

# Protection against counterfeiting: medals and tokens similar to euro coins

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## **OPINION OF THE EUROPEAN CENTRAL BANK on a proposal for two Council Regulations concerning medals and tokens similar to euro coins.**

On 25 September 2008, the European Central Bank (ECB) received a request from the Council of the European Union for an opinion on a [proposal for a Council Regulation](#) amending Regulation (EC) No 2182/2004 concerning medals and tokens similar to euro coins and a proposal for a Council Regulation amending Regulation (EC) No 2183/2004 extending to the non-participating Member States the application of Regulation (EC) No 2182/2004 concerning medals and tokens similar to euro coins.

**General observations:** by clarifying the specific elements of the designs on legal tender euro coins that should not be reproduced on medals and tokens that are similar to euro coins and establishing the criteria to be used by the Commission when preparing an opinion on compliance with Regulation (EC) No 2182/2004, the first proposed regulation strengthens the protective provisions laid down in the Regulation against confusion and fraud relating to medals and tokens that could be mistaken for euro coins. It also improves transparency in the Commission's decision-making process.

Since euro coins may circulate beyond the territories of the Member States that have adopted the euro, having a certain degree of protection of euro coins in Member States which have not yet adopted the euro is of importance with regards to activities, such as counterfeiting, that may impair their credibility as legal tender.

The ECB also makes a number of **specific observations**:

**Similarity of the design appearing on the surface of medals and tokens:** compared to Article 2(c) of Regulation (EC) No 2182/2004, the new Article 2(1)(c) of the first proposed regulation describes in more detail the designs or parts thereof appearing on the surface of euro coins which may not be reproduced on medals and tokens. To enhance the protective character of this provision, the ECB recommends including an **express reference to the euro symbol and to the terms 'euro' and 'euro cent'** in the new Article 2(1)(c)(i);

**Transparency in the decision-making process:** according to the explanatory memorandum to the first proposed regulation, the Commission has been working closely with counterfeit coin experts. However, the first proposed regulation only refers to 'consultation with the Member States'. As a result, the ECB recommends that an express reference to the counterfeit coin experts be included in the new Article 2(2);

**Derogations by authorisation:** the ECB considers that appropriate wording should be added in this respect. Moreover, In order to enhance transparency and improve legal certainty, the new Article 4 would benefit from more comprehensive and/or illustrative wording on the general criteria to be applied by the Commission when authorising a derogation.

**Application of the first proposed regulation to Monaco, San Marino and the Vatican City :** under monetary agreements with France and Italy, Monaco, San Marino and the Vatican City are entitled to issue euro coins which have the status of legal tender and have specific artistic features on their national side. Because the visual characteristics of these euro coins are different from the visual characteristics of the euro coins issued by each of the Member States that have adopted the euro, the euro coins issued by

Monaco, San Marino and the Vatican City should also benefit from the protective provisions laid down in the first proposed regulation.

**Consultation of the ECB on the second proposed regulation:** unlike the first proposed regulation, the preamble to the [second proposed regulation](#) does not refer to the ECB's opinion. In view of the fact that both proposed regulations fall within the ECB's fields of competence, the preamble to the second proposed regulation should be amended to refer to the ECB's opinion.