

# EUROPEAN CENTRAL BANK

## OPINION OF THE EUROPEAN CENTRAL BANK

of 5 July 2006

at the request of the Council of the European Union on two proposed Council decisions on the exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles' programme)

(CON/2006/35)

(2006/C 163/06)

### Introduction and legal basis

On 12 June 2006 the European Central Bank (ECB) received requests from the Council of the European Union for opinions on two proposed measures: a proposal for a Council decision amending and extending Decision 2001/923/EC establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles' programme); and a proposal for a Council decision extending to the non-participating Member States the application of Council Decision amending and extending Decision 2001/923/EC establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles' programme) <sup>(1)</sup>.

The ECB's competence to deliver an opinion is based on Article 105(4) of the Treaty establishing the European Community. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the European Central Bank, the Governing Council has adopted this opinion.

### 1. General observations

The fight against euro counterfeiting is of great importance for citizens' confidence in the single currency. The ECB, which has the exclusive right to authorise the issue of banknotes within the Community, is actively involved in this effort. Specifically, the ECB develops banknote designs and advanced technical features for inclusion in euro banknotes, which allow both laymen and experts to distinguish genuine banknotes from counterfeits. Moreover, the ECB analyses new counterfeit types at its Counterfeit Analysis Centre (CAC) and uses the knowledge gained to better advise law enforcement authorities and enhance the features of future banknotes. The CAC coordinates the dissemination of all known technical and statistical data on euro counterfeits to all relevant parties. The ECB welcomes the Pericles programme as a useful contribution to the activities deployed by the ECB, EUROPOL and national authorities in the fight against euro counterfeiting.

### 2. Specific observations

The ECB has two specific observations on the proposed legislation, in line with some of the observations made in Opinion CON/2005/22 of 21 June 2005 <sup>(2)</sup> regarding the extension of the temporal and material scope of the Pericles programme.

<sup>(1)</sup> COM(2006) 243 final contains both proposals (2006/0078(CNS) and 2006/0079(CNS)).

<sup>(2)</sup> OJ C 161, 1.7.2005, p. 11.

### 2.1 *Duration of the proposed extension*

It is important for Community legislation to ensure that the extension of the Pericles programme is adequately linked to the timing of (i) the introduction of the euro in the new Member States; and (ii) the issue of the second series of euro banknotes. The ECB confirms that an extension to 31 December 2013 would provide for such an adequate link.

### 2.2 *Involvement of the ECB and Europol in financing decisions under the Pericles programme*

In order to avoid overlaps and ensure consistency and complementarity of actions under the Pericles programme, and to take advantage of the ECB's expertise in the field, it would be beneficial for the Commission, the ECB and Europol to jointly examine initiatives to be funded under the Pericles programme, and for the selection decision to require the consultation and due consideration of the views of the two latter bodies, within the framework of the Steering Group they already established with the aim of developing a common strategy against counterfeiting of the euro.

## 3. **Drafting proposal**

In addition to the above advice, a drafting proposal is set out in the Annex.

Done at Frankfurt am Main, 5 July 2006.

The President of the ECB  
Jean-Claude TRICHET

## ANNEX

## Drafting proposals

Text proposed by the Commission <sup>(1)</sup>	Amendments proposed by the ECB <sup>(2)</sup>
Amendment 1 Article 1 of proposal 2006/0078(CNS)	
[No current proposal]	<p><b>Recital 7 shall be replaced by the following:</b></p> <p><b>Without prejudice to the role of the ECB and of the Steering Group established among the Commission, the ECB and Europol for the protection of the euro against counterfeiting, the Commission will carry out all consultations concerning the evaluation of needs for the protection of the euro with the main parties involved (in particular the competent national authorities designated by the Member States, the ECB and Europol) within the appropriate advisory committee provided for in Regulation (EC) No 1338/2001 of 28 June 2001 laying down measures necessary for the protection of the euro against counterfeiting <sup>(3)</sup>, particularly as regards exchanges, assistance and training, for the purpose of implementing this programme.</b></p>
<i>Justification — See paragraph 2.2 of the opinion</i>	
Amendment 2 Article 1 of proposal 2006/0078(CNS)	
[No current proposal]	<p><b>The following sentence shall be added to the second subparagraph of Article 5(1):</b></p> <p><b>The latter shall be required to give their views for due consideration as regards the selection, pursuant to Article 12(2), of projects presented by the Member States or devised on the Commission's own initiative.</b></p>
<i>Justification — See paragraph 2.2 of the opinion</i>	
<p><sup>(1)</sup> Italics in the body of the text indicate where the ECB proposes deleting text.  <sup>(2)</sup> Bold in the body of the text indicates where the ECB proposes inserting new text.  <sup>(3)</sup> OJ L 181, 4.7.2001, p. 6.</p>	