



**2018/0194(COD)**

8.11.2018

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## **DRAFT REPORT**

on the proposal for a regulation of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting for the period 2021-2027 (the 'Pericles IV programme')

(COM(2018)0369 – C8-0240/2018 – 2018/0194(COD))

Committee on Civil Liberties, Justice and Home Affairs

Rapporteur: Dennis de Jong

### ***Symbols for procedures***

- \* Consultation procedure
- \*\*\* Consent procedure
- \*\*\*I Ordinary legislative procedure (first reading)
- \*\*\*II Ordinary legislative procedure (second reading)
- \*\*\*III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

### ***Amendments to a draft act***

#### **Amendments by Parliament set out in two columns**

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

#### **Amendments by Parliament in the form of a consolidated text**

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

## CONTENTS

	<b>Page</b>
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION.....	5
EXPLANATORY STATEMENT.....	14



## DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting for the period 2021-2027 (the 'Pericles IV programme') (COM(2018)0369 – C8-0240/2018 – 2018/0194(COD))

(Ordinary legislative procedure: first reading)

*The European Parliament,*

- having regard to the Commission proposal to Parliament and the Council (COM(2018)0369),
  - having regard to Article 294(2) and Article 133 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0240/2018),
  - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
  - having regard to Rule 59 of its Rules of Procedure,
  - having regard to the report of the Committee on Civil Liberties, Justice and Home Affairs (A8-0000/2018),
1. Adopts its position at first reading hereinafter set out;
  2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
  3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

### Amendment 1

#### Proposal for a regulation

##### Recital 6

*Text proposed by the Commission*

(6) In *the* Communication to the European Parliament and to the Council on the mid-term evaluation of the *Pericles 2020* Programme, the Commission came to the conclusion that the continuation of the *Pericles 2020 programme* beyond 2020 should be supported, given its *EU* added value, its long-term impact and the

*Amendment*

(6) ***Contrary to standard procedure, a separate impact assessment of the Programme was not carried out. This can be partly explained by the fact that in 2017 the Commission carried out a mid-term evaluation of the Programme, supported by an independent report<sup>1a</sup>. Although the report is generally positive about the Programme, it expresses***

sustainability of its actions.

*concerns about the limited number of competent authorities participating in the activities of the Programme and the quality of the key performance indicators used for measuring the results of the Programme.* In its Communication to the European Parliament and to the Council on the mid-term evaluation of the Programme, the Commission came to the conclusion that the continuation of the Programme beyond 2020 should be supported, given its *Union* added value, its long-term impact and the sustainability of its actions.

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*<sup>1a</sup> SWD(2017)444 final and  
Ares(2917)3289297 '30/06/2017*

Or. en

## Amendment 2

### Proposal for a regulation

#### Article 2 – paragraph 1 – subparagraph 2

*Text proposed by the Commission*

To *prevent and combat* counterfeiting and related fraud, thus enhancing *the competitiveness of the Union's economy and securing the sustainability of public finances*.

*Amendment*

To *protect euro banknotes and coins against* counterfeiting and related fraud, thus enhancing *the trust, which citizens, businesses and public authorities have in the genuineness of euro banknotes and coins*.

Or. en

## Amendment 3

### Proposal for a regulation

#### Article 3 – paragraph 1

*Text proposed by the Commission*

1. The financial envelope for the implementation of the Programme for the

*Amendment*

1. The financial envelope for the implementation of the Programme for the

period from 1 January 2021 to 31  
December 2027 shall be EUR 7 700 000  
(in current prices).

period from 1 January 2021 to 31  
December 2027 shall be EUR 7 700 000<sup>1a</sup>  
(in current prices).

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<sup>1a</sup> *Indicative amount only, depending on  
overall MFF.*

Or. en

## Amendment 4

### Proposal for a regulation Article 4 – paragraph 2

#### *Text proposed by the Commission*

2. The Programme shall be implemented by the Commission in cooperation with the Member States, through regular consultations at different stages of the implementation of the Programme, ***taking into account*** relevant measures undertaken by other competent entities, in particular the ***European Central Bank*** and Europol.

#### *Amendment*

2. The Programme shall be implemented by the Commission in cooperation with the Member States, through regular consultations at different stages of the implementation of the Programme, ***while avoiding overlap with*** relevant measures undertaken by other competent entities, in particular the ***ECB*** and Europol. ***To this effect, when preparing the work programmes to be funded under the Programme, the Commission shall closely involve the ECB and Europol, thus developing an aligned strategy against euro counterfeiting and fraud.***

Or. en

## Amendment 5

### Proposal for a regulation Article 6 – paragraph 1 – point a – indent -1 (new)

#### *Text proposed by the Commission*

#### *Amendment*

- ***best practices in preventing counterfeiting and fraud relating to the euro;***

## Amendment 6

### Proposal for a regulation

#### Article 6 – paragraph 1 – point b – indent 4

*Text proposed by the Commission*

— support for cooperation in operations involving at least two States when such support *is not* available from other programmes of European institutions and bodies;

*Amendment*

— support for cooperation in operations involving at least two States when such support *cannot be made* available from other programmes of European institutions and bodies;

Or. en

## Amendment 7

### Proposal for a regulation

#### Article 10 – paragraph 1

*Text proposed by the Commission*

1. The Programme shall be implemented by work programmes as referred to in Article 110 of Financial Regulation.

*Amendment*

1. The Programme shall be implemented by work programmes as referred to in Article 110 of Financial Regulation. *To this effect, the Commission shall organise advanced consultations with all relevant stakeholders, in particular with competent authorities, the ECB and Europol.*

Or. en

## Amendment 8

### Proposal for a regulation

#### Article 11 – paragraph 4

*Text proposed by the Commission*

4. Before adopting a delegated act, the Commission shall consult experts

*Amendment*

4. Before adopting a delegated act, the Commission shall consult experts



designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.

designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016, *as well as representatives from the ECB and Europol.*

Or. en

## **Amendment 9**

### **Proposal for a regulation Article 12 – paragraph 3**

#### *Text proposed by the Commission*

3. The Commission shall provide annual information on the results of the Programme to the European Parliament *and* to the Council, taking into account the quantitative and qualitative indicators set out in the Annex to this proposal.

#### *Amendment*

3. The Commission shall provide annual information on the results of the Programme to the European Parliament, to the Council, *the ECB and Europol*, taking into account the quantitative and qualitative indicators set out in the Annex to this proposal.

Or. en

## **Amendment 10**

### **Proposal for a regulation Article 13 – paragraph 3**

#### *Text proposed by the Commission*

3. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council *and* the *European Central Bank*.

#### *Amendment*

3. The Commission shall communicate the conclusions of the evaluations accompanied by its observations, to the European Parliament, the Council, the *ECB and Europol*.

Or. en

## Amendment 11

### Proposal for a regulation Annex I – paragraph 1 – introductory part

*Text proposed by the Commission*

The Programme will be monitored closely on the basis of a set of indicators intended to measure the extent to which the general and specific objectives of the Programme have been achieved ***and with a view to minimising administrative burdens and costs***. To that end, data will be collected as regards the following set of key indicators:

*Amendment*

The Programme will be monitored closely on the basis of a set of indicators intended to measure the extent to which the general and specific objectives of the Programme have been achieved. To that end, data will be collected as regards the following set of key indicators:

Or. en

## Amendment 12

### Proposal for a regulation Annex I – paragraph 1 – point a

*Text proposed by the Commission*

(a) *Number of counterfeit euros detected;*

*Amendment*

(a) ***Rate of participation of competent national authorities of Member States in the activities under the Programme and their feedback on the added value of those activities;***

Or. en

## Amendment 13

### Proposal for a regulation Annex I – paragraph 1 – point b

*Text proposed by the Commission*

(b) *Number of illegal workshops dismantled; and*

*Amendment*

(b) ***Added value of the Programme's activities compared with the work of other Union institutions and bodies, in particular, the ECB and Europol;***

## Amendment 14

### Proposal for a regulation Annex I – paragraph 1 – point b a (new)

*Text proposed by the Commission*

*Amendment*

***(ba) Contribution of the Programme's activities to the functioning of the competent national authorities of Member States, as well as to the level of cooperation between Member States against counterfeiting and fraud relating to euro banknotes and coins; and***

Or. en

## Amendment 15

### Proposal for a regulation Annex I – paragraph 1 – point c

*Text proposed by the Commission*

*Amendment*

***(c) Feedback received from participants in the actions financed by the Programme.***

***(c) Awareness among relevant stakeholders, including those listed in Article 5(1) of this Regulation, of the activities of the Programme.***

Or. en

## Amendment 16

### Proposal for a regulation Annex I – paragraph 2 – introductory part

*Text proposed by the Commission*

*Amendment*

The data and information for the key performance indicators shall be collected annually by the ***following actors:***

The data and information for the key performance indicators shall be collected annually by the ***Commission, after close consultation with the competent national***

*authorities of the Member States, the ECB, Europol and other relevant stakeholders.*

Or. en

#### **Amendment 17**

##### **Proposal for a regulation Annex I – paragraph 2 – indent 1**

*Text proposed by the Commission*

*Amendment*

— *the Commission shall collect the data for the number of counterfeit euro coins and banknotes;*

*deleted*

Or. en

#### **Amendment 18**

##### **Proposal for a regulation Annex I – paragraph 2 – indent 2**

*Text proposed by the Commission*

*Amendment*

— *the Commission shall collect the data for the number of counterfeit workshops dismantled;*

*deleted*

Or. en

#### **Amendment 19**

##### **Proposal for a regulation Annex I – paragraph 2 – indent 3**

*Text proposed by the Commission*

*Amendment*

— *the Commission and the beneficiaries of the Programme shall collect the data for the feedback received from participants to the actions financed*

*deleted*

*by the Programme*

Or. en

## EXPLANATORY STATEMENT

The Rapporteur has based his amendments on close consideration of the mid-term evaluation of the Pericles 2020 Programme, consisting of an external report, followed by the Commission Communication (COM(2017)741 final) and a Commission Staff Working Document (SWD(2017)444 final). Although the mid-term evaluation contains much relevant information, in the Rapporteur's view, it cannot replace a proper impact assessment, with all the safeguards inherent to such an assessment. However, the Rapporteur did not want to prolong procedures by insisting on such an IA.

The mid-term evaluation showed that in general the Pericles 2020 Programme meets its objectives. Concerns were expressed with regard to the lack of participation in the Programme's activities by Competent National Authorities, as in practice mainly the French, Spanish and Italian CNAs seem to benefit from the programme's activities.

The second concern was the lack of relevant key performance indicators. The ones used measure the number of counterfeit euros detected and the number of illegal workshops dismantled, but these indicators do not provide any information on the link between these statistics and the programme's contribution to these.

The Rapporteur shares these concerns. By more closely involving Member States' competent national authorities in the setting up of annual work programmes, the Rapporteur hopes to increase their participation.

With regard to the key performance indicators, the Rapporteur has replaced those listed in the Commission proposal (Annex) by a set of indicators directly measuring the effectiveness of the programme's activities.

Finally, the Rapporteur has examined in detail the ECB's opinion. He agrees with the ECB that co-operation between the Commission and the ECB under the new Pericles IV Programme should be strengthened. In his opinion, the same holds for co-operation with Europol. The current Commission proposal leaves too much scope for actions running in parallel, thus risking to overlap each other. Hence, in Articles 4, 10, 12 and 13 references to ECB and, whenever relevant, Europol have been introduced by the Rapporteur.