Fight against crime and fraud: use of payment cards, information required for the offences

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The Committee has endorsed the report by its rapporteur, Gerhard SCHMID (PES, D), on payment card crime. The committee unanimously recommended that Parliament should approve the joint action on the involvement of organised crime in the use of payment cards. As this is matter which comes under the 3rd pillar (justice and home affairs), Parliament is simply being consulted. The proposal for a joint action put forward by the Council was drawn up by the British Presidency. This is an area in which the EU has so far taken little action, However, its options are limited because Article K.3 does not provide for harmonisation but for Member States to "establish collaboration between the relevant departments of their administrations". The draft joint action adopted by the Council is designed to ensure better exchange of information on payment card crime between Member States' law enforcement agencies and the payment card industry. Worldwide losses as a result of the various types of payment card fraud are of the order of several billion ecus. A broad range of fraudulent activities are covered by this term: misuse of stolen cards, modification of data recorded on cards, transfer of data on the magnetic strip, use of blank plastic cards and complete counterfeiting. Most payment card crime takes place on an organized basis. The amendments adopted by the Committee call for a specific definition of the acts to be covered. The joint action should, it says, spell out how they can be prevented. Law enforcement agencies should provide card issuers only with strategic information containing precise details on fraudulent transactions. Similarly, the law enforcement agencies should not pass on to card issuers any data of a personal nature. The committee also called for the deletion of one provision allowing each Member State ultimately to decide on the type and scope of information to be forwarded. This, it believes, would render the "joint action" approach valueless. Lastly, the tasks covered by the draft joint action should, in the medium term, be the responsibility of Europol. In a related area, Parliament adopted a resolution on 20th February designed to increase consumer confidence in electronic means of payment (report by Astrid THORS, ELDR, Fin).