# Regulation (EU) No 331/2014 of the European Parliament and of the Council of 11 March 2014 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting (the 'Pericles 2020' programme) and repealing Council Decisions 2001/923/EC, 2001/924/EC, 2006/75/EC, 2006/76/EC, 2006/849/EC and 2006/850/EC

## REGULATION (EU) No 331/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

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THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 133 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Central Bank[(1)],

Acting in accordance with the ordinary legislative procedure[(2)],

Whereas:

(1) The Union and the Member States have set themselves the objective of laying down the measures necessary for the use of the euro as a single currency. Those measures include protecting the euro against counterfeiting and related fraud, thus empowering the effectiveness of the Union's economy and securing the sustainability of public finances.

(2) Council Regulation (EC) No 1338/2001[(3)] provides for exchanges of information, cooperation and mutual assistance, thereby establishing a harmonised framework for the protection of the euro. The effects of that Regulation were extended by Council Regulation (EC) No 1339/2001[(4)] to those Member States which have not adopted the euro as their single currency, so as to provide an equivalent level of protection for the euro throughout the Union.

(3) Actions with the aim of promoting exchanges of information and staff, technical and scientific assistance and specialised training help significantly to protect the Union's single currency against counterfeiting and related fraud and therefore to attain a high and equivalent level of protection across the Union, whilst demonstrating the Union's ability to tackle serious organised crime.

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(4) The programme for the protection of the euro against counterfeiting (the Pericles programme) contributes to raising the awareness of Union citizens, improving the protection of the euro, especially through the constant dissemination of results of actions supported by that programme.

(5) Past support for such actions, through Council Decisions 2001/923/EC[(5)] and 2001/924/EC[(6)], which were subsequently amended and extended by Council Decisions 2006/75/EC[(7)], 2006/76/EC[(8)], 2006/849/EC[(9)] and 2006/850/EC[(10)], has made it possible to enhance the actions 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 have been successfully achieved.

(6) In its impact assessment, carried out in 2011, evaluating whether the Pericles programme should be continued, the Commission came to the conclusion that the Pericles programme should be renewed with improved objectives and methodology.

(7) The advice contained in the impact assessment was that actions should be continued and further developed at the level of the Union and the Member States in the field of the protection of the euro against counterfeiting, taking into account the new challenges in a context of budgetary austerity. Under the new programme, Pericles 2020 programme, proposals presented by the participating Member States may include participants from third countries, if their participation is important for the protection of the euro.

(8) It should be ensured that the Pericles 2020 programme is consistent with, and complementary to, other relevant programmes and actions. The Commission should therefore carry out all the necessary consultations with regard to evaluating needs for the protection of the euro with the principal parties involved (in particular the competent national authorities designated by the Member States, the European Central Bank and Europol) within the committee referred to in Regulation (EC) No 1338/2001, particularly as regards exchanges, assistance and training, for the purpose of the application of the Pericles 2020 programme.

(9) The Pericles 2020 programme should be implemented in full compliance with the provisions of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council[(11)]. In accordance with that Regulation, a grant may not have as its sole purpose the purchase of equipment. A grant is meant to support financially an action intended to help to achieve a Union policy objective.

(10) The importance of the euro as a worldwide currency requires an adequate level of protection at international level, which can be achieved by making funds available for the purchase of equipment to be used by third countries' agencies in investigating euro counterfeiting.

(11) The evaluation of the Pericles programme conducted with stakeholders demonstrates the added value of that programme, in terms of the high level of cooperation among Member States and with third countries, as well as complementarity with actions undertaken at national level, resulting in increased effectiveness. The continuation of the Pericles programme at Union level is expected to make a substantial contribution to maintaining and further improving the high level of protection of the euro associated

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with the intensification of cross-border cooperation, exchange and assistance. At the same time, overall savings will be achieved from the collectively organised actions and procurement, as compared with potential individual national initiatives.

(12) The Commission should present to the European Parliament and to the Council an independent mid-term evaluation report on the implementation of the Pericles 2020 programme and a final evaluation report on the achievement of its objectives.

(13) This Regulation complies with the principles of added value and proportionality. The Pericles 2020 programme should facilitate cooperation among the Member States and between the Commission and the Member States in order to protect the euro against counterfeiting, without impinging on Member States' responsibilities, and using resources more efficiently than could be done at national level. Action at Union level is necessary and justified as it clearly assists Member States in collectively protecting the euro and encourages the use of common Union structures to increase cooperation and information exchange between competent authorities.

(14) The Pericles 2020 programme should run for a period of seven years to align its duration with that of the multiannual financial framework laid down in Council Regulation (EU, Euratom) No 1311/2013[(12)].

(15) In order to ensure uniform conditions for the implementation of the Pericles 2020 programme, implementing powers should be conferred on the Commission. The Commission should adopt annual work programmes setting out the priorities, the budget breakdown and the evaluation criteria for the grants for actions. The Commission should discuss the application of this Regulation with the Member States within the framework of the committee referred to in Regulation (EC) No 1338/2001. The exceptional and duly justified cases, in which an increase in co-financing is necessary in order to give the Member States greater economic flexibility, thus enabling them to carry out and complete projects to protect and safeguard the euro in a satisfactory manner, should be part of the annual work programmes.

(16) This Regulation lays down a financial envelope for the entire duration of the Pericles 2020 programme, which is to constitute the prime reference amount, within the meaning of point 17 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management[(13)], for the European Parliament and the Council during the annual budgetary procedure.

(17) In order to provide for a degree of flexibility in the allocation of funds, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of amendments to the indicative allocation of those funds. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.

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(18) The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, administrative and financial penalties.

(19) Decisions 2001/923/EC, 2001/924/EC, 2006/75/EC, 2006/76/EC, 2006/849/EC and 2006/850/EC should be repealed. Transitional measures should be provided to complete financial obligations relating to actions pursued under those Decisions.

(20) It is appropriate to ensure a smooth transition without interruption between the Pericles programme and the Pericles 2020 programme and it is appropriate to align the duration of the Pericles 2020 programme with Regulation (EU, Euratom) No 1311/2013. Therefore, the Pericles 2020 programme should apply as from 1 January 2014,

HAVE ADOPTED THIS REGULATION:

## CHAPTER I

## GENERAL PROVISIONS

### *Article 1*

### Subject matter

The multiannual action programme to promote actions for the protection and safeguarding of the euro against counterfeiting and related fraud ‘Pericles 2020’ (‘the Programme’) is hereby established for the period from 1 January 2014 to 31 December 2020.

### *Article 2*

### Added value

The Programme shall actively encourage and entail an increase in transnational cooperation for the protection of the euro inside and outside the Union and with the Union’s trading partners, and with attention also being paid to those Member States or third countries that have the highest rates of euro counterfeiting, as shown by the relevant reports issued by the competent authorities. Such cooperation shall contribute to the greater effectiveness of the protection of the euro through the exchanging of best practice, common standards and joint specialised training.

### *Article 3*

### General objective

The general objective of the Programme shall be to prevent and combat counterfeiting and related fraud, thus enhancing the competitiveness of the Union’s economy and securing the sustainability of public finances.

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*Article 4*

**Specific objective**

The specific objective of the Programme shall be to protect euro banknotes and coins against counterfeiting and related fraud, by supporting and supplementing the measures undertaken by the Member States and assisting the competent national and Union authorities in their efforts to develop among themselves and with the Commission a close and regular cooperation and an exchange of best practice, where appropriate including third countries and international organisations.

That 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 penalties imposed.

*Article 5*

**Bodies eligible for funding**

Bodies eligible for funding under the Programme shall be the competent national authorities as defined in point (b) of Article 2 of Regulation (EC) No 1338/2001.

*Article 6*

**Participation in the Programme**

1 Participating countries shall be the Member States having adopted the euro as their single currency.

2 The proposals presented by the Member States referred to in paragraph 1 may include participants from third countries, if that is important for the fulfilment of the general and specific objectives provided for in Articles 3 and 4 respectively.

*Article 7*

**Target groups and joint actions**

1 The Programme shall target the participation of the following groups:

a staff of agencies engaged in detecting and combating counterfeiting, in particular police forces and financial administrations, depending on their specific functions at national level;

b intelligence personnel;

c representatives of the national central banks, the mints, commercial banks and other financial intermediaries, in particular as regards the obligations of financial institutions;

d judicial officers, specialist lawyers and members of the judiciary in this field;

e any other group of specialists concerned, such as chambers of commerce and industry or comparable structures capable of providing access to small and medium-sized enterprises, retailers and cash-in-transit companies.