



EUROPEAN COMMISSION
DIRECTORATE GENERAL
ECONOMIC AND FINANCIAL AFFAIRS
Macroeconomic policies
Euro protection and euro cash

The protection of euro coins in 2023

Situation as regards euro coin counterfeiting and the activities of the European
Technical & Scientific Centre (ETSC)

Based on Article 4 of Commission Decision C(2004) of 29 October 2004

Contents

1. INTRODUCTION.....	4
1.1. DG ECFIN’s mission and mandate	4
1.2. DG ECFIN’s role in the protection of the euro	4
1.3. The European Technical & Scientific Centre (ETSC)	4
1.4. Structure of the report	5
1.5. Data extraction and methodology	5
2. SITUATION REGARDING COUNTERFEIT EURO COINS.....	6
2.1. Counterfeit coins detected in circulation.....	6
2.2. Counterfeit coins seized before circulation	7
3. ACTIVITIES OF THE EUROPEAN TECHNICAL & SCIENTIFIC CENTRE (ETSC)	11
3.1. Analysis and classification of counterfeit euro coins.....	11
3.1.1. Common classes (stamped counterfeit coins)	11
3.1.2. Overall analysis	12
3.1.2.1. Counterfeit commemorative 2 euro coins	13
3.2. Coordination of actions to protect euro coins against counterfeiting: CCEG and other groups	14
3.2.1. The Counterfeit Coin Experts Group (CCEG).....	14
3.2.2. Other institutional groups	15
3.2.3. Medals and tokens similar to euro coins	16
3.3. Assistance to national authorities	16
3.4. Training	17
3.4.1. Pericles actions for the protection of the euro coins	17
3.4.2. Cooperation with third countries	17
3.5. Coin-related legislative instruments and developments.....	18
3.5.1. Administrative provisions	18
3.5.2. Criminal law provisions	18
4. CONCLUSIONS AND POLICY PRIORITIES	20
ANNEXES	22
Annex 1	22
Annex 2.....	29

EXECUTIVE SUMMARY

- ▶ In the framework of the Commission's activities for the protection of the euro against counterfeiting, the European Technical and Scientific Centre (ETSC) analyses and classifies every new type of counterfeit euro coin, coordinates the activities of the Counterfeit Coin Experts Group (CCEG)¹, participates in other institutional groups with regard to the protection of euro coins against counterfeiting, and provides training under the *Pericles IV* programme.
- ▶ The ETSC plays a central role in performing advanced technical analysis, the certification process of the coin-processing machines used for the authentication of euro coins and their adjustment, and defining the technical specifications for the detection test. To better reflect this evolution in the role of the ETSC, in 2023 the Commission amended the Commission Decision establishing the ETSC, which was adopted on 17 March 2023 ([Commission Decision \(EU\) 2023/616](#)²).

- ▶ The number of counterfeit coins detected in circulation in 2023 increased by 62% compared to 2022.

The number of detected counterfeit coins in 2023 was 480 371 (2 euro, 1 euro and 50 cent denominations represent respectively 94.04%, 3.94% and 2.02% of the total counterfeits detected in circulation).

The overall value of counterfeit coins detected in circulation in 2023 was EUR 935 381.5, which is again much higher than in 2022.

- ▶ Germany (114 357 counterfeit coins seized), Greece (74 527), and Italy (73 524) were the Member States with the highest number of counterfeit euro coins detected in circulation in 2023. A high quantity of counterfeit euro coins was also detected in non-EU countries (68 088 pieces).
- ▶ The counterfeits of commemorative euro coins ("commemorative counterfeits") registered a significant increase and maintained an important share of the total 2 euro counterfeit coins detected in circulation, confirming the trend of recent years.

¹ Commission Decision C(2015) 6968 final of 19.10.2015 setting up the Counterfeit Coin Experts Group on the Commission's policy and Regulations regarding the protection of euro coins against counterfeiting. See Section 3.2.1.

² OJ L 80, 20.3.2023, p. 96–98.

1. Introduction

1.1. DG ECFIN's mission and mandate

The mission of the Directorate-General for Economic and Financial Affairs (DG ECFIN) is to contribute to the creation of economic conditions in which all Europeans can thrive, now and in the future, and to develop the means for Europe to be a leading force for stability and prosperity in the world.

In pursuing this mission one of the core objectives is to provide policy support for Economic and Monetary Union, to ensure the effective functioning of the euro and to give Europe a strong economic global presence. In this context, the protection of the euro against counterfeiting is key.

1.2. DG ECFIN's role in the protection of the euro

DG ECFIN plays an important role in the area of the protection of the euro banknotes and coins against counterfeiting.

Commission action on the protection of the euro relates mainly to three domains:

- ▶ preparation of political or legislative initiatives for the Commission and reporting on the implementation of EU legislation;
- ▶ training and technical assistance, based mainly on the Pericles programme³;
- ▶ the technical analysis of counterfeit euro coins, through the European Technical and Scientific Centre (ETSC). DG ECFIN implements these tasks in close cooperation with other relevant institutions and in co-ordination with the competent authorities of Member States.

1.3. The European Technical & Scientific Centre (ETSC)

The ETSC was established in 2004 within the European Commission⁴.

Within this framework, the mission of the ETSC is to analyse and classify every new type of counterfeit euro coin⁵, to contribute to the fulfilment of the objectives of the Pericles

³ Regulation (EU) 2021/840 of the European Parliament and of the Council of 20 May 2021 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting for the period 2021-2027 (the 'Pericles IV' programme), and repealing Regulation (EU) No 331/2014. OJ L 186, 27.05.2021.

⁴ Council Decision 2003/861/EC of 8 December 2003, concerning analysis and co-operation with regard to counterfeit euro coins. OJ L 325, 12.12.2003; Commission Decision 2005/37/EC of 29 October 2004 establishing the European Technical and Scientific Centre (ETSC) and providing for coordination of technical actions to protect euro coins against counterfeiting, OJ L 19, 21.1.2005; Commission Decision (EU) 2017/1507 of 28 August 2017 amending Decision 2005/37/EC establishing the European Technical and Scientific Centre (ETSC) and providing for coordination of technical actions to protect euro coins against counterfeiting, OJ L 222, 29.8.2017; Commission Decision (EU) 2023/616 of 17 March 2023 amending Decision 2005/37/EC as regards the tasks performed by the European Technical and Scientific Centre (ETSC), OJ L 80, 20.3.2023, p. 96–98.

programme, to assist the Coin National Analysis Centres (CNAC) and generally to collaborate with law enforcement and other competent authorities in taking action against counterfeit euro coins and the strengthening of euro protection.

Following the adoption of Commission Decision (EU) 2023/616 of 17 March 2023, the ETSC can perform advanced and non-destructive analysis of high quality counterfeit euro coins to inform Europol and law enforcement authorities of emerging threats.

In addition, the ETSC coordinates the necessary actions to protect euro coins against counterfeiting through periodic meetings of the Counterfeit Coin Experts Group (CCEG).

1.4. Structure of the report

This report is presented in line with Commission Decision 2005/37/EC of 29 October 2004 based on Council Decision 2003/861/EC of 8 December 2003. Article 4 of Commission Decision 2003/861/EC of 8 December 2003 stipulates that “The Economic and Financial Committee, the European Central Bank, Europol and the competent national authorities shall be kept regularly informed of the activities of the European Technical & Scientific Centre (ETSC) and of the situation as regards coin counterfeiting”.

The report is structured according to the above-mentioned requirements. Section 2 provides a detailed overview of the evolution of euro coin counterfeiting in 2022. Section 3 presents the activities that the ETSC carried out in 2022 in order to reinforce the protection of euro coins.

1.5. Data extraction and methodology

The data used by the ETSC is extracted from the Counterfeit Monitoring System (CMS), which is a database managed by the European Central Bank. The CMS database is fed by the Member States’ CNACs. In fact, suspect counterfeit euro coins are sent to CNACs to be analysed and classified.

There are three distinctive moments in the analysis and classification cycle of a suspect counterfeit euro coin. Chronologically they are:

1. When the suspect counterfeit euro coin is detected in circulation;
2. When the suspect counterfeit euro coin is received at a CNAC;
3. When the suspect counterfeit euro coin is analysed, classified and registered in the CMS.

The date of detection is inserted in the CMS by a CNAC when it receives the suspect coin or when the classification (hence registration) is finalised. There is a natural delay between each moment that could also be influenced by Member State CNAC workload and practices.

Consequently, in order to have a reliable overview on the year 2022 (and on the previous ones) the statistical data presented in this report were extracted in May 2023.

⁵ In line with the provision of Article 5 of Council Regulation (EC) 1338/2001 as modified by Council Regulation (EC) No 44/2009 of 18 December 2008 (OJ L 17, 22.01.2009).

2. Situation regarding counterfeit euro coins

A distinction has to be made between counterfeit euro coins detected in circulation and those seized before circulation. Counterfeits seized before circulation are usually seized by law enforcement authorities before causing financial damage, whereas those detected in circulation are generally detected by coin-processing machines in coin sorting centres operated by National Central Banks, Cash-in-Transit companies or by credit institutions⁶.

2.1. Counterfeit coins detected in circulation

The total number of counterfeit euro coins removed from circulation in 2023 was 480 371, an increase of about 62% compared to 2022.

The breakdown by denomination of counterfeits found in circulation for the last five years is shown in the table below.

Table 1: Counterfeit euro coins detected in circulation⁷, 2019 – 2023

Year	50 cent	1 euro	2 euro	Total	Value (EUR)
2023	9 687	18 937	451 747	480 371	927 274.5
2022	9 985	16 946	269 594	296 525	561 126.5
2021	11 882	12 119	197 689	221 690	413 438
2020	16 739	13 529	188 742	219 010	399 382.5
2019	19 303	13 762	170 026	203 091	363 465.5

When compared to 2022, 2023 shows a particularly important increase in counterfeits of the higher denomination (2 euro) coins. In particular, 2 euro denomination counterfeits increased by 67.5%, those of 1 euro increased by 11.7% and those of 50 cent decreased by 3% in comparison to 2022.

In 2023 counterfeits of the 1 euro denomination constitute the second most common (3.94 % of the total) overtaking the 50 cent denomination. The 2 euro coin remains by far the most counterfeited denomination, constituting 97.4 % of the total in terms of value (slightly higher than in 2022).

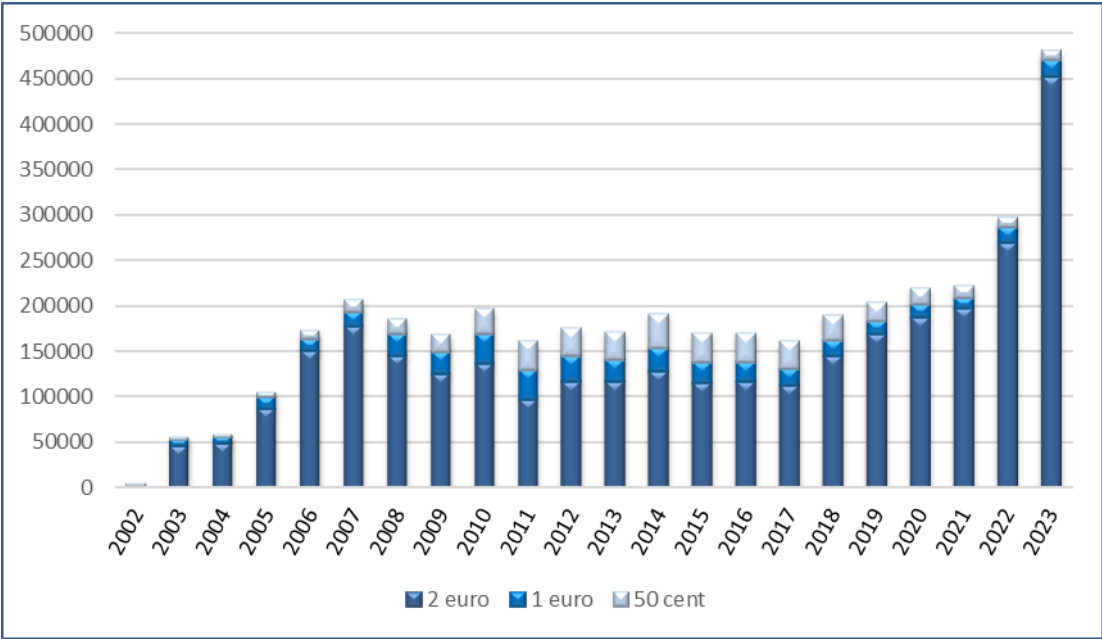
Overall, 4 072 919 counterfeit euro coins have been removed from circulation since the introduction of euro coins in 2002.

The evolution since the introduction of the euro is given in the following chart.

⁶ As referred to in the first subparagraph of Article 6(1) of Regulation (EC) No 1338/2001.

⁷ Source: CMS (counterfeit euro coins detected in circulation in the year of reference).

Chart 1: Counterfeit euro coins detected in circulation⁸



In 2023 Germany was the country with the highest number of detected counterfeit euro coins, amounting to 114 357 pieces; Greece and Italy followed with 74 527 and 73 524 pieces respectively. Austria seized 43 016 counterfeit euro coins, which is an increase of 357% compared to the previous year. Counterfeit euro coins were found in all Member States of the euro area in 2023. The counterfeits seized in Germany together with those seized in Greece, Italy and Spain accounted for 61,6 % of the total counterfeits seized in 2023.

Moreover, 68 088 counterfeit euro coins were also reported to be detected in third countries.

The figures per Member State can be found in Annex 1 and Annex 2.

2.2. Counterfeit coins seized before circulation

In addition to the counterfeit euro coins removed from circulation, counterfeits are regularly seized before they enter into circulation, mainly in the framework of law enforcement authorities' operations and investigations.

These activities include not only the dismantling of clandestine mints, but also seizures of significant quantities from individuals possibly involved in the distribution of counterfeit coins. These seizures occur on an occasional basis, therefore the number of counterfeits seized before circulation varies significantly from year to year.

The number of coins seized before circulation in 2023, as registered in the CMS, is lower than in the previous year (46 347 pieces). The breakdown per denomination of counterfeit

⁸ Source: CMS (counterfeit euro coins detected in circulation in the year of reference) and reported seizures by third countries: Albania, Serbia, North Macedonia, Montenegro and Kosovo.

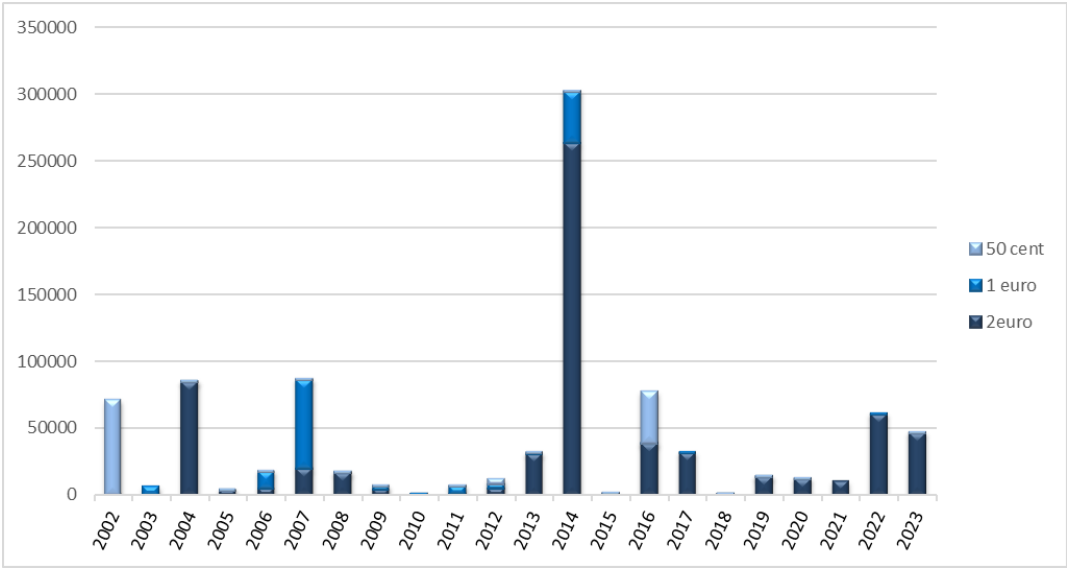
euro coins found before circulation, as registered in the CMS for the last five years, is shown below.

Table 2: Counterfeit euro coins detected before circulation, 2019 – 2023

Year	50 cent	1 euro	2 euro	Total	Value (EUR)
2023	3	0	46 344	46 347	92 689.5
2022	0	1	62 269	62 270	124 539
2021	0	0	12 131	12 131	24 262
2020	1	892	11 872	12 765	24 636.5
2019	1	1	12 863	12 865	25 727.5

The evolution of the number of counterfeit coins detected before circulation, since the introduction of the euro in 2002, is presented in the following chart.

Chart 2: Counterfeit euro coins detected before circulation

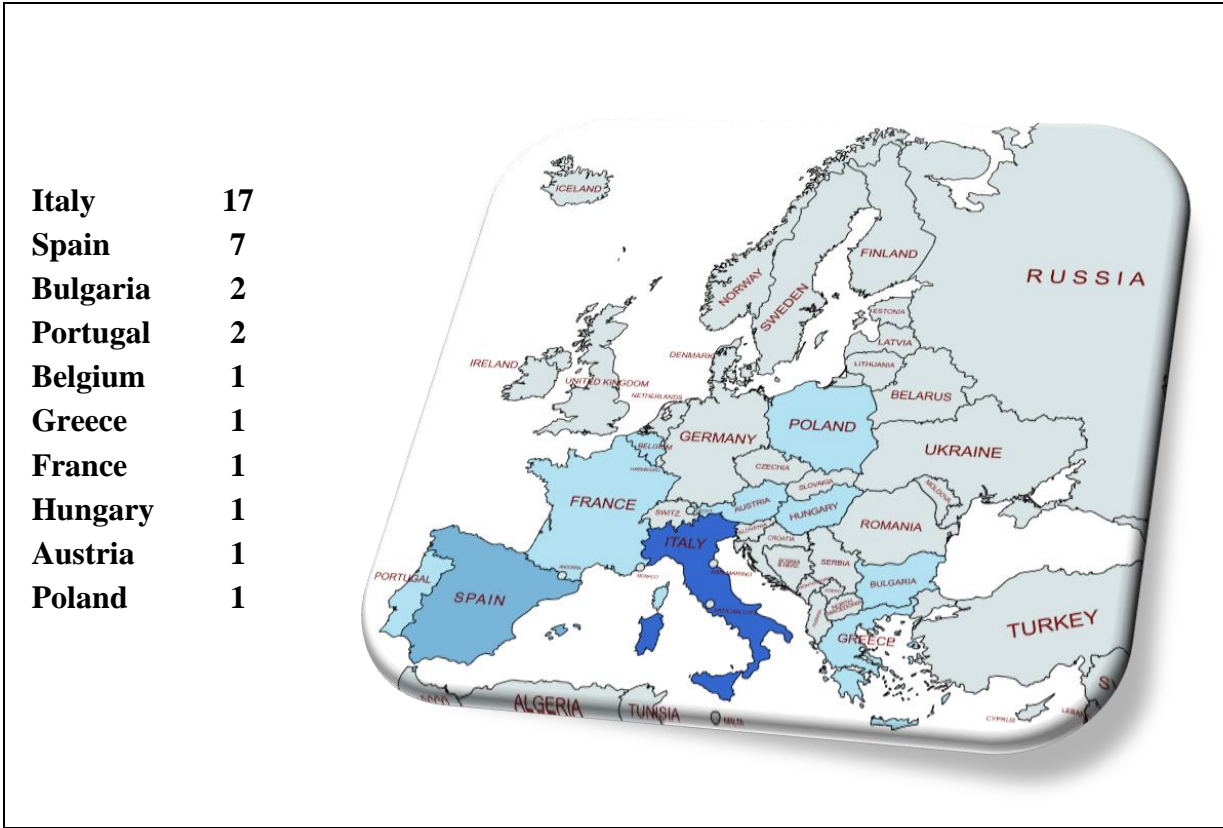


Since 2002 roughly 893 217 counterfeit euro coins have been seized before circulation. This corresponds to a face value of EUR 1 476 456.5. The number and location of illegal mints discovered since 2002 is presented in the following charts.

Table 3: Illegal mints discovered, 2002 – 2023

Year	Date	Place	Denomination (€)	Total
2002	June	Italy	0.50	2
	October	Italy	1 and 2	
2003	May	Portugal	2	3
	August	Italy	1	
	October	Italy	2	
2004	April	Italy	2	3
	April	Spain	2	
	July	Italy	1	
2005	January	Poland	1	3
	October	Hungary	2	
	November	Bulgaria	1	
2006	April	Italy	2	1
2007	March	Italy	1 and 2	2
	March	Spain	2	
2008	March	Austria	0.50	1
2009	/	/	/	0
2010	/	/	/	0
2011	April	Belgium	1	2
	August	Italy	1 and 2	
2012	June	Greece	2	1
2013	January	Italy	1 and 2	1
2014	March	Italy	1	4
	December	Spain	2	
	December	Spain	2	
	December	Spain	2	
2015	October	Italy	2	1
2016	June	Portugal	2	1
	June	Italy	0.50 and 1	1
	June	Italy	0.50	1
2017	/	/	/	0
2018	July	Italy	0.50	2
	September	France	1 and 2	
2019	June	Spain	2	1
2020	March	Italy	2	2
	June	Bulgaria	2	
2021	July	Spain	2	1
2022	April	Italy	2	1
2023	/	/	/	0
Total				34

Chart 3: Number of illegal mints discovered, 2002 – 2023



3. Activities of the European Technical & Scientific Centre (ETSC)

3.1. Analysis and classification of counterfeit euro coins⁹

Counterfeit coins detected in the Member States are analysed by the CNACs. They are classified according to counterfeit types that have been previously identified and defined by the ETSC. Counterfeits that cannot be classified into one of the already identified classes¹⁰ are sent to the ETSC in order to create a new common class or variant¹¹.

A distinction is made between common classes and local classes. Common classes are created when high quality counterfeit coins or high quantities of the same type of counterfeit coins are detected in more than one EU country, and therefore they have an impact at EU level.

Local classes correspond mostly to counterfeit coins that are detected in smaller quantities and constitute a threat in one EU country. Local classes usually refer to cast counterfeit coins¹².

Common classes are always created by the ETSC and local classes are created by the CNACs.

3.1.1. Common classes (stamped counterfeit coins)

Common classes are counterfeits manufactured through a stamping process¹³, sometimes similar to the one used in official minting. With such a process, larger amounts of counterfeits can be produced; for this reason monitoring at EU level has been applied. Stamped classes usually bear defects which are characteristics of the tools used to produce them. Stamped counterfeit coins are classified into classes and variants according to their defects. Similar defects may indicate that counterfeits have been produced by the same tools, probably indicating the same illegal mint.

New variants of classes indicate a development in production tools, material used or production methodology applied. Variants therefore provide useful indications of the development in counterfeiting activity. The procedure of classification is an important "tool" for law enforcement investigations as it facilitates the monitoring of counterfeit coins from a quality point of view and can provide important information related to links between dismantled illegal mints and existing classes of counterfeit coins.

⁹ Data refer to counterfeit euro coins detected in circulation in the year of reference according to CMS registration.

¹⁰ Class: group of counterfeits having matching technical characteristics, therefore assumed to have the same origin.

¹¹ Variant: "subclass" of a counterfeit class, corresponding to modification of the class, by changing the national side and/or the material used, etc... The variants have distinctive defects, linking them to their "mother class".

¹² Cast coinage refers to coins made by a casting process (casting is a manufacturing method in which a molten metal is injected or poured into a mold to form an object of the desired shape).

¹³ Stamping is a type of manufacturing process which shapes sheet metal by punching using a machine press or stamping press.

3.1.2. Overall analysis

Creation of common classes

The number of common classes created by the ETSC every year since the introduction of euro coins is indicated in the table below.

Table 4: Number of newly identified common classes

Year	50 cent	1 euro	2 euro	Total
2002-2011	54	39	39	132
2012	2	2	5	9
2013	2	6	7	15
2014	1	4	5	10
2015	1	-	-	1
2016	7	-	5	12
2017	2	4	8	14
2018	1	4	8	13
2019	2	3	2	7
2020	0	0	0	0
2021	0	0	1	1
2022	0	0	3	3
2023	0	0	2	2
Total	72	62	85	219

The total number of common classes is 219. Despite the relatively large number of common classes, the bulk of counterfeit coins is still concentrated in a small number of classes.

In particular, in 2023, the family of linked common classes (class 6, 31, 37 and 72) represented 55.8% of the total number of **2 euro** classified counterfeits registered as detected in circulation in 2023 whereas common class 92 represented 25% of the total 2 euro classified counterfeits.

In total, four classes (class 6, class 72, class 92, class 96) cover about 82% of the total number of **2 euro** counterfeits seized.

For the 1 euro denomination, 5 classes (class 33, class 49, class 55, class 4, class 63) represent almost 78.9 % of the total number of **1 euro** counterfeits seized.

For the **50 cent** denomination, about 40% of the counterfeits found in circulation belong to two classes (common classes 1 and 39) and, in total, five classes (class 1, class 39, class 52,

class 53, class 63, class 70) are responsible for about 62% of the total number of 50 cent counterfeits found in circulation.

Creation of variants

In 2023, 18 new variants (sub-types of common classes) were created.

This brings the total number of variants to 690. The class with the highest number of variants is 2 euro class 6. The number of new variants created by the ETSC every year since the introduction of euro coins is indicated in the table below.

Table 5: Number of newly identified variants of the common classes

Year	50 cent	1 euro	2 euro	Total
2002-2011	15	64	349	428
2012	0	1	3	4
2013	0	3	12	15
2014	0	0	9	9
2015	2	1	13	16
2016	4	3	7	14
2017	0	3	28	31
2018	1	4	18	23
2019	0	1	20	21
2020	0	0	8	8
2021	0	6	50	56
2022	0	0	47	47
2023	0	0	18	18
Total	22	86	582	690

3.1.2.1. Counterfeit commemorative 2 euro coins

Counterfeits of commemorative euro coins (hereinafter "commemorative counterfeits") have also been found, i.e., 2 euro coins with specific national sides¹⁴.

¹⁴ Regulation (EU) No 651/2012 of the European Parliament and of the Council of 4 July 2012 on the issuance of euro coins, OJ L 201, 27.7.2012.

Council Regulation (EU) No 729/2014 of 24 June 2014 on denominations and technical specifications of euro coins intended for circulation. OJ L 194, 02.07.2014.

In addition to the regular coins, there are also commemorative coins. Member States may issue a commemorative 2 euro coin once a year to celebrate a subject of major national or European relevance. Commemorative coins are legal tender throughout the euro area, and have the same features and properties as regular 2 euro coins. Euro-area Member States may decide to issue a commemorative coin jointly to

The first commemorative coins were issued in 2004, and the first counterfeits imitating commemorative coins were detected in 2006. Since 2006, there have been 118 common classes created and several local classes within the Member States.

In total 509 different designs for commemorative coins have been issued, out of which 47 have been counterfeited. The full list of commemorative coins that have been counterfeited (common classes only) can be found in Annex 1 .

3.2. Coordination of actions to protect euro coins against counterfeiting: CCEG and other groups

The primary mission of the ETSC is the technical and scientific analysis, and classification in common classes, of counterfeit coins.

The Commission coordinates the activities of competent authorities for the protection of euro coins against counterfeiting. This co-ordination takes place mainly within the Counterfeit Coin Experts Group (CCEG), as well as through other coin related groups.

3.2.1. The Counterfeit Coin Experts Group (CCEG)

In line with its establishing Commission Decision, the CCEG, chaired by the Commission, is the group serving:

- ▶ to assist the Commission in the preparation of legislative proposals and delegated acts and policy initiatives for the protection of euro coins against counterfeiting;
- ▶ to establish cooperation between the Heads of the Coin National Analysis Centres established in accordance with Article 5(1) of Regulation (EC) No 1338/20014, the Commission, the European Technical Scientific Centre (ETSC), the European Central Bank (ECB) and Europol in matters relating to policy initiatives and actions aimed at an efficient anti-counterfeiting strategy;
- ▶ to provide advice and expertise to the Commission for implementing Union legislation, programmes and policies, in particular with regard to Regulation (EU) No 1210/2010;
- ▶ to exchange experience and establish good practices for the protection of euro coins against counterfeiting;
- ▶ to raise awareness among the public authorities involved in the protection of the euro against counterfeiting about upcoming threats and to monitor the implementation of effective repressive measures for an anti-counterfeiting policy strategy;
- ▶ to promote training initiatives for the protection of euro coins against counterfeiting;
- ▶ to promote and develop studies and to ensure technical support in facilitating counterfeiting detection activities;
- ▶ to discuss issues relating to the technical specifications of counterfeit euro coins.

The CCEG held two meetings in 2023.

celebrate a subject of the highest European relevance. In that case, all euro area Member States simultaneously issue a coin bearing the same design on the national side.

The ‘ETSC Work Team’, formally a sub-group of the CCEG¹⁵, chaired by the ETSC, held 4 meetings of technical coin experts from several CNACs in 2023 to address the following:

- ▶ Revision of common procedures for analysis and classification of suspect counterfeit euro coins and drafting a new manual of procedures;
- ▶ Technical issues related to the main current threats, namely common class 2E92 and the 2E72 family;
- ▶ Improvements/changes to CMS2;
- ▶ Improving implementation of Regulation (EU) No 1210/2010 (Art.12 “Reporting, communication and evaluation”)
- ▶ Practical implementation of the updated ETSC Guidelines;
- ▶ New category of coin-processing machines (Annex 6 of the ETSC Guidelines);
- ▶ Preparation of the "5th meeting of the 1210 Platform"¹⁶.

3.2.2. Other institutional groups

During 2023, the ETSC provided updates to the following groups on coin counterfeiting and possible mitigating actions:

- ▶ the Euro Counterfeiting Experts Group (ECEG), in the framework of Council Regulation (EC) No 1338/2001. This group, chaired by the Commission, brings together counterfeit experts from law enforcement, central banks and ministries. It meets three times per year. A number of coin protection related issues were discussed. In 2023, the ETSC reported to the ECEG on the following: the statistics on coin counterfeiting, the ETSC Annual Report, the Report to the EFC under Article 12(4) of Regulation (EU) No 1210/2010 of the European Parliament and of the Council of 15 December 2010 concerning authentication of euro coins and handling of euro coins unfit for circulation, as well as the progress made on legislative issues concerning coin authentication, with particular reference to the update of the ETSC Guidelines;
- ▶ the Euro Coin Sub-Committee (ECSC) of the Economic and Financial Committee brings together representatives from coin issuing authorities of Member States. Commission initiatives are systematically discussed in the group. In 2023 the main issues addressed concerned the evolution of euro coin counterfeiting and the implementation of Regulation (EU) No 1210/2010.
- ▶ the Mint Directors Working Group (MDWG) brings together the heads of the Mints of the EU Member States. In 2023 the ETSC updated the group on the status of euro coin counterfeiting;
- ▶ the CEG (Counterfeit Experts’ Group). These meetings are organised by the ECB and bring together experts on banknote counterfeiting. The ETSC is invited to exchange and

¹⁵ In line with Article 5 of the Commission Decision C(2015) 6968 final of 19.10.2015 setting up the Counterfeit Coin Experts Group on the Commission's policy and Regulations regarding the protection of euro coins against counterfeiting.

¹⁶ See Section 3.4.1.

present information on coin counterfeiting and to contribute to updating the CMS with respect to the euro coins part;

- ▶ the Analytical Project (AP) SOYA meeting. These meetings are organised by Europol and include representatives of Law Enforcement Agencies from Member States and third countries having cooperation agreements with Europol. The ETSC participated in the annual AP SOYA meeting held in 2023 providing participants with an overview on euro coin counterfeiting statistics and the main threats with respect to euro coin counterfeiting and the Pericles IV programme strategy for the year to come.

3.2.3. Medals and tokens similar to euro coins

With a view to preventing fraud and avoiding confusion regarding euro coins, the European Union has in place Council Regulation (EC) No 2182/2004¹⁷ concerning medals and tokens similar to euro coins amended by Council Regulation (EC) No 46/2009¹⁸, prohibiting the production and sale of medals and tokens similar to euro coins.

The Commission has the responsibility of specifying whether the protective provisions referred to in the amended Regulation (EC) No 2182/2004 have been respected and whether a metallic object is a "medal and token" after having consulted the CCEG.

Following the adoption of Commission Decision C(2016)1785 final on a sub-delegation of the empowerment relating to the implementation of Council Regulation (EC) No 2182/2004, the competence to decide whether a coin-like object falls under the Regulation and whether to prohibit or allow such an object, now lies with DG ECFIN, after discussion in the CCEG.

In 2023 no cases were submitted to the ETSC.

3.3. Assistance to national authorities

The technical assistance provided by the ETSC to relevant authorities is essential to strengthen the protection of the euro coins against counterfeiting.

The ETSC may provide assistance to Member States' CNACs and police agencies and to third country authorities, based on Cooperation Arrangements with the third countries concerned¹⁹.

In June 2023, ETSC provided a technical training on detection and classification of counterfeit euro coins and on authentication of euro coins to Croatian National Authority in order to enhance their technical capacity considering the recent adoption of the euro.

In December 2023, ETSC provided technical support, in cooperation with the national CNAC, to the Italian Carabinieri Corps (*Arma dei Carabinieri*) in the framework of an investigation that led to the dismantling of an organised crime group involved in the production and distribution of counterfeit euro coins. The seized counterfeit coins, belonging

¹⁷ OJ L 373, 21.12.2004.

¹⁸ OJ L 17, 22.01.2009.

¹⁹ Administrative Cooperation Arrangements with Albania, Kosovo, Montenegro, North Macedonia, Serbia and Turkey have been concluded.

to a new class of counterfeit two euro coins, were sold via a channel on a messaging application, receiving payments in cryptocurrency.

3.4. Training

3.4.1. Pericles actions for the protection of the euro coins

The ‘Pericles IV’ programme is a Union financing instrument aimed at reinforcing the protection of euro banknotes and coins against counterfeiting, by means of seminars, conferences, staff exchanges, studies and other actions undertaken by Member States or the Commission.

In 2023, the ETSC took active part in the following Pericles actions:

- ▶ Pericles training in Chisinau (Moldova) organised by DG ECFIN, from 21 to 23 March 2023;
- ▶ Staff exchange on investigative techniques organised by the Italian Carabinieri, Rome (Italy), on 30 March and 21 April 2023;
- ▶ 5th “Balkan Network for Euro Protection” held in Rovigno (Croatia) and organised by the Croatian National Bank from 16 to 18 May 2023;
- ▶ Advanced training on coins organised by the Banco de Espana in Madrid (Spain), on 24 and 25 May 2023.

In 2023, the ETSC organised under the Pericles IV programme the “5th meeting of the Platform 1210 (Lisbon, 10 and 11 October 2023). The “Platform 1210” represents a consolidated networking instrument for enhancing the implementation of Regulation (EU) No 1210/2010 by maintaining a close and transparent cooperation among all stakeholders. As for the previous editions, the conference brought together participants from coin-processing machine (CPM) companies, European Commission, European Central Bank and Member States National Authorities

The 5th meeting was focused on identifying main issues at stake and providing an overview on the main technical developments for coin processing machines and on sharing best practices in carrying out detection tests performing demo sessions.

3.4.2. Cooperation with third countries

In March 2023, the ETSC supported the National Bank of the Republic of North Macedonia providing an online training on counterfeit euro coins classification.

Moreover, in May 2023 the ETSC participated in an TAIEX Expert Mission on protection of the euro coins against counterfeiting in Belgrade (Serbia), delivering basic training on analysis and classification of counterfeit euro coins and on authentication procedures sharing best practices in implementing Regulation (EU) No 1210/2010.

In September 2023, the ETSC assisted on-the-spot the Kosovo Forensic Institute in classifying a significant number of counterfeit euro coins. On 20 and 21 September 2023,

the ETSC participated in a workshop organised by EULEX (European Union Rule of Law Mission in Kosovo), providing basic training on counterfeit euro coins detection.

The ETSC also continued its effective cooperation with the Central Bank of Montenegro (CBCG). Figures reported depict an increase in counterfeit euro coins in that country, especially belonging to a specific common class, namely common class 2E72.

3.5. Coin-related legislative instruments and developments

3.5.1. Administrative provisions

The European Commission's policy with regard to anti-counterfeiting is based on four pillars: prevention, repression, training and cooperation.

The "authentication" process is vital with respect to prevention. Regulation (EU) No 1210/2010, adopted in December 2010, and concerning authentication of euro coins and handling of euro coins unfit for circulation, constitutes the legally binding instrument guaranteeing equal standards for the authentication of euro coins throughout the euro area. It introduces specific obligations with regard to the authentication procedures to be applied by the institutions concerned, and the necessary controls to be conducted by Member State authorities.

Following Article 7 of the Regulation, and in order to assist the Member States in implementing these procedures, the ETSC has defined the technical specifications for the detection test and drafted the "ETSC guidelines" related to controls, checks and auditing by Member States and the rules for the rectification of non-compliance²⁰.

In accordance with Article 12(4) of the Regulation, the Commission presented to the EFC its annual report on developments and results concerning authentication of euro coins and euro coins unfit for circulation²¹, based on an analysis made by the ETSC of the Member States' contributions. The main results and tendencies are shown in Annex 4.

Moreover, when implementing Article 3 of Regulation (EU) No 1210/2010, institutions shall use only the types of coin-processing machines (CPM) that have successfully passed a detection test carried out by the designated national authority or by the ETSC. An overview of the activities of the Member State testing centres is available in Annex 2.

3.5.2. Criminal law provisions

The protection of euro notes and coins and other currencies against counterfeiting is also ensured by criminal law. The European Parliament and the Council adopted Directive

²⁰ The ETSC Guidelines were distributed, for internal use only, to the CNACs (Coin National Analysis Centres, competent national authorities as referred to in Article 2(b) of Council Regulation (EC) No 1338/2001).

²¹ C(2023) 6822 final.

2014/62/EU²² (hereinafter the ‘Directive’), which reinforces the criminal law rules to protect the euro and other currencies against counterfeiting.

This Directive, which replaces Council Framework Decision 2000/383/JHA and was adopted in May 2014, introduces efficient investigative tools and improves prevention by allowing for the analysis of counterfeits by competent authorities, further enhancing the protection of the euro and other currencies from criminal measures.

Criminal offences have been modernised in this Directive. It is a criminal offence to produce and distribute not yet issued notes and coins; which is important in relation to the issuing of new euro notes (denomination 20 euro and higher).²³

It further includes an introduction of a maximum sanction of at least 5 years imprisonment for distribution offences, including not yet issued notes and coins; the maximum sanction of 8 years imprisonment for production offences should now include not yet issued notes and coins²⁴.

The Directive introduces the use of more effective investigation tools such as those that are used in combatting organised crime or other serious crime cases (like the interception of communications, covert surveillance including electronic surveillance, the monitoring of bank accounts and other financial investigations)²⁵.

Member States have to ensure that during criminal proceedings the examination by the National Analysis Centres (NACs) and CNACs of suspected counterfeit euro notes and coins is permitted without any delay²⁶.

The deadline for the Members States to transpose the Directive into their national legislation was 23 May 2016. In accordance with Article 12, the Commission submitted in 2019 a report on the application of the Directive to the European Parliament and the Council²⁷.

An external contractor carried out an assessment of the completeness and conformity of national legislation with the Directive under a Commission framework contract. Based on the compliance assessment results, the Commission in some cases took the appropriate actions and will continue to do so in order to ensure compliance of national legislation with the Directive’s provisions.

As part the Commission’s assessment to ensure that objectives are reached at minimum costs, the Commission has proposed to abolish the obligation for Member States’ competent authorities to transmit statistical data to the Commission on the number of counterfeiting

²² Directive 2014/62/EU of the European Parliament and of the Council of 15 May 2014 on the protection of the euro and other currencies against counterfeiting by criminal law, and replacing Council Framework Decision 2000/383/JHA (OJ L151, 21.5.2014, p.1).

²³ See Article 3(3) of Directive 2014/62/EU.

²⁴ See Article 5 of Directive 2014/62/EU.

²⁵ See Article 9 of Directive 2014/62/EU.

²⁶ See Article 10 of Directive 2014/62/EU.

²⁷ COM (2019) 331 final.

offences and on the number of persons prosecuted and convicted of the counterfeiting offences, as laid down in Article 11 of Directive 2014/62/EU.

This proposal was adopted by the co-legislators in September 2024 (add footnote here : Directive (EU) 2024/2808 of the European Parliament and of the Council of 23 October 2024 amending Directive 2014/62/EU as regards certain reporting requirements).

4. Conclusions and policy priorities

The year 2023 showed an overall recovery, after a slowdown due to Covid 19, of all the main activities related to handling of euro coins, confirming that the well-established system for the protection of euro coins against counterfeiting responded effectively and the network of authorities in charge of the protection of the euro ensured business continuity under the guidance of the ETSC.

The available statistical data revealed a significant increase in the number of counterfeit euro coins found in circulation in 2023, which exceeded 450 000 pieces. While the number of counterfeit coins detected continues to represent a very small part of the overall amount of genuine coins in circulation²⁸, 2023 shows a significant increase of the detected counterfeits compared to the previous 2 years.

This rise could be attributed to the combination of the following factors:

- The production and distribution of counterfeit euro coins increased compared to the previous year. While increased quantities of counterfeit coins were circulating and detected in 2023, it is likely that part of these quantities were produced in the previous year (s) and were gradually put into circulation.
- The increase of two common classes affects the overall trend. Despite the relatively large number of common classes overall, the bulk of counterfeit coins is still concentrated in a small number of key classes, namely the 2E72 family and 2E92 class. Therefore the significant increase in these classes in 2023 affects the overall trend, and this is the main reason behind the registered rise in the total detected counterfeits. Based on the information provided by law enforcement authorities in the framework of the counterfeiting expert groups' meetings, there are ongoing police investigations targeting the criminal groups producing these classes.

Additionally, ETSC efforts to monitor activities in third countries, offer support and training, as well as streamline the process for registering counterfeit euro coins have collectively contributed to a rise in the number of counterfeit euros detected and reported to the ETSC from neighbouring third countries.

²⁸ 736.95 million genuine coins of the 3 higher denominations.

As policy priorities, with a view to maintaining a high level of protection for euro coins, future initiatives should aim in particular at the following:

- ▶ continuing to monitor the implementation of Regulation (EU) No 1210/2010 and facilitate its implementation, in particular with regards to practical methodologies, through further streamlining the "ETSC guidelines".
- ▶ supporting law enforcement and Europol, by providing technical information and targeted statistical analysis on the main current threats namely class 2E92 and 2E72 family, which could be helpful in the ongoing investigations.
- ▶ maintaining effective cooperation with neighbouring third countries through the implementation of Administrative Cooperation Arrangements (ACAs).
- ▶ consolidating cooperation with the Chinese authorities, notably by supporting Member States in their dealings with China on investigations on counterfeit euro coins linked to China (produced in China and imported to the EU).

Annexes

Annex 1

Table 6: 2 euro commemorative coins counterfeited (common classes only)

The 5 th decade of the World Food Programme, IT 2004	
The Summer Olympic Games in Athens, GR 2004	
The Belgium-Luxembourg Economic Union, BE 2005	
The 1 st anniversary of the signing of the European Constitution, IT 2005	
The 20 th Winter Olympic Games in Turin, IT 2006	
The German Federal State of Schleswig-Holstein, DE 2006	

The German Federal State of Mecklenburg-Vorpommern, DE 2007



The 50th anniversary of the Treaty of Rome, AT 2007



The 50th anniversary of the Treaty of Rome, IE 2007



The 50th anniversary of the Treaty of Rome, DE 2007



The 50th anniversary of the Treaty of Rome, ES 2007



The 10th anniversary Economic Monetary Union, BE 2009



The 10th anniversary Economic Monetary Union, IE 2009



<p>The 10th anniversary Economic Monetary Union, ES 2009</p>
<p>The 10th anniversary Economic Monetary Union, ES 2009, DE 2009</p>
<p>The 200th anniversary of the birth of Camillo Benso, Count of Cavour, IT 2010</p>
<p>Federal state of North Rhine-Westphalia, DE 2011</p>
<p>The 30th anniversary of the Day of Music, FR 2011</p>
<p>The 75th anniversary of the Queen Elisabeth Competition, BE 2012</p>
<p>Federal state of Bavaria, DE 2012</p>



Ten years of the Euro, AT 2012
Ten years of the Euro, BE 2012
Ten years of the Euro, DE 2012
Ten years of the Euro, IT 2012
Baden-Württemberg from the 'Länder'-series, DE 2013
The 200 th anniversary of the foundation of Arma dei Carabinieri, IT 2014
Niedersachsen from the 'Länder' series, DE 2014



EXPO Milano 2015, IT 2015
25 years of German Unity, DE 2015
The 30th anniversary of the EU flag, GR 2015
Hessen from the 'Lander' series, DE 2015
Saxony (Federal States series), DE 2016
François Mitterrand, FR 2016
The 25th anniversary of independence of the Republic of Slovenia, SI 2016



25th anniversary of the pink ribbon, symbol of the fight against breast cancer, FR 2017



Rhineland-Palatinate ('Federal States' (Bundesländer) series), DE 2017



100 years of the Austrian Republic, AT 2018



Berlin ('Federal States' (Bundesländer) series), DE 2018



The 100th birthday anniversary of the great German statesman and Chancellor Helmut Schmidt (1918-2015), DE 2018



Simone Veil, FR 2018



70 years since the union of the Dodecanese, GR 2018



Andreas Kalvos — 150 years in memoriam, GR 2019



100 years since the establishment of the Dáil Éireann (Irish Parliament), IE 2019



Charles de Gaulle, FR 2020



Bundesländer series – Saxony-Anhalt. De 2021



200 years since the Greek Revolution, GR 2021



Bundesländer series – Thuringia, DE 2022



Annex 2

The Commission's report to EFC for the year **2022** presented according to Article 12 (4) of Regulation (EU) No 1210/2010, shows the following tendencies in comparison with the previous one:

- ▶ There was an increase in the number of coins which have been authenticated in 2022 compared to the previous years. Almost 13 billion coins were authenticated;
- ▶ An increase in the number of suspected counterfeits that have been analysed following the authentication procedure;
- ▶ An increase in the number of unfit coins reimbursed;
- ▶ The number of controls carried out has marginally increased compared to 2021 but still decreased compared to 2019 which was not affected by the pandemic (-25.68%);
- ▶ The number of coin-processing machines checked increased compared to 2021, slightly exceeding the figure of the year 2019 not affected by the pandemic;
- ▶ The number of machines functioning properly, among those checked, increased in comparison to 2021 as well as the number of machines demonstrating non-conformity;
- ▶ All Member States of the euro area carried out controls of the correct implementation of the authentication obligation by the institutions referred to in Article 6 of the Regulation;
- ▶ Luxembourg carried out on the spot checks in accordance with Article 6 for the first time in 2022;
- ▶ The Commission services note that as the Regulation as a whole, and Article 6 in particular, aim to manage the risks of non-authentic coins, if there are a limited number of machines doing the checking, there is a higher risk in case of problems with those machines as the checking is not diffused across a great number. This may warrant checking such machines more than once a year

The following charts offer an overview on the main figures described above.

Chart 24: Volume of euro coins authenticated in 2012 – 2022

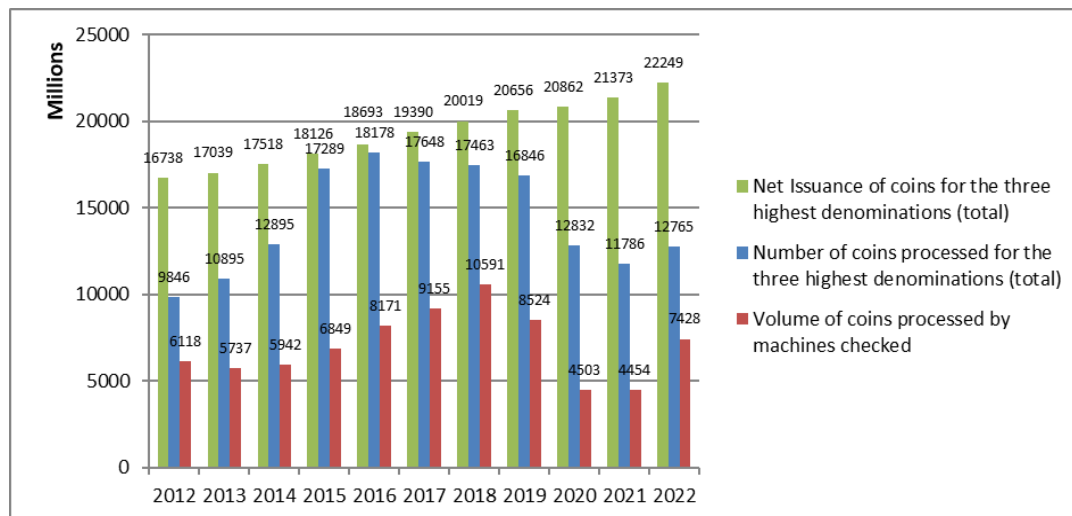


Chart 25: Controls carried out in 2012 – 2022

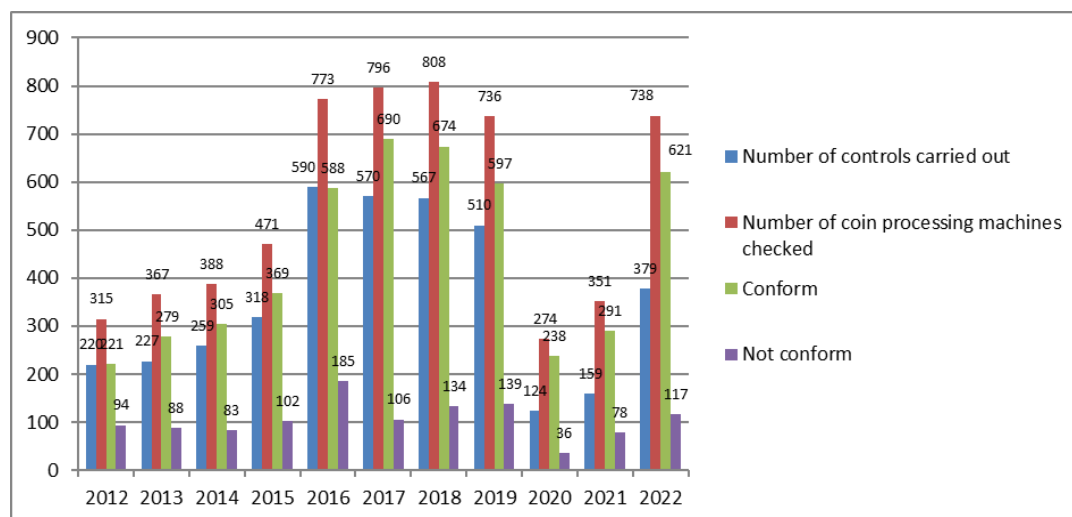


Chart 26: Counterfeit coins and unfit coins in 2012 – 2022

