

DECISION (EU) 2016/955 OF THE EUROPEAN CENTRAL BANK**of 6 May 2016****amending Decision ECB/2013/54 on the accreditation procedures for manufacturers of euro secure items and euro items (ECB/2016/12)**

THE GOVERNING COUNCIL OF THE EUROPEAN CENTRAL BANK,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 128(1) thereof,

Having regard to the Statute of the European System of Central Banks and of the European Central Bank, and in particular Article 12.1, Article 16 and Article 34.3 thereof,

Having regard to Council Regulation (EC) No 2532/98 of 23 November 1998 concerning the powers of the European Central Bank to impose sanctions ⁽¹⁾,

Having regard to Regulation (EC) No 2157/1999 of the European Central Bank of 23 September 1999 on the powers of the European Central Bank to impose sanctions (ECB/1999/4) ⁽²⁾,

Whereas:

- (1) Article 128(1) of the Treaty and Article 16 of the Statute of the European System of Central Banks and of the European Central Bank provide that the European Central Bank (ECB) has the exclusive right to authorise the issue of euro banknotes within the Union. This right includes the competence to take measures to protect the integrity of euro banknotes as a means of payment.
- (2) Following the entry into force of Decision ECB/2013/54 ⁽³⁾, it became apparent that the ECB's power to impose appropriate and proportionate penalties, including financial penalties, in the event of non-compliance, needs to be strengthened to cover all scenarios that could require sanctions to be imposed pursuant to Article 20 of Decision ECB/2013/54.
- (3) Therefore Decision ECB/2013/54 should be amended accordingly,

HAS ADOPTED THIS DECISION:

*Article 1***Amendment**

Article 20 of Decision ECB/2013/54 is replaced by the following:

'Article 20

Financial penalties in the case of discrepancies in quantities of euro banknotes or banknote paper

1. A manufacturer performing production of euro banknote paper or euro banknotes shall report to the ECB, in accordance with the substantive security requirements, any discrepancy in quantities of euro banknote paper or quantities of partly or fully printed euro banknotes identified during a euro secure activity at its accredited manufacturing site.

⁽¹⁾ OJ L 318, 27.11.1998, p. 4.

⁽²⁾ OJ L 264, 12.10.1999, p. 21.

⁽³⁾ Decision ECB/2013/54 of the European Central Bank of 20 December 2013 on the accreditation procedures for manufacturers of euro secure items and euro items and amending Decision ECB/2008/3 (OJ L 57, 27.2.2014, p. 29).

2. If a discrepancy in quantities of euro banknote paper or quantities of partly or fully printed euro banknotes occurs during a euro secure activity at the accredited manufacturing site and is not dealt with by the manufacturer in accordance with the substantive security requirements, the ECB may impose a financial penalty on the manufacturer.

3. The seriousness of the discrepancy shall be taken into account in each case when deciding on the amount of the financial penalty. In particular, the face value of the banknotes constituting the discrepancy and the seriousness of the breach of the substantive security requirements shall be taken into account. If the said face value exceeds EUR 50 000, the ECB shall impose on the manufacturer a financial penalty equal to that face value, unless the circumstances of the case justify the imposition of a different penalty. If the face value is below EUR 50 000, the ECB shall impose on the manufacturer a penalty of EUR 50 000, unless the circumstances of the case justify the imposition of a lower penalty. A financial penalty shall under no circumstances exceed EUR 500 000.

4. A financial penalty shall apply only when an infringement of the substantive security requirements by a manufacturer is clearly verified. Decisions on financial penalties shall follow the procedures laid down in Regulation (EC) No 2532/98 and Regulation (EC) No 2157/1999 of the European Central Bank (ECB/1999/4) (*). In addition to the financial penalties, the ECB may decide to issue a warning decision, or to revoke or suspend a provisional accreditation or accreditation.

(*) Regulation (EC) No 2157/1999 of the European Central Bank of 23 September 1999 on the powers of the European Central Bank to impose sanctions (ECB/1999/4) (OJ L 264, 12.10.1999, p. 21).'

Article 2

Taking effect

This Decision shall take effect on the day of its notification to the addressees.

It shall apply from 1 June 2016.

Article 3

Addressees

This Decision is addressed to manufacturers of euro secure items and euro items and to the national central banks of Member States whose currency is the euro, whenever they perform stock checks, checks on destruction or checks on transport.

Done at Frankfurt am Main, 6 May 2016.

The President of the ECB

Mario DRAGHI
