

Pericles 2020 programme: exchange, assistance and training for the protection of the euro against counterfeiting (2014-2020)

2011/0449(COD) - 19/12/2011 - Legislative proposal

PURPOSE: to establish, from 2014 to 2020, an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme).

PROPOSED ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: the euro continues to be an attractive target for organised crime groups active in counterfeiting money, not only in Europe but also in other regions of the world. The international dimension of the threat with respect to euro counterfeiting calls for **supranational coordination in facing it**; through the Pericles programme, the Commission conducts such coordination by way of exchanges, training activities and technical assistance. Activities with the aim of promoting exchanges of information and staff, technical and scientific assistance and specialised training help significantly to protect Europe's single currency against counterfeiting and related fraud and therefore to attain a high and equivalent level of protection across the Union.

Past support for such initiatives, through Council Decision 2001/923/EC establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the "Pericles" programme), has made it possible to enhance the activities of the Union and the Member States in the field of the protection of the euro against counterfeiting. The objectives of the Pericles programme for both the period 2002-2006 and the period 2007-2013 were successfully achieved.

The Treaty reflects concerns about the protection of the euro by providing for the measures necessary for its use as a single currency. As the legal basis for Pericles will expire at the end of 2013, its replacement should ensure the continuity of Union support for the activities carried out by the Commission and the Member States.

IMPACT ASSESSMENT: **four options** have been considered:

- **Option 1:** continue the programme with the same level of funding (baseline scenario).
- **Option 2:** renew the Pericles programme with improved objectives and methodology, including in particular an increased maximum rate of co-financing.
- **Option 3:** merge Pericles with other Commission programmes.
- **Option 4:** discontinue the Pericles programme, and leave it for Member States to organise activities at national level for protecting the euro.

The option to renew the programme with improved objectives and methodology is preferred (**Option 2**). This option has a budgetary allocation in real prices that remains similar to the current allocation (approximately one million euro per year). It adds flexibility in determining the amount of the grant by simplifying the determination of costs to be borne by Member States; it broadens the range of eligible activities by making it possible to finance the purchase of equipment to be used by specialised anti-counterfeiting agencies in for protecting the euro against counterfeiting; and it increases the rate of co-financing up to a maximum of 90 % of eligible costs, in duly justified cases. The higher rate of co-financing will particularly facilitate a more balanced geographic distribution of activities by offering wider scope for Member States to apply.

LEGAL BASIS: **Article 133** of the Treaty on the Functioning of the European Union (TFEU). The application of the Pericles programme will be extended to the Member States that have not adopted the euro as their single currency, through a proposal for a parallel Regulation based on Article 352 TFEU.

CONTENT: the Commission proposes to establish a multiannual action programme ‘Pericles 2020’ to **promote activities for the protection of the euro against counterfeiting and related fraud**. The Programme shall run from 1 January 2014 to 31 December 2020. The Programme shall contribute to **increased transnational cooperation** for the protection of the euro at Union level and internationally and to the greater effectiveness of these operations on the basis of best practices, common standards and joint specialised training. The general objective of the Programme shall be to prevent and combat counterfeiting and fraud thus enhancing the competitiveness of the European economy and securing the sustainability of public finances.

The specific objective of the Programme shall be to protect the euro banknotes and coins against counterfeiting and related fraud, by supporting and supplement the measures undertaken by the Member States and assisting the competent national and European authorities in their efforts to develop between themselves and with the European Commission a close and regular cooperation, also including third countries and international organisations.

This objective shall be measured, inter alia, through the effectiveness of action by financial, technical, law-enforcement and judicial authorities, as measured through the number of counterfeits detected, illegal workshops dismantled, individuals arrested and sanctions imposed.

The Pericles programme concerns this specific sphere of activity of the European Commission and its cooperation with Member States’ competent authorities, as well as with the other European institutions and bodies, more particularly through OLAF. Support from programmes designed to have a wider impact would be less effective in addressing such a specific issue and, in political terms, the EU institutions should demonstrate that they share a real determination to deal with this important aspect of EU policy and European identity. Accordingly, the Pericles programme will:

- target exclusively the protection of the euro, in the context of a long-term vision that is consistent with other EU objectives, on the basis of the priorities set each year for this specific field of expertise;
- allow the implementation of other EU programmes to focus on priorities other than the protection of the euro;
- fully take into account the results of the activities already co-financed in the past in this field, including in terms of targeted rules for beneficiaries and geographical balance;
- aim not only to have a direct impact on the situation of some Member States but to place strong emphasis on the EU dimension of the protection of Europe’s single currency.

The Pericles 2020 programme will make a substantial contribution to maintaining and **further improving the high level of protection of the euro associated with the intensification of cross-border cooperation, exchanges and assistance**. At the same time, overall savings will be achieved from the collectively organised activities and procurement, as compared to potential individual national initiatives. Priorities and implementation strategies are regularly discussed at meetings of the Euro Counterfeiting Experts Group (ECEG). The ECEG coordinates and is associated with the implementation of Pericles activities.

In addition, the objectives have been renewed with special attention to setting Specific, Measurable, Attainable, Relevant and Time-bound (SMART) criteria. This will also help to ensure proper implementation and monitoring.

BUDGETARY IMPLICATIONS: the overall budget is **EUR 7 700 000** in current prices. This amount is in line with the Commission proposal for the next Multiannual Financial Framework for the period 2014-2020: '[A Budget for Europe 2020](#)'.