next Steps:**

Tomorrow, the European Parliament on Civil Liberties, Justice and Home Affairs (LIBE) is set to rubber stamp today's agreement in a vote. This agreement will then need to be endorsed by the plenary of the European Parliament, expected by April 2014, and by Ministers in the Council.

This follows a vote in the European Parliament's Committee on Civil Liberties, Justice and Home Affairs (LIBE) on 17 December 2013 which opened the way for negotiations between the Parliament and Council ([MEMO/13/1165](#)).

## **Background**

In total, around €913 billion worth of euro notes and €16 billion worth of euro coins are in circulation around the world.

The euro and other currencies continue to be targeted by organised crime groups active in money forgery. Since its introduction in 2002, counterfeiting of the euro has led to financial damage amounting to at least €500 million. This is illustrated by the seizure of large amounts of counterfeit euro notes and coins and the continuous dismantling of illegal print shops and mints each year within and outside the European Union. These developments show that the current measures against counterfeiting are insufficient and, therefore, that an improved protection of the euro is needed at European level. 353,000 counterfeit euro banknotes were withdrawn from circulation in the second semester of 2013.

According to the latest [figures from the European Central Bank](#), the €20 and €50 denomination banknotes are the most counterfeited, accounting together for 78%. Meanwhile, for euro coins, recent figures published by the Commission showed that a total of 175 900 fake euro coins were withdrawn from circulation last year. The 2 euro denomination remains by far the most affected by this criminal activity.

The proposed Directive builds on and replaces Council Framework Decision [2000/383/JHA](#) on increasing the protection, by criminal penalties and other sanctions, against counterfeiting in connection with the introduction of the euro. The Directive maintains provisions of the Framework Decision whilst taking into account novelties introduced by the Treaty of Lisbon, which reinforced the EU's capacity to legislate in the area of criminal law. The Directive will also ensure that the National Analysis Centres and the National Coin Analysis Centres are able to examine euro counterfeits during on-going judicial proceedings to enable the detection of further counterfeit euros in circulation.

## **For more information**

Homepage of Viviane Reding, Vice-President of the European Commission and EU Commissioner for Justice:

<http://ec.europa.eu/reding>

Homepage of Commissioner Algirdas Šemeta:

[http://ec.europa.eu/commission\\_2010-2014/semeta/index\\_en.htm](http://ec.europa.eu/commission_2010-2014/semeta/index_en.htm)

Follow the Vice-President on Twitter: [@VivianeRedingEU](#)

Follow EU Justice on Twitter: [@EU\\_Justice](#)

European Commission – criminal law policy:

[http://ec.europa.eu/justice/criminal/criminal-law-policy/index\\_en.htm](http://ec.europa.eu/justice/criminal/criminal-law-policy/index_en.htm)

[Memo/13/63](#)

For the legislative text, see:

[http://ec.europa.eu/anti\\_fraud/euro-protection/legislation/index\\_en.htm](http://ec.europa.eu/anti_fraud/euro-protection/legislation/index_en.htm)