



Mid-term evaluation of the Pericles IV Programme

Final report

Ecorys
31st July 2024



EUROPEAN COMMISSION

Directorate-General for Economic and Financial Affairs
Directorate C — Macroeconomic policies
Unit C.5 — Euro protection and euro cash

Contact: Luca PIERINI

E-mail: ecfin-pericles@ec.europa.eu

*European Commission
B-1049 Brussels*

Mid-term evaluation of the Pericles IV Programme

Final report

Authors: Mike Beke (Ecorys), Gabriëlle op't Hoog (Ecorys), Tea Paulović (Ecorys), Daniel Nigohosyan (Ecorys), Cristina Mariani (Ecorys), Sabine Hellemons (Ecorys), Janiek Steensma (Ecorys), Yannis Xenakis

Manuscript completed in <Month> <Year>

<Revised/Corrected/nth> edition

This document has been prepared for the European Commission however it reflects the views only of the authors, and the European Commission is not liable for any consequence stemming from the reuse of this publication.

Luxembourg: Publications Office of the European Union, <Year>

© European Union, <Year>



The reuse policy of European Commission documents is implemented by Commission Decision 2011/833/EU of 12 December 2011 on the reuse of Commission documents (OJ L 330, 14.12.2011, p. 39). Unless otherwise noted, the reuse of this document is authorised under a Creative Commons Attribution 4.0 International (CC BY 4.0) licence (<https://creativecommons.org/licenses/by/4.0/>). This means that reuse is allowed provided appropriate credit is given and any changes are indicated.

Print	ISBN	<xxx-xx-xx-xxxxx-x>	ISSN	<xxxx-xxxx>	doi:10.<xxxx/xx...x>	<xx-xx-xx-xx-xx-x>
PDF	ISBN	<xxx-xx-xx-xxxxx-x>	ISSN	<xxxx-xxxx>	doi:10.<xxxx/xx...x>	<xx-xx-xx-xx-xx-x>
EPUB	ISBN	<xxx-xx-xx-xxxxx-x>	ISSN	<xxxx-xxxx>	doi:10.<xxxx/xx...x>	<xx-xx-xx-xx-xx-x>
HTML	ISBN	<xxx-xx-xx-xxxxx-x>	ISSN	<xxxx-xxxx>	doi:10.<xxxx/xx...x>	<xx-xx-xx-xx-xx-x>

Contents

Executive Summary	2
1. Introduction	26
1.1. Introduction to the report.....	26
1.2. Purpose and scope of the evaluation.....	26
2. Background to the Pericles IV Programme	28
2.1. Objectives of the Pericles IV Programme	28
2.2. Implementation of the Programme – status & basic figures.....	29
2.3. Points of comparison	32
3. Evaluation findings	38
3.1. To what extent was the intervention successful and why?	38
3.1.1.Effectiveness	39
3.1.2.Efficiency	42
3.1.3.Coherence	51
3.1.4.Sustainability.....	64
3.2. How did the EU intervention make a difference and to whom?	68
3.2.1.EU added value	68
3.3. Is the intervention still relevant?.....	71
3.3.1.Relevance.....	71
3.4. Key findings	83
4. Conclusions and lessons learned	88
5. Annex I. Methodology and analytical models used	96
6. Annex II. Evaluation matrix and answers to the evaluation questions	102

6.1. Evaluation matrix per criterion	102
6.1.1.Coherence	111
6.1.2.Sustainability.....	113
6.2. Answers per evaluation question (per criterion).....	114
6.2.1.Relevance.....	115
6.2.2.Effectiveness	131
6.2.3.Efficiency	147
6.2.4.EU added value	162
6.2.5.Coherence	166
6.2.6.Sustainability.....	182
7. Annex III. Overview of benefits and costs and, where relevant, table on simplification and burden reduction.....	188
8. Annex IV. Stakeholders consultation – synopsis report	191
8.1. Consultation activities undertaken	191
8.2. Stakeholder groups consulted	192
8.3. Data processing tools and methodologies	193
8.4. Results of the consultation activities	193
9. Annex V. Case study reports	205
9.1. Case study South Eastern Europe Network.....	205
9.2. Case study Pericles IV actions with a focus on the web	224
10 Annex VI. Bibliography.....	236

List of abbreviations

ACA	Administrative Cooperation Arrangement
BDE	Banco de España
BIBE	Brigada de Investigación del Banco de España
BKA	Bundeskriminalamt
CNA	Competent National Authorities
CBCDG	Central Bank Counterfeit Deterrence Group
CCAFM	Comando Carabinieri Antifalsificazione Monetaria
CMS	Counterfeit Monitoring System
DG ECFIN	Directorate General for Economic and Financial Affairs
DG NEAR	Directorate-General for European Neighbourhood and Enlargement Negotiations
(ECB) CAC	(European Central Bank) Counterfeit Analysis Center
ECEG	Euro Counterfeiting Expert Group
EQ	Evaluation Question
ETSC	European Technical and Scientific Centre
EU	European Union
FTE	Full Time Equivalent
GdF	Guardia di Finanza
ISF-P	Internal Security Fund instrument for Police
MS	Member State
NAC	National Analysis Centre
NCB	National Central Bank
NCC	National Counterfeit Centre
NCO	National Central Office
Pericles	Programme for the Protection of the Euro against Counterfeiting
SOCTA	Serious Organised Crime Threat Assessment
TAIEX	Technical Assistance and Information Exchange instrument of the European Commission
ToR	Terms of Reference

Abstract

The Pericles IV Programme, covering the period 2021-2027, was established by Regulation (EU) No 2021/840 of the European Parliament and of the Council with the objective of helping to protect the euro against counterfeiting and related fraud. This report provides the findings and conclusions of the Mid-term evaluation of the Pericles IV Programme, which was carried out in the period January 2024 - July 2024. The overall conclusion of the evaluation is that the Pericles IV Programme continues to address the needs of the targeted stakeholders, delivers effectively the various envisaged activities, and contributed to the prevention and combating of euro counterfeiting and related fraud. Beneficiaries view the Programme very favourably as evidenced by the consistently very high (an average of 99.1%) satisfaction rate of participants of Pericles IV actions. The Pericles IV Programme is unique in the type of support it provides in enhancing the operational capacity of stakeholders involved in the protection of the euro, dissemination of best practices regarding the fight against counterfeiting, and building trust between institutions across and within Member States, as well as third countries. Given the emerging threats evidenced by the increasing quality of counterfeits, the increasing numbers of altered design banknotes in circulation and the ease at which both counterfeits and altered design banknotes are accessible via the clear web and social media, the evaluation concludes that there is a continued need for Pericles support.

Executive Summary

This report provides the findings and conclusions of the Mid-term evaluation of the Pericles IV Programme (the Programme). The study was commissioned by DG ECFIN pursuant to Article 13 of Regulation (EU) No 2021/840 and was implemented in the period January 2024 - July 2024 by Ecorys.

The Pericles IV Programme (covering the period 2021-2027) was established by Regulation (EU) No 2021/840 of the European Parliament and of the Council with the objective of helping to protect the euro against counterfeiting and related fraud. For this purpose, the Programme finances the following actions: seminars, workshops, training activities, staff exchanges, studies, and provision of equipment to anticounterfeiting authorities in third countries.

The evaluation covers all the above-mentioned actions implemented in the period 2021-2024 (March)¹ following the evaluation criteria as defined by the Better Regulation Guidelines, namely relevance; effectiveness; efficiency; coherence; EU added value. It also considers the sustainability of the Programme's actions in protecting the euro against counterfeiting.

The evaluation was performed in four stages, which included the following key methods/elements:

- (i) **Structuring**: initial desk research; scoping interviews; fine-tuning of the consultation strategy and the evaluation matrix;
- (ii) **Data collection**: desk research; interviews with successful applicant Member States, non-applicants and beneficiaries of the Programme, participants in the actions financed under the Programme, EU Institutions and international partners (overall, 48 interviews conducted); an online survey with participants of activities implemented under the Programme (169 respondents/32% response rate); an active observation during an action organised by the OCRFM, a focus group held during the 94th ECEG meeting in Brussels and two case studies;
- (iii) **Analysis** of the gathered data and provision of responses to the evaluation questions; and
- (iv) Drafting and **reporting** (incl. an Inception, Interim, and Final report).

¹ The implementation of the Programme's actions is leading in the determination of the scope, hence, actions funded after the end of March 2024 are not considered part of the scope. Actions committed before the end of March 2024 but foreseen to be implemented after that date are included in the scope.

Overall conclusion of the evaluation

The Pericles IV Programme is contributing to the prevention and combating of euro counterfeiting, preserving thereby integrity of euro bank notes and coins. The Pericles IV Programme has generally proven effective in improving information exchange, technical skills, institutional frameworks and operational capabilities in combating euro counterfeiting. It has successfully facilitated networking and collaborative investigations, leading to significant achievements such as investigations resulting in euro counterfeit seizures and dismantled criminal operations. The Pericles IV Programme has thus far ensured an efficient use of resources in achieving the Programme's outputs, results, and impacts. Additionally, the Programme is found to be complementary and coherent to initiatives undertaken by other Union institutions, such as the ECB and Europol.

To maintain its impact, the Programme should continue adapting to emerging threats such as digital currencies, the increasing quality of counterfeits, the increasing numbers of altered design banknotes in circulation and the ease at which both counterfeits and altered design banknotes are accessible via the clear web and social media. Ensuring ongoing support, addressing language barriers, and ensuring stability of the Programme's budget will help sustain and enhance its effectiveness as the Programme's role in fostering cross-border cooperation remains crucial for addressing both national and international euro counterfeiting challenges. Therefore, there is a continued need for Pericles actions.

To what extent was the intervention successful and why?

Effectiveness

The Pericles IV Programme has thus far successfully enabled the exchange of information and best practices, the acquisition of technical knowledge and the enhancement of operational capabilities, as well as the establishment of formal and informal contacts across countries. This has been achieved through technical training, seminars, staff exchanges, and studies that have provided substantial support to national initiatives. These efforts have significantly contributed to the progress towards the general objective of Pericles IV, namely the prevention and combating of euro counterfeiting and related fraud.

The Programme has facilitated the establishment of both formal and informal contacts crucial for collaborative investigations. Over 70% of survey respondents found Pericles IV actions beneficial for networking and learning best practices within the EU. However, more focus should be placed on contacts with third countries. Participants have reported improved abilities in detecting counterfeits and increased preparation regarding emerging trends and technologies used in the field. Participation in the Programme's actions has contributed to increased operational and institutional capacities identified for

both Member States and third countries. An aspect worth mentioning in light of the effectiveness of actions are **language barriers**, which have occasionally posed challenges for action participants.

Practical applications of the Programme's outputs have led to successful operations against counterfeiting, including significant seizures of counterfeit currency and dismantling of criminal organisations. Despite its success, the recent budgetary decrease has resulted in a lower number of implemented actions and a decrease in overall participants.

The Programme maintains a high satisfaction rate, with 99.1% of participants rating their experience positively. To sustain and enhance its impact, the Programme should focus on further connecting relevant stakeholders and addressing specific challenges related to emerging threats.

Efficiency

The Pericles IV Programme demonstrates effective coordination, management, and administrative structures, ensuring efficient resource use to achieve Programme outputs, results, and impacts. DG ECFIN's prompt support is appreciated by stakeholders and is crucial during both the application and implementation processes. Stakeholders, including EU agencies, positively assess their cooperation with DG ECFIN, and since 2023, Eurojust's participation in ECEG meetings has expanded collaboration to include judiciary authorities.

The introduction of the **eGrants system has simplified the application process**. The portal has allowed for streamlined communication with DG ECFIN, improving efficiency. Despite the digitalisation of the application process, applicants still find it time-consuming, in particular in the organisation of more complex actions, however, the benefits outweigh the costs.

The Programme management costs were 23.64% of the programmed actions for 2023, which is on the high side. Management costs are relatively high compared to similar Programmes, however, they need to be considered in lieu of the specificities of the Pericles IV Programme, where the DG ECFIN unit following the Programme acts as an operational business unit. As such, it is integral to strategy development and planning of actions and coordination within the ECEG, but also the implementation of actions, which is key to staying on top of new developments in the sphere of euro counterfeiting and aligning the Programme to the needs of Member States and action participants. The unit's close involvement in both planning and implementation ensures a coherent and focused approach, which brings added value to Member States and third countries and ensures the effectiveness of the Programme.

Despite a decrease in the number of commitments compared to Pericles 2020, Pericles IV maintains **high levels of resource allocation**, achieving over 97% budget commitment in 2022 and 2021. However, inflation and a reduction of the

budget in the current programming period have resulted in a reduced the number of actions and Programme participants. Stakeholders stress the importance of maintaining or increasing the Programme's budget to ensure continued effectiveness and protection against euro counterfeiting.

The **current co-financing setup** (up to 75% standard rate and 90% rate in duly justified cases) **is considered appropriate**. Although this setup remains appropriate, there has been an increase in requests for higher co-financing compared to Pericles 2020. This rise is due to the scope of these actions, which are often conducted outside the EU, target staff from third countries, involve significant equipment acquisition, or focus on new priorities of the Pericles strategy. When it comes to the appropriateness of the Pericles IV budget, the evaluation finds that the budget allows the Programme to meet its objectives, albeit further decreases to the budget would have a detrimental effect on the Programme's scope and its effectiveness. Additionally, it is worth highlighting that the Pericles Programme undergoes two independent evaluations per programming cycle—mid-term and ex-post—standard for Multi-annual Financial Framework initiatives. However, considering the Programme's unique size and its continuity from previous iterations, the proportionality of these evaluation requirements relative to the overall budget could be questioned.

Coherence

The actions organised under the umbrella of Pericles IV can be considered consistent and complementary with existing actions implemented by Member States, the ECB, Europol, and other Union institutions. DG ECFIN has established agreements with Union institutions to prevent any overlap between their activities. The Programme has been praised by consulted stakeholders for its uniqueness in regularly bringing together a relevant network of stakeholders. Regarding other initiatives at the EU level that could play a role in combating euro counterfeiting, including ISF, TALEX, and Twinning Instruments, stakeholders consider that these Programmes are complementary to Pericles IV, with a limited risk of overlap in terms of coherence with actions organised by the ECB, Europol, and the EMPACT initiative, here efforts have been made to avoid duplication while ensuring complementarity. Finally, while Member State-level initiatives address currency counterfeiting to some extent, the Pericles Programme provides more advanced expertise and enhances networking among Member States. Pericles IV thus complements and enriches national efforts in combating euro counterfeiting.

Sustainability

The results achieved through Pericles IV actions and the improvements in institutional capacity resulting from these actions are likely to be sustained over time. The majority of Programme participants have adopted measures or practices to ensure the sustainability of delivered outputs and progress towards results. Following their participation in the Programme, participants reported

strengthened operational capabilities and making use of new methods learned. Additionally, participants indicated a involvement in dissemination activities. The most frequent form of dissemination occurred through informal knowledge transfer on the job, followed by the distribution of materials received through Pericles' actions. The focus on raising awareness among the general population has also been mentioned as a way to ensure sustainability of the Programme, albeit this matter lies in the hands of Member State authorities. Additionally, stakeholders have highlighted the need to receive ongoing and regular support to institutionalise the training received and ensure its proper implementation. Follow-up actions are also needed to keep participants updated on the latest trends and techniques in euro counterfeiting and help maintain essential contacts. Stakeholders highlighted the need for training every 2-3 years to ensure content remains relevant to evolving criminal activities.

Overall, the majority of participants in Pericles IV actions saw **a positive involvement in their role since participating in the Programme**. Most of the staff participating or organising Pericles IV actions still work for the same institution, showing a high retention rate and contributing thereby to institutional capacity building.

How did the EU intervention make a difference and to whom?

EU added value

Counterfeiting of the euro is a type of crime with an international character as the production and distribution of counterfeit banknotes often involves various countries (i.e. Member States and third countries). Problems that Member States need to tackle in relation to counterfeiting can thus not be addressed only at the national level. The need for good contacts with counterparts in different countries and an understanding of their investigative practices and legislative is a particularly relevant. The Pericles IV Programme makes a difference by fostering valuable cross-border contacts among Member States and facilitates essential connections with third countries and it **consolidates information and knowledge on trends and development**, which is often challenging on a national scale.

Moreover, with national resources for counterfeiting efforts being limited in some countries where euro counterfeiting is not a particular political priority, Pericles IV supports and extends these efforts effectively. **Continued EU-level action** remains vital to address emerging threats like those from the internet and altered banknotes, requiring the coordinated approach that Pericles IV provides.

Is the intervention still relevant?

Relevance

The Pericles IV Programme continues to be relevant. Overall, **stakeholders interviewed and surveyed perceive euro counterfeiting as a problem** within their respective countries and a phenomenon that crosses Member State and EU external borders. However, quantifying the issue is challenging due to difficulties in accurately measuring the scope of illicit activities. Declines in detected counterfeits can be interpreted in multiple ways, and the statistics available are considered insufficient to fully gauge the Programme's effectiveness. Additionally, changes in consumer behaviour and new methods of counterfeiting, such as the rise of altered design banknotes, complicate the situation. Despite these challenges, there is a consensus that continuous efforts are necessary to maintain control over counterfeiting and protect public trust in the euro.

The majority of stakeholders find the Programme meets their needs, although there is room for improvement in adapting to rapidly evolving threats. Future threats identified include issues related to digital currency, Artificial Intelligence, and international cooperation, particularly with countries like China and Türkiye as source countries of counterfeits and raw materials to produce counterfeits and their relation to online activities. Therefore, the Programme needs to remain flexible and adapt to emerging threats to be relevant.

Stakeholders confirm that the Programme's objectives remain relevant and that there is a continued need for support, particularly due to limited resources at the national level. Given the international nature of counterfeiting, cross-border cooperation facilitated by the Programme is crucial. Cooperation with third countries is also essential, especially with those that use the euro or are impacted by its counterfeiting. This cooperation helps address both production and distribution issues related to counterfeit euros.

Key lessons learned

Following the evaluation of the Programme, several lessons learned emerged. To maintain the relevance and effectiveness of the Pericles IV Programme, it is essential to address both current and emerging threats in euro counterfeiting. This means tackling current challenges such as the increasing quality of counterfeits, the increasing numbers of altered design banknotes in circulation and the ease at which both counterfeits and altered design banknotes are accessible via the clear web and social media; but attention should be paid at emerging long term trends such as the potential impact of the future digital euro and the role of AI in counterfeit production and detection.

The Pericles Programme should continue following a dual approach in terms of action design, allowing the actions to best fit the different capacities and knowledge levels of different Member States and third countries. This means

focusing on developing basic technical skills where needed, while also addressing advanced threats for those more advanced. In addition, more timely communication about the content of the actions to the specific needs of the audience, considering their familiarity with euro counterfeiting and their level of engagement with the Programme, can also contribute to the Programme's effectiveness and relevance.

While the Pericles IV Programme is currently targeting the right target audience, its relevance could be enhanced by including more regularly additional stakeholders, such as judicial authorities, customs, and private parties. This is particularly important given the rising threats posed by altered design banknotes and online platforms and the need for a common approach in fighting these threats. Their participation has also been mentioned in the framework of the ECEG meeting, whose duration should be extended to facilitate more thorough discussions.

In addition, to maintain and further enhance the effectiveness of the Pericles IV Programme, it is crucial to ensure relative balance across the various types of funded actions throughout the remainder of the programming period. Maintaining a balance of actions is essential to address the multifaceted nature of counterfeiting, allowing the Programme to remain relevant, adaptable and flexible, ready to respond to new challenges and trends. In addition, the different actions often involve different stakeholders and address various aspects of counterfeiting with different outcomes and results. A balanced approach ensures that all necessary skills and knowledge areas are covered, providing a more comprehensive learning experience for the participants. Considering all the above, sustaining the budget allocated to Pericles IV would likely enhance the scope of the Programme, leading to more actions and a greater number of trained participants. Given the ongoing relevance of counterfeiting issues and emerging future threats, sustaining the current budget, or ideally increasing it, would significantly benefit the Programme.

Last, to improve the effectiveness of the Pericles IV Programme, it is essential to address language barriers that may hinder the participation of some stakeholder groups. Identifying these groups and ensuring that actions are conducted in or translated to their national languages will likely enhance participation and outcomes. Additionally, the focus on follow-up actions and regular training sessions should be encouraged. This approach will reinforce learning, keep stakeholders updated on evolving threats, and ensure that the fight against euro counterfeiting remains robust and responsive to new developments.

Résumé exécutif

Le présent rapport présente les résultats et les conclusions de l'évaluation à mi-parcours du programme Pericles IV (ci-après le « programme »). L'étude a été commandée par la DG ECFIN en vertu de l'article 13 du règlement (UE) n° 2021/840 et a été mise en œuvre au cours de la période allant de janvier 2024 à juillet 2024 par Ecorys.

Le programme Pericles IV (couvrant la période 2021-2027) a été établi par le règlement (UE) n° 2021/840 du Parlement européen et du Conseil dans le but de contribuer à la protection de l'euro contre le faux monnayage et la fraude qui y est associée. Le programme finance à cet effet les actions suivantes : séminaires, ateliers, activités de formation, échanges de personnel, études et fourniture d'équipements aux autorités chargées de la lutte contre la contrefaçon des pays tiers.

L'évaluation porte sur toutes les actions mentionnées ci-dessus mises en œuvre au cours de la période 2021-2024 (mars)² conformément aux critères d'évaluation définis par les lignes directrices pour une meilleure réglementation, à savoir la pertinence, l'efficacité, l'efficience et la cohérence ; valeur ajoutée de l'UE. Il examine également la viabilité des actions du programme en matière de protection de l'euro contre le faux monnayage.

L'évaluation s'est déroulée en quatre étapes, qui comprenaient les méthodes/éléments clés suivants :

- (i) **Structuration:** recherche documentaire initiale, entretiens de cadrage, mise au point de la stratégie de consultation et de la matrice d'évaluation ;
- (ii) **Collecte de données:** recherche documentaire ; entretiens avec des États membres candidats retenus, des non-candidats et des bénéficiaires du programme, des participants aux actions financées au titre du programme, des institutions de l'UE et des partenaires internationaux (au total, 48 entretiens réalisés) ; une enquête en ligne auprès des participants aux activités mises en œuvre dans le cadre du programme (169 répondants/32% de taux de réponse) ; une observation active lors d'une action organisée par l'OCRFM, un groupe de discussion organisé lors de la 94e réunion de l'ECEG à Bruxelles et deux études de cas ;

² La mise en œuvre des actions du programme conduit à la détermination du champ d'application, de sorte que les actions financées après la fin du mois de mars 2024 ne sont pas considérées comme faisant partie du champ d'application. Les actions entreprises avant la fin du mois de mars 2024 mais dont la mise en œuvre est prévue après cette date sont incluses dans le champ d'application.

- (iii) **Analyse** des données recueillies et production de réponses aux questions d'évaluation;
- (iv) Rédaction et **rapport** (y compris un rapport initial, un rapport intermédiaire et un rapport final).

Conclusion générale de l'évaluation

Le programme Pericles IV contribue à la prévention et à la lutte contre la contrefaçon de l'euro, préservant ainsi l'intégrité des billets et des pièces en euros. Le Programme Pericles IV s'est généralement avéré efficace pour améliorer l'échange d'informations, les compétences techniques, les cadres institutionnels et les capacités opérationnelles dans la lutte contre le faux monnayage de l'euro. Il a facilité avec succès la mise en réseau et la collaboration dans le cadre d'enquêtes, ce qui a permis d'obtenir des résultats significatifs tels que des saisies de contrefaçons d'euros et le démantèlement d'opérations criminelles. Jusqu'à présent, le programme Pericles IV a permis d'assurer une utilisation efficace des ressources pour réaliser les activités, les résultats et les impacts du programme. En outre, le programme s'est avéré complémentaire et cohérent avec les initiatives entreprises par d'autres institutions de l'Union, telles que la BCE et Europol.

Pour maintenir son impact, le programme devrait continuer à s'adapter aux menaces émergentes telles que les monnaies numériques, la qualité croissante des contrefaçons, le nombre croissant de billets à design modifié en circulation et la facilité avec laquelle les billets contrefaits et les billets à design modifié sont accessibles via le web et les médias sociaux. Garantir un soutien continu, s'attaquer aux barrières linguistiques et assurer la stabilité du budget du programme contribuera à maintenir et à renforcer son efficacité, car le rôle du programme dans la promotion de la coopération transfrontalière reste crucial pour relever les défis nationaux et internationaux de la contrefaçon de l'euro. Par conséquent, les activités de Pericles demeurent indispensables.

Dans quelle mesure l'intervention a-t-elle été réussie et pourquoi ?

Efficacité

Jusqu'à présent, le programme Pericles IV a permis l'échange d'informations et de bonnes pratiques, l'acquisition de connaissances techniques et le renforcement des capacités opérationnelles, ainsi que l'établissement de contacts formels et informels entre les pays. Cela a été réalisé grâce à des formations techniques, des séminaires, des échanges de personnel et des études qui ont apporté un soutien substantiel aux initiatives nationales. Ces efforts ont contribué de manière significative à la réalisation de l'objectif général de Pericles IV, à savoir la prévention et la lutte contre le faux monnayage de l'euro et la fraude qui y est associée.

Le Programme a facilité l'établissement de contacts formels et informels essentiels aux enquêtes concertées. Plus de 70 % des personnes interrogées ont estimé que les actions de Pericles IV étaient bénéfiques pour la mise en réseau et l'apprentissage des meilleures pratiques au sein de l'UE. Toutefois, il convient de mettre davantage l'accent sur les contacts avec les pays tiers. Les participants ont fait état d'une amélioration de leurs capacités de détection des contrefaçons et d'une meilleure préparation à l'égard des tendances émergentes et des technologies utilisées dans le domaine. La participation aux actions du programme a contribué à renforcer les capacités opérationnelles et institutionnelles identifiées tant pour les États membres que pour les pays tiers. Il convient de mentionner, à la lumière de l'efficacité des actions, les **barrières linguistiques**, qui ont parfois posé des défis aux participants aux activités.

L'application concrète des résultats du programme a permis de mener à bien des opérations de lutte contre la contrefaçon, notamment des saisies importantes de fausse monnaie et le démantèlement d'organisations criminelles. Malgré son succès, la récente diminution budgétaire s'est traduite par une diminution du nombre d'actions mises en œuvre et une diminution du nombre total de participants.

Le programme maintient un taux de satisfaction élevé, avec 99,1 % des participants évaluant positivement leur expérience. Pour maintenir et renforcer son impact, le programme devrait s'attacher à renforcer les liens entre les parties prenantes concernées et à relever les défis spécifiques liés aux menaces émergentes.

Efficacité

Le programme Pericles IV fait preuve d'une coordination, d'une gestion et de structures administratives efficaces, garantissant une utilisation efficace des ressources pour réaliser les activités, les résultats et les impacts du programme. Le soutien rapide de la DG ECFIN est apprécié par les parties prenantes et est crucial tant au cours des processus de demande que de mise en œuvre. Les parties prenantes, y compris les agences de l'UE, évaluent positivement leur coopération avec la DG ECFIN et, depuis 2023, la participation d'Eurojust aux réunions de l'ECEG a élargi la collaboration pour inclure les autorités judiciaires.

L'introduction du **système eGrants a simplifié le processus de candidature**. Le portail a permis de rationaliser la communication avec la DG ECFIN, ce qui a permis d'améliorer l'efficacité. Malgré la digitalisation du processus de candidature, les candidats le trouvent toujours chronophage, notamment dans l'organisation d'actions plus complexes. Cependant les avantages excèdent les coûts.

Les coûts de gestion du programme représentaient 23,64 % des actions programmées pour 2023, ce qui est assez élevé. Les coûts de gestion sont relativement élevés par rapport à des programmes similaires, mais ils doivent

être considérés en lieu et place des spécificités du programme Pericles IV, où l'unité de la DG ECFIN qui suit le programme agit en tant qu'unité opérationnelle. À ce titre, il fait partie intégrante de l'élaboration de la stratégie, de la planification des actions et de la coordination au sein de l'ECEG, mais aussi de la mise en œuvre des actions, ce qui est essentiel pour rester au fait des nouveaux développements dans le domaine de la contrefaçon de l'euro et pour aligner le programme sur les besoins des États membres et des participants à ses actions. L'implication étroite de l'unité dans la planification et la mise en œuvre garantit une approche cohérente et ciblée, qui apporte une valeur ajoutée aux États membres et aux pays tiers et garantit l'efficacité du programme.

Malgré une diminution du nombre d'engagements par rapport à Pericles 2020, Pericles IV maintient **des niveaux élevés d'allocation de ressources**, atteignant plus de 97 % d'engagements budgétaires en 2022 et 2021. Toutefois, l'inflation et la réduction du budget au cours de la période de programmation en cours ont entraîné une réduction du nombre d'actions et de participants au programme. Les parties prenantes soulignent l'importance de maintenir ou d'augmenter le budget du programme afin de garantir l'efficacité et la protection continues contre le faux monnayage de l'euro.

La **configuration actuelle du cofinancement** (jusqu'à 75% de taux standard et 90% dans les cas dûment justifiés) **est considérée comme appropriée**. Bien que cette configuration reste appropriée, il y a eu une augmentation des demandes de cofinancement plus élevée par rapport à Pericles 2020. Cette augmentation s'explique par l'ampleur de ces actions, qui sont souvent menées en dehors de l'UE, ciblent du personnel de pays tiers, impliquent des acquisitions d'équipements importantes ou se concentrent sur de nouvelles priorités de la stratégie Pericles. En ce qui concerne la pertinence du budget de Pericles IV, l'évaluation constate que le budget permet au programme d'atteindre ses objectifs, bien que de nouvelles réductions du budget aient un effet négatif sur la portée et l'efficacité du programme. En outre, il convient de souligner que le programme Pericles fait l'objet de deux évaluations indépendantes par cycle de programmation, à mi-parcours et ex post, pour les initiatives du cadre financier pluriannuel. Toutefois, compte tenu de la taille unique du programme et de sa continuité par rapport aux itérations précédentes, la proportionnalité de ces exigences d'évaluation par rapport au budget global pourrait être remise en question.

Cohérence

Les actions organisées dans le cadre de Pericles IV peuvent être considérées comme cohérentes et complémentaires avec les actions existantes mises en œuvre par les États membres, la BCE, Europol et d'autres institutions de l'Union. La DG ECFIN a conclu des accords avec les institutions de l'Union afin d'éviter tout chevauchement entre leurs activités. Le programme a été salué par les parties prenantes consultées pour son caractère unique en ce qu'il

rassemble régulièrement un réseau pertinent de parties prenantes. En ce qui concerne d'autres initiatives au niveau de l'UE qui pourraient jouer un rôle dans la lutte contre le faux monnayage de l'euro, notamment ISF, TAIEX et le jumelage, les parties prenantes considèrent que ces programmes sont complémentaires de Pericles IV, avec un risque limité de chevauchement en termes de cohérence avec les actions organisées par la BCE, Europol et l'initiative EMPACT, où des efforts ont été faits pour éviter les doublons tout en assurant la complémentarité. Enfin, si les initiatives prises au niveau des États membres s'attaquent dans une certaine mesure à la contrefaçon de monnaie, le programme Pericles fournit une expertise plus poussée et renforce la mise en réseau entre les États membres. Pericles IV complète et enrichit ainsi les efforts nationaux de lutte contre le faux monnayage de l'euro.

Durabilité

Les résultats obtenus grâce aux actions Pericles IV et les améliorations des capacités institutionnelles résultant de ces actions devraient se maintenir dans le temps. La majorité des participants au Programme ont adopté des mesures ou des pratiques visant à garantir la durabilité des résultats obtenus et des progrès accomplis pour atteindre les résultats. À la suite de leur participation au programme, les participants ont fait état d'un renforcement des capacités opérationnelles et de l'utilisation des nouvelles méthodes apprises. De plus, les participants ont indiqué qu'ils participaient à des activités de dissémination. La forme de diffusion la plus fréquente s'est produite par le biais du transfert informel de connaissances sur le lieu de travail, suivi de la distribution de documents reçus grâce aux actions de Pericles. L'accent mis sur la sensibilisation de la population en général a également été mentionné comme un moyen d'assurer la durabilité du programme, bien que cette question soit du ressort des autorités des États membres. En outre, les parties prenantes ont souligné la nécessité de recevoir un soutien continu et régulier pour institutionnaliser la formation reçue et assurer sa bonne mise en œuvre. Des actions de suivi sont également nécessaires pour tenir les participants informés des dernières tendances et techniques en matière de contrefaçon de l'euro et pour aider à maintenir les contacts essentiels. Les intervenants ont souligné la nécessité d'une formation tous les 2 ou 3 ans pour s'assurer que le contenu demeure pertinent par rapport à l'évolution des activités criminelles.

Dans l'ensemble, la majorité des participants aux actions de Pericles IV ont constaté **une évolution positive de leur rôle depuis leur participation au programme**. La plupart des membres du personnel participant ou organisant les actions Pericles IV travaillent toujours pour la même institution, ce qui présente un taux de rétention élevé et contribue ainsi au renforcement des capacités institutionnelles.

Comment l'intervention de l'UE a-t-elle fait la différence et pour qui ?

Valeur ajoutée de l'UE

La contrefaçon de l'euro est un type de crime à caractère international, car la production et la distribution de faux billets de banque impliquent souvent plusieurs pays (c'est-à-dire des États membres et des pays tiers). Les problèmes auxquels les États membres doivent s'attaquer en matière de contrefaçon ne peuvent donc pas être résolus uniquement au niveau national. La nécessité d'avoir de bons contacts avec leurs homologues de différents pays et de comprendre leurs pratiques d'enquête et leurs lois est particulièrement pertinente. Le programme Pericles IV fait la différence en favorisant des contacts transfrontaliers précieux entre les États membres, en facilitant les connexions essentielles avec les pays tiers et en **consolidant les informations et les connaissances sur les tendances et l'évolution**, ce qui est souvent difficile à l'échelle nationale.

De plus, les ressources nationales consacrées à la lutte contre la contrefaçon étant limitées dans certains pays où la contrefaçon de l'euro n'est pas une priorité politique particulière, Pericles IV soutient et étend efficacement ces efforts. **La poursuite de l'action au niveau de l'UE** reste essentielle pour faire face aux menaces émergentes telles que celles provenant d'internet et des billets de banque modifiés, ce qui nécessite l'approche coordonnée de Pericles IV.

L'intervention est-elle encore pertinente ?

Pertinence

Le programme Pericles IV reste d'actualité. Dans l'ensemble, les **parties prenantes interrogées et interrogées perçoivent la contrefaçon de l'euro comme un problème** dans leurs pays respectifs et comme un phénomène qui dépasse les frontières extérieures des États membres et de l'UE. Cependant, il est difficile de quantifier le problème en raison des difficultés à mesurer avec précision l'ampleur des activités illicites. La baisse du nombre de contrefaçons détectées peut être interprétée de plusieurs façons, et les statistiques disponibles sont jugées insuffisantes pour évaluer pleinement l'efficacité du Programme. De plus, l'évolution du comportement des consommateurs et les nouvelles méthodes de contrefaçon, telles que l'essor des billets au design modifié, compliquent la situation. Malgré ces défis, il existe un consensus sur le fait que des efforts continus sont nécessaires pour maintenir le contrôle de la contrefaçon et protéger la confiance du public dans l'euro.

La majorité des parties prenantes estiment que le Programme répond à leurs besoins, bien qu'il y ait place à l'amélioration pour s'adapter aux menaces qui évoluent rapidement. Les menaces futures identifiées comprennent les questions liées à la monnaie numérique, à l'intelligence artificielle et à la coopération internationale, en particulier avec des pays comme la Chine et la

Turquie, qui sont des pays sources de contrefaçons et de matières premières pour produire des contrefaçons, et leur relation avec les activités en ligne. Le programme doit donc rester flexible et s'adapter aux menaces émergentes pour être pertinent.

Les parties prenantes confirment que les objectifs du programme restent pertinents et qu'il existe un besoin continu de soutien, notamment en raison des ressources limitées au niveau national. Compte tenu de la nature internationale de la contrefaçon, la coopération transfrontalière facilitée par le programme est cruciale. La coopération avec les pays tiers est également essentielle, en particulier avec ceux qui utilisent l'euro ou qui sont touchés par sa contrefaçon. Cette coopération permet de résoudre à la fois les problèmes de production et de distribution liés à la contrefaçon d'euros.

Principaux enseignements

À la suite de l'évaluation du programme, plusieurs enseignements se dégagent. Pour maintenir la pertinence et l'efficacité du programme Pericles IV, il est essentiel de s'attaquer aux menaces actuelles et émergentes liées au faux monnayage de l'euro. Il s'agit de relever les défis actuels tels que la qualité croissante des contrefaçons, le nombre croissant de billets au design modifié en circulation et la facilité avec laquelle les contrefaçons et les billets au design modifié sont accessibles via le web et les médias sociaux ; mais il convient de prêter attention aux tendances émergentes à long terme, telles que l'impact potentiel du futur euro numérique et le rôle de l'IA dans la production et la détection de la contrefaçon.

Le programme Pericles devrait continuer à suivre une double approche en termes de conception des actions, afin que les actions s'adaptent au mieux aux différentes capacités et niveaux de connaissances des différents États membres et pays tiers. Cela signifie qu'il faut se concentrer sur le développement des compétences techniques de base si nécessaire, tout en s'attaquant aux menaces avancées pour les plus avancés. En outre, une communication plus adaptée sur le contenu des actions en fonction des besoins spécifiques du public, compte tenu de sa familiarité avec la contrefaçon de l'euro et de son niveau d'engagement dans le programme, peut également contribuer à l'efficacité et à la pertinence du programme.

Si le programme Pericles IV vise actuellement le bon public cible, sa pertinence pourrait être renforcée par l'inclusion plus régulière de parties prenantes supplémentaires, telles que les autorités judiciaires, les douanes et les parties privées. Cette démarche est particulièrement importante compte tenu des menaces croissantes que représentent les billets de banque au design altéré et les plateformes en ligne, et de la nécessité d'une approche commune pour lutter contre ces menaces. Leur participation a également été mentionnée dans le cadre de la réunion de l'ECEG, dont la durée devrait être prolongée afin de faciliter des discussions plus approfondies.

Par ailleurs, afin de maintenir et d'améliorer davantage l'efficacité du programme Pericles IV, il est essentiel d'assurer un équilibre relatif entre les différents types d'actions financées tout au long du reste de la période de programmation. Il est essentiel de maintenir un équilibre entre les actions pour répondre à la nature multidimensionnelle de la contrefaçon, ce qui permet au Programme de rester pertinent, adaptable et flexible, prêt à répondre aux nouveaux défis et tendances. En outre, les différentes actions impliquent souvent différentes parties prenantes et abordent divers aspects de la contrefaçon avec des résultats différents. Une approche équilibrée garantit que toutes les compétences et tous les domaines de connaissances nécessaires sont couverts, offrant ainsi une expérience d'apprentissage plus complète aux participants. Compte tenu de tout ce qui précède, le maintien du budget alloué à Pericles IV augmenterait probablement la portée du programme, ce qui conduirait à davantage d'actions et à un plus grand nombre de participants formés. Au regard de la persistance des problèmes de contrefaçon et l'émergence de nouvelles menaces, le maintien du budget actuel, ou idéalement son augmentation, serait très bénéfique pour le Programme.

Enfin, pour améliorer l'efficacité du programme Pericles IV, il est essentiel de s'attaquer aux barrières linguistiques qui peuvent entraver la participation de certains groupes de parties prenantes. L'identification de ces groupes et la garantie que les actions sont menées ou traduites dans leurs langues nationales amélioreront probablement la participation et les résultats. Parallèlement, les actions de suivi et les sessions de formation régulières devraient également être encouragées. Cette approche renforcera l'apprentissage, tiendra les parties prenantes informées de l'évolution des menaces et garantira que la lutte contre la contrefaçon de l'euro reste robuste et réactive aux nouvelles évolutions.

Zusammenfassung

Dieser Bericht erläutert die Ergebnisse und Schlussfolgerungen der Zwischenbewertung des Programms Pericles IV (im Folgenden "das Programm"). Die Studie wurde von der Generaldirektion Wirtschaft und Finanzen (GD ECFIN) der Europäischen Kommission gemäß Artikel 13 der Verordnung (EU) 2021/840 in Auftrag gegeben und im Zeitraum Januar 2024 bis Juli 2024 von Ecorys durchgeführt.

Das Programm Pericles IV (für den Zeitraum 2021-2027) wurde mit der Verordnung (EU) 2021/840 des Europäischen Parlaments und des Rates mit dem Ziel eingerichtet, einen Beitrag zum Schutz des Euros vor Geldfälschung und damit zusammenhängendem Betrug zu leisten. Zu diesem Zweck finanziert das Programm die folgende Maßnahmen: Seminare, Workshops, Schulungsmaßnahmen, Personalaustausch, Studien und Bereitstellung von Ausrüstung für Fälschungsbekämpfungsbehörden in Drittländern.

Die Evaluierung erstreckt sich auf alle oben genannten Maßnahmen, die im Zeitraum 2021- (März) 2024³ durchgeführt wurden und folgt den in den Leitlinien für eine bessere Rechtsetzung festgelegten Bewertungskriterien, nämlich Relevanz, Wirksamkeit, Effizienz, Kohärenz; EU-Mehrwert. Die Evaluierung prüft auch die Nachhaltigkeit der Maßnahmen des Programms zum Schutz des Euro vor Geldfälschung.

Die Evaluation erfolgte in vier Stufen, die die folgenden Schlüsselmethoden/-elemente umfassten:

- (i) **Strukturierung:** Anfängliche Sekundärforschung; Interviews zur Eingrenzung der Evaluierung; Feinjustierung der Konsultationsstrategie und der Evaluationsmatrix;
- (ii) **Datenerhebung:** Sekundärforschung; Interviews mit erfolgreichen Bewerber-Mitgliedstaaten, Nichtbewerbern und Begünstigten des Programms, Teilnehmern an den im Rahmen des Programms finanzierten Maßnahmen, EU-Institutionen und internationalen Partnern (insgesamt wurden 48 Interviews durchgeführt); eine Online-Umfrage unter Teilnehmern von Aktivitäten, die im Rahmen des Programms durchgeführt wurden (169 Befragte/32 % Rücklaufquote); eine aktive Beobachtung während einer vom OCRFM organisierten

³ Bei der Festlegung des Umfangs ist die Durchführung der Maßnahmen des Programms ausschlaggebend. Daher werden Maßnahmen, die nach Ende März 2024 finanziert werden, nicht als Teil des Umfangs betrachtet. Maßnahmen, die vor Ende März 2024 zugesagt wurden, aber erst nach diesem Zeitpunkt durchgeführt werden sollen, sind im Rahmen des Berichts enthalten.

Maßnahme; eine Fokusgruppe, die während der 94. ECEG-Tagung in Brüssel stattfand, und zwei Fallstudien;

- (iii) **Analyse** der gesammelten Daten und Bereitstellung von Antworten auf die Evaluierungsfragen; und
- (iv) Entwurf und **Erstellung** von Berichten (inkl. Anfangs-, Zwischen- und Abschlussbericht).

Allgemeine Schlussfolgerung der Evaluierung

Das Programm Pericles IV trägt zur Prävention und Bekämpfung der Euro-Fälschung bei und bewahrt so die Integrität der Euro-Banknoten und -Münzen. Das Programm Pericles IV hat sich im Allgemeinen als wirksam erwiesen, wenn es darum geht, den Informationsaustausch, die technischen Kompetenzen, die institutionellen Rahmenbedingungen und die operativen Fähigkeiten bei der Bekämpfung der Euro-Fälschung zu verbessern. Es hat erfolgreich die Vernetzung und gemeinsame Ermittlungen erleichtert, was zu bedeutenden Erfolgen geführt hat, wie z. B. Ermittlungen, die zur Beschlagnahme von Euro-Falschmünzen führten, und zur Aufdeckung krimineller Operationen. Das Programm Pericles IV hat bisher eine effiziente Nutzung der Ressourcen zur Erreichung der Leistungen, Ergebnisse und Wirkungen des Programms gewährleistet. Darüber hinaus wird festgestellt, dass das Programm Initiativen anderer Organe der Union, wie der EZB und von Europol, ergänzt und mit ihnen kohärent ist.

Um seine Wirkung aufrechtzuerhalten, sollte sich das Programm weiter an neue Bedrohungen wie digitale Währungen, die zunehmende Qualität von Fälschungen, die zunehmende Zahl im Umlauf befindlicher Banknoten mit verändertem Design und die Leichtigkeit, mit der sowohl gefälschte als auch Banknoten mit verändertem Design über das offene Netz und die sozialen Medien zugänglich sind, anpassen. Die Gewährleistung einer kontinuierlichen Unterstützung, der Abbau von Sprachbarrieren und die Gewährleistung der Stabilität des Programmhaushalts werden dazu beitragen, seine Wirksamkeit zu erhalten und zu verbessern, da die Rolle des Programms bei der Förderung der grenzüberschreitenden Zusammenarbeit nach wie vor von entscheidender Bedeutung ist, um sowohl nationale als auch internationale Herausforderungen der Euro-Fälschung zu bewältigen. Daher besteht weiterhin Bedarf an Perikles-Maßnahmen.

Inwiefern war die Intervention erfolgreich und warum?

Wirksamkeit

Das Programm Pericles IV hat bisher erfolgreich den Austausch von Informationen und bewährten Verfahren, den Erwerb von technischem Wissen und die Verbesserung der operativen Fähigkeiten sowie die Aufnahme formeller

und informeller Kontakte zwischen den Ländern ermöglicht. Dies wurde durch technische Schulungen, Seminare, Personalaustausch und Studien erreicht, die nationale Initiativen erheblich unterstützt haben. Diese Bemühungen haben erheblich zu den Fortschritten bei der Verwirklichung des allgemeinen Ziels von Pericles IV beigetragen, nämlich der Prävention und Bekämpfung von Euro-Fälschungen und damit zusammenhängendem Betrug.

Das Programm hat die Aufnahme formeller und informeller Kontakte erleichtert, die für gemeinsame Untersuchungen von entscheidender Bedeutung sind. Mehr als 70 % der Befragten fanden die Pericles-IV-Maßnahmen vorteilhaft für die Vernetzung und das Erlernen bewährter Verfahren in der EU. Der Schwerpunkt sollte jedoch stärker auf Kontakte mit Drittländern gelegt werden. Die Teilnehmer berichteten von verbesserten Fähigkeiten bei der Erkennung von Fälschungen und einer besseren Vorbereitung auf aufkommende Trends und Technologien, die in diesem Bereich eingesetzt werden. Die Teilnahme an den Maßnahmen des Programms hat dazu beigetragen, dass sowohl die Mitgliedstaaten als auch für Drittländer mehr operative und institutionelle Kapazitäten ausbauen konnten. Ein Aspekt, der im Hinblick auf die Wirksamkeit der Maßnahmen erwähnenswert ist, sind **Sprachbarrieren**, die die Teilnehmer der Maßnahmen gelegentlich vor Herausforderungen gestellt haben.

Die praktische Anwendung der Ergebnisse des Programms hat zu erfolgreichen Maßnahmen zur Bekämpfung der Geldfälschung geführt, einschließlich der Beschlagnahmung von Falschgeld und der Zerschlagung krimineller Organisationen. Trotz des Erfolgs hat die jüngste Kürzung der Haushaltsmittel zu einer geringeren Zahl der durchgeführten Maßnahmen und einem Rückgang der Gesamtteilnehmer geführt.

Das Programm hat eine hohe Zufriedenheitsrate: 99,1 % der Teilnehmer bewerteten ihre Erfahrungen positiv. Um seine Wirkung aufrechtzuerhalten und zu verstärken, sollte sich das Programm darauf konzentrieren, die einschlägigen Interessenträger weiter miteinander zu vernetzen und spezifische Herausforderungen im Zusammenhang mit neu auftretenden Bedrohungen anzugehen.

Effizienz

Das Programm Pericles IV demonstriert effektive Koordinierungs-, Management- und Verwaltungsstrukturen, die eine effiziente Ressourcennutzung gewährleisten, um Programmeleistungen, -ergebnisse und -wirkungen zu erreichen. Die rasche Unterstützung der GD ECFIN wird von den Interessenträgern geschätzt und ist sowohl bei der Antragstellung als auch bei der Umsetzung von entscheidender Bedeutung. Die Interessenträger, einschließlich der EU-Agenturen, bewerten ihre Zusammenarbeit mit der GD ECFIN positiv, und seit 2023 hat die Teilnahme von Eurojust an den ECEG-Sitzungen die Zusammenarbeit auf die Justizbehörden ausgeweitet.

Mit der Einführung des **eGrants-Systems wurde das Antragsverfahren vereinfacht**. Das Portal hat eine optimierte Kommunikation mit der GD ECFIN ermöglicht und die Effizienz verbessert. Trotz der Digitalisierung des Bewerbungsprozesses ist es für die Antragsteller immer noch zeitaufwändig, insbesondere bei der Organisation komplexerer Maßnahmen, aber der Nutzen überwiegt die Kosten.

Die Verwaltungskosten des Programms beliefen sich auf 23,64 % der für 2023 geplanten Maßnahmen, was etwas hoch ist. Die Verwaltungskosten sind im Vergleich zu ähnlichen Programmen relativ hoch, müssen jedoch vor dem Hintergrund der Besonderheiten des Programms Pericles IV berücksichtigt werden, bei dem das Referat der GD Wirtschaft und Finanzen, das das Programm verfolgt, als operatives Geschäftsreferat fungiert. Als solche ist es integraler Bestandteil der Strategieentwicklung und Planung von Maßnahmen und der Koordinierung innerhalb der ECEG, aber auch der Durchführung von Maßnahmen, was von entscheidender Bedeutung ist, um mit neuen Entwicklungen im Bereich der Euro-Fälschung Schritt zu halten und das Programm auf die Bedürfnisse der Mitgliedstaaten und der Aktionsteilnehmer abzustimmen. Die enge Einbindung des Referats sowohl in die Planung als auch in die Durchführung gewährleistet einen kohärenten und zielgerichteten Ansatz, der den Mitgliedstaaten und Drittländern einen Mehrwert bringt und die Wirksamkeit des Programms gewährleistet.

Trotz eines Rückgangs der Zahl der Mittelbindungen im Vergleich zu Pericles 2020 hält Pericles IV **eine hohe Mittelzuweisung aufrecht** und erreichte in den Jahren 2022 und 2021 eine Mittelbindung von über 97 %. Die Inflation und die Kürzung des Budgets im laufenden Programmplanungszeitraum haben jedoch zu einem Rückgang der Zahl der Maßnahmen und Programmteilnehmer geführt. Die Interessenträger betonen, wie wichtig es ist, das Budget des Programms beizubehalten oder aufzustocken, um weiterhin Wirksamkeit und Schutz vor Euro-Fälschung zu gewährleisten.

Die **derzeitige Kofinanzierungsregelung** (bis zu 75 % Normalsatz und 90 % in hinreichend begründeten Fällen) **wird als angemessen erachtet**. Obwohl diese Konstellation nach wie vor angemessen ist, ist die Zahl der Anträge auf eine höhere Kofinanzierung im Vergleich zu Pericles 2020 gestiegen. Dieser Anstieg ist auf den Umfang dieser Maßnahmen zurückzuführen, die häufig außerhalb der EU durchgeführt werden, sich an Personal aus Drittländern richten, umfangreiche Ausrüstungskäufe erfordern oder sich auf neue Prioritäten der Pericles-Strategie konzentrieren. Was die Angemessenheit des Haushaltsplans für Pericles IV anbelangt, so kommt die Evaluierung zu dem Schluss, dass der Haushalt es dem Programm ermöglicht, seine Ziele zu erreichen, auch wenn sich weitere Kürzungen der Mittel nachteilig auf den Anwendungsbereich und die Wirksamkeit des Programms auswirken würden. Darüber hinaus ist hervorzuheben, dass das Programm Pericles zwei unabhängige Evaluierungen pro Programmplanungszyklus durchläuft – eine Zwischen- und eine Ex-post-Evaluierung, die für Initiativen des mehrjährigen

Finanzrahmens üblich ist. Angesichts des einzigartigen Umfangs des Programms und seiner Kontinuität gegenüber früheren Auflagen könnte jedoch die Verhältnismäßigkeit dieser Evaluierungsanforderungen im Verhältnis zum Gesamtbudget in Frage gestellt werden.

Kohärenz

Die unter dem Dach von Pericles IV organisierten Maßnahmen können als kohärent und ergänzend zu den bestehenden Maßnahmen der Mitgliedstaaten, der EZB, von Europol und anderen Organen der Union angesehen werden. Die GD Wirtschaft und Finanzen hat Vereinbarungen mit den Organen der Union getroffen, um Überschneidungen zwischen ihren Tätigkeiten zu vermeiden. Das Programm wurde von den konsultierten Interessenträgern für seine Einzigartigkeit gelobt, da es regelmäßig ein einschlägiges Netzwerk von Interessenträgern zusammenbringt. In Bezug auf andere Initiativen auf EU-Ebene, die eine Rolle bei der Bekämpfung der Euro-Fälschung spielen könnten, einschließlich ISF, TAIEX und Twinning-Instrumente, sind die Interessenträger der Ansicht, dass diese Programme Pericles IV ergänzen und ein begrenztes Risiko von Überschneidungen in Bezug auf die Kohärenz mit den von der EZB, Europol und der EMPACT-Initiative organisierten Maßnahmen aufweisen. Während Initiativen auf Ebene der Mitgliedstaaten bis zu einem gewissen Grad gegen Geldfälschung vorgehen, bietet das Programm Pericles mehr Fachwissen und verbessert die Vernetzung zwischen den Mitgliedstaaten. Pericles IV ergänzt und bereichert somit die nationalen Bemühungen zur Bekämpfung der Euro-Fälschung.

Nachhaltigkeit

Die Ergebnisse, die durch die Pericles-IV-Maßnahmen erzielt wurden, und die Verbesserungen der institutionellen Kapazitäten, die sich aus diesen Maßnahmen ergeben, dürften im Laufe der Zeit anhalten. Die Mehrzahl der Programmteilnehmer hat Maßnahmen oder Praktiken eingeführt, um die Nachhaltigkeit der erzielten Ergebnisse und die Fortschritte bei der Erreichung der Ergebnisse zu gewährleisten. Nach ihrer Teilnahme an dem Programm berichteten die Teilnehmer von einer Stärkung der operativen Fähigkeiten und der Nutzung der neu erlernten Methoden. Darüber hinaus gaben die Teilnehmer an, sich an Verbreitungsaktivitäten zu beteiligen. Die häufigste Form der Verbreitung erfolgte durch informellen Wissenstransfer am Arbeitsplatz, gefolgt von der Verteilung von Materialien, die durch die Aktionen von Perikles erhalten wurden. Es wurde auch erwähnt, dass der Schwerpunkt auf der Sensibilisierung der Bevölkerung liegt, um die Nachhaltigkeit des Programms zu gewährleisten, auch wenn diese Angelegenheit in den Händen der Behörden der Mitgliedstaaten liegt. Darüber hinaus haben die Interessenträger auf die Notwendigkeit hingewiesen, kontinuierliche und regelmäßige Unterstützung zu erhalten, um die erhaltene Ausbildung zu institutionalisieren und ihre ordnungsgemäße Umsetzung sicherzustellen. Darüber hinaus sind Folgemaßnahmen erforderlich, um die Teilnehmer über die neuesten Trends

und Techniken der Euro-Fälschung auf dem Laufenden zu halten und wichtige Kontakte zu pflegen. Die Interessenträger betonten, dass alle 2-3 Jahre Schulungen durchgeführt werden müssen, um sicherzustellen, dass die Inhalte für die Entwicklung krimineller Aktivitäten relevant bleiben.

Insgesamt stellte die Mehrheit der Teilnehmer an Pericles-IV-Maßnahmen **eine positive Entwicklung ihrer Rolle seit der Teilnahme am Programm fest**. Die meisten Mitarbeiter, die an den Pericles-IV-Maßnahmen teilnehmen oder diese organisieren, arbeiten nach wie vor für dieselbe Institution, weisen eine hohe Verbleibsquote auf und tragen damit zum Aufbau institutioneller Kapazitäten bei.

Wie hat die EU-Intervention einen Unterschied gemacht und für wen?

EU-Mehrwert

Bei der Fälschung des Euros handelt es sich um eine Straftat mit internationalem Charakter, da an der Herstellung und dem Vertrieb gefälschter Banknoten häufig mehrere Länder (d. h. Mitgliedstaaten und Drittländer) beteiligt sind. Probleme, die die Mitgliedstaaten im Zusammenhang mit Geldfälschungen angehen müssen, können daher nicht nur auf nationaler Ebene angegangen werden. Die Notwendigkeit guter Kontakte zu Kollegen in verschiedenen Ländern und ein Verständnis für deren Ermittlungspraktiken und Rechtsvorschriften ist von besonderer Bedeutung. Das Programm Pericles IV fördert wertvolle grenzüberschreitende Kontakte zwischen den Mitgliedstaaten, erleichtert wichtige Verbindungen zu Drittländern und konsolidiert **Informationen und Kenntnisse über Trends und Entwicklungen**, was auf nationaler Ebene oft eine Herausforderung darstellt.

Da die nationalen Mittel für die Bekämpfung von Geldfälschungen in einigen Ländern, in denen die Euro-Fälschung keine besondere politische Priorität hat, begrenzt sind, werden diese Bemühungen im Rahmen von Pericles IV wirksam unterstützt und ausgeweitet. **Kontinuierliche Maßnahmen auf EU-Ebene** sind nach wie vor von entscheidender Bedeutung, um neuen Bedrohungen wie denen aus dem Internet und veränderten Banknoten zu begegnen, was den koordinierten Ansatz von Pericles IV erfordert.

Ist die Intervention noch relevant?

Relevanz

Das Programm Pericles IV ist nach wie vor relevant. Insgesamt sehen die **befragten Interessenträger die Euro-Fälschung als ein Problem** in ihren jeweiligen Ländern und als ein Phänomen, das die Außengrenzen der Mitgliedstaaten und der EU überschreitet. Die Quantifizierung des Problems ist jedoch eine Herausforderung, da es schwierig ist, den Umfang der illegalen Aktivitäten genau zu messen. Der Rückgang der aufgedeckten Fälschungen kann auf verschiedene Weise interpretiert werden, und die verfügbaren

Statistiken werden als unzureichend angesehen, um die Wirksamkeit des Programms in vollem Umfang beurteilen zu können. Darüber hinaus verkomplizieren Veränderungen im Verbraucherverhalten und neue Fälschungsmethoden, wie z. B. die Zunahme von Banknoten mit verändertem Design, die Situation. Trotz dieser Herausforderungen besteht Einigkeit darüber, dass kontinuierliche Anstrengungen erforderlich sind, um die Kontrolle über Geldfälschungen aufrechtzuerhalten und das Vertrauen der Öffentlichkeit in den Euro zu schützen.

Die Mehrheit der Beteiligten ist der Meinung, dass das Programm ihren Bedürfnissen entspricht, auch wenn es bei der Anpassung an sich rasch entwickelnde Bedrohungen noch Verbesserungspotenzial gibt. Zu den identifizierten zukünftigen Bedrohungen gehören Fragen im Zusammenhang mit digitaler Währung, künstlicher Intelligenz und internationaler Zusammenarbeit, insbesondere mit Ländern wie China und Türkiye als Herkunftsländer von Fälschungen und Rohstoffen zur Herstellung von Fälschungen und deren Beziehung zu Online-Aktivitäten. Daher muss das Programm flexibel bleiben und sich an neu auftretende Bedrohungen anpassen, um relevant zu sein.

Die Interessenträger bestätigen, dass die Ziele des Programms nach wie vor relevant sind und dass weiterhin Unterstützungsbedarf besteht, insbesondere aufgrund begrenzter Ressourcen auf nationaler Ebene. Angesichts des internationalen Charakters von Geldfälschung ist die grenzüberschreitende Zusammenarbeit, die durch das Programm erleichtert wird, von entscheidender Bedeutung. Die Zusammenarbeit mit Drittländern ist ebenfalls von entscheidender Bedeutung, insbesondere mit denjenigen, die den Euro verwenden oder von seiner Fälschung betroffen sind. Diese Zusammenarbeit trägt dazu bei, sowohl Produktions- als auch Vertriebsprobleme im Zusammenhang mit gefälschten Euros zu lösen.

Zentrale Erkenntnisse

Nach der Evaluierung des Programms ergaben sich mehrere Lehren für die Zukunft. Um die Relevanz und Wirksamkeit des Programms Pericles IV zu erhalten, ist es von entscheidender Bedeutung, sowohl die aktuellen als auch die neuen Bedrohungen der Euro-Fälschung anzugehen. Dies bedeutet, dass aktuelle Herausforderungen wie die zunehmende Qualität von Fälschungen, die steigende Zahl der im Umlauf befindlichen Banknoten mit verändertem Design und die leichte Verfügbarkeit, sowohl von Fälschungen als auch Banknoten mit verändertem Design über das offene Netz und die sozialen Medien zugänglich sind, angegangen werden müssen. Besondere Aufmerksamkeit sollte jedoch aufkommenden langfristigen Trends wie den potenziellen Auswirkungen des künftigen digitalen Euro und der Rolle der KI bei der Herstellung und Erkennung von Fälschungen gewidmet werden.

Das Programm Pericles sollte bei der Gestaltung der Maßnahmen weiterhin einen dualen Ansatz verfolgen, der es ermöglicht, dass die Maßnahmen den

unterschiedlichen Kapazitäten und dem Wissensstand der verschiedenen Mitgliedstaaten und Drittländer bestmöglich gerecht werden. Dies bedeutet, dass es sich dort, wo es notwendig ist, auf die Entwicklung grundlegender technischer Fähigkeiten konzentrieren sollte, während es sich gleichzeitig mit fortgeschrittenen Bedrohungen befasst für diejenigen die fortgeschrittener sind. Darüber hinaus kann eine rechtzeitige Kommunikation über den Inhalt der Maßnahmen unter Berücksichtigung der spezifischen Bedürfnisse der Zielgruppen unter Berücksichtigung ihrer Vertrautheit mit der Euro-Fälschung und des Umgangs mit dem Programm ebenfalls zur Wirksamkeit und Relevanz des Programms beitragen.

Während das Programm Pericles IV derzeit auf die richtige Zielgruppe abzielt, könnte seine Relevanz durch eine regelmäßige Einbeziehung zusätzlicher Interessengruppen wie Justizbehörden, Zoll und private Parteien erhöht werden. Dies ist angesichts der zunehmenden Bedrohungen, die von Banknoten und Online-Plattformen mit verändertem Design ausgehen, und der Notwendigkeit eines gemeinsamen Ansatzes zur Bekämpfung dieser Bedrohungen besonders wichtig. Ihre Teilnahme wurde auch im Rahmen der ECEG-Sitzung erwähnt, deren Dauer verlängert werden sollte, um eine gründlichere Diskussion zu ermöglichen.

Um die Wirksamkeit des Programms Pericles IV zu erhalten und weiter zu verbessern, ist es außerdem von entscheidender Bedeutung, für den Rest des Programmplanungszeitraums ein relatives Gleichgewicht zwischen den verschiedenen Arten von finanzierten Maßnahmen zu gewährleisten. Die Ausgewogenheit der Maßnahmen ist von entscheidender Bedeutung, um der Vielschichtigkeit der Geldfälschung zu begegnen und das Programm relevant, anpassungsfähig und flexibel zu bleiben, um auf neue Herausforderungen und Trends reagieren zu können. Darüber hinaus sind an den verschiedenen Maßnahmen oft unterschiedliche Interessenträger beteiligt und es werden verschiedene Aspekte der Produktfälschung mit unterschiedlichen Ergebnissen und Ergebnissen behandelt. Ein ausgewogener Ansatz stellt sicher, dass alle notwendigen Fähigkeiten und Wissensbereiche abgedeckt werden, was den Teilnehmern eine umfassendere Lernerfahrung ermöglicht. Unter Berücksichtigung all dessen würde die Aufrechterhaltung der für Perikles IV bereitgestellten Mittel wahrscheinlich den Anwendungsbereich des Programms erweitern, was zu mehr Maßnahmen und einer größeren Zahl geschulter Teilnehmer führen würde. Angesichts der anhaltenden Bedeutung der Probleme der Fälschung und der sich abzeichnenden künftigen Bedrohungen wäre es für das Programm von erheblichem Vorteil, wenn der derzeitige Haushalt beibehalten oder idealerweise aufgestockt würde.

Um die Wirksamkeit des Programms Pericles IV zu verbessern, ist es schließlich unerlässlich, Sprachbarrieren zu beseitigen, die die Beteiligung einiger Interessengruppen behindern können. Die Identifizierung dieser Gruppen und die Sicherstellung, dass die Maßnahmen in ihren Landessprachen durchgeführt oder in diese übersetzt werden, wird wahrscheinlich die

Beteiligung und die Ergebnisse verbessern. Darüber hinaus sollte der Fokus auf Folgemaßnahmen und regelmäßige Schulungen gefördert werden. Dieser Ansatz wird das Lernen verstärken, die Interessenträger über die sich wandelnden Bedrohungen auf dem Laufenden halten und sicherstellen, dass die Bekämpfung der Euro-Fälschung robust bleibt und auf neue Entwicklungen reagiert.

1. Introduction

1.1. Introduction to the report

This draft final report presents the draft final results from the mid-term evaluation of the Pericles IV Programme. Moreover, this report serves as a status update on the progress of the Pericles IV evaluation. The study was commissioned by DG ECFIN and has been implemented by Ecorys between January 2024 and July 2024.

The report first presents the purpose and scope of the study (Chapter 1) and outlines the background to the Pericles IV Programme (Chapter 2). Then, the report presents the draft evaluation findings (Chapter 3) and draft conclusions and lessons learned (Chapter 4). Finally, the annexes cover the methodology and analytical models used (Annex I), the evaluation matrixes and answers to the evaluation questions (Annex II), the overview of benefits and costs (Annex III), the synopsis report (Annex IV) and the case study reports (Annex V).

1.2. Purpose and scope of the evaluation

The objective of this study is to provide an independent mid-term evaluation of the Pericles IV Programme (from now on, 'the Programme'). This objective is pursuant to Article 13 of Regulation (EU) No 2021/840, which states that such an evaluation will be carried out once there is sufficient information available about the implementation of the Programme albeit no later than four years after the start of the Programme implementation.

The purpose of the evaluation is dual: to review the performance of the Programme, and to draw lessons for the remaining Programme period. The final report will function as key documentation during the negotiations for the future Pericles Programme.

The evaluation assesses the Programme's implementation in the period 2021 - 2024 (March)⁴ and covers both European Union Member States (euro area and non-euro area) as well as third countries. The mid-term evaluation covers a variety of stakeholders, including national competent authorities belonging to EU Member States, Programme applicants and beneficiaries Programme, participants in the actions financed under the Programme, EU Institutions such as the European Commission (EC), European Central Bank (ECB), Europol and

⁴ The implementation of the Programme's actions is leading in the determination of the scope, hence, actions funded after the end of March 2024 are not considered part of the scope. Actions committed before the end of March 2024 but foreseen to be implemented after that date are included in the scope.

Eurojust, and international partners: competent authorities from third countries and Interpol (i.e. Counterfeit Currency and Security Documents Branch).

The mid-term evaluation follows the prescribed Better Regulation Guidelines approach and covers the following evaluation criteria: relevance, effectiveness, efficiency, coherence, EU-added value, and sustainability.

The evaluation covers all types of actions under the Pericles IV Programme; this includes conferences and other large events aimed at disseminating information, meetings, seminars and workshops, training activities, targeted placements and exchange of staff of competent national authorities, studies, and the purchase of equipment to anti-counterfeiting authorities in non-EU countries.⁵

⁵ All types of activities will be covered by the mid-term evaluation, but not all Pericles IV individual actions will be examined equally. Some actions will be analysed in-depth as part of the case studies.

2. Background to the Pericles IV Programme

2.1. Objectives of the Pericles IV Programme

The Pericles IV Programme is the fourth continuation and enhancement of the Pericles Programme. The Programme was established to prevent and combat euro counterfeiting and related fraud. Its main goal is to safeguard the single currency's integrity, which is crucial for maintaining the trust of citizens and organisations in the euro and, by extension, in the European Union's economy. This protection is essential for the sustainability of public finances and the currency's reputation.

Pericles IV builds on the foundations laid by its predecessors, adapting to new challenges and aiming to incorporate modern approaches to fighting counterfeiting. The Programme aims to support and supplement measures undertaken by Member States and additionally assist national authorities in building their efforts to protect euro banknotes and coins against counterfeiting.

The current Programme, much like previous iterations, supports the exchange and dissemination of information and knowledge through organising workshops, meetings, and seminars, and providing training sessions, staff exchanges and targeted placement initiatives for national authorities. Additionally, technical, scientific, and operational support is provided across Member States and third countries. This particular support provided through Pericles IV enhances the capabilities of relevant authorities and in turn ensures that the euro remains a trusted and secure currency inside and outside the European Union.

Through Pericles IV, the European Commission has also organised various workshops and training sessions focused on emerging technologies, such as blockchain and Internet-related topic developments, to ensure that national authorities are equipped with the latest tools and knowledge. Through these initiatives, Pericles IV not only strengthens the technical capabilities of anti-counterfeiting authorities but also ensures that the employed strategies are innovative and effective in addressing the sophisticated techniques used by counterfeiters.

By adapting to new challenges and leveraging modern technologies, the Pericles IV Programme continues to play a vital role in protecting the euro and supporting the stability and integrity of the European Union's financial system.

In summary, the Pericles IV Programme has been steered towards achieving the following objectives:

- Combat counterfeiting: preventing and combatting euro counterfeiting;

- Capacity building: enhancement of institutional capacities and fostering cooperation;
- Awareness building: promotion of risks associated with counterfeiting amongst citizens, businesses and other stakeholders who may be a part of the supply chain;
- Technical support: development of research and technologies aimed at enhancing counterfeit detection.

2.2. Implementation of the Programme – status & basic figures

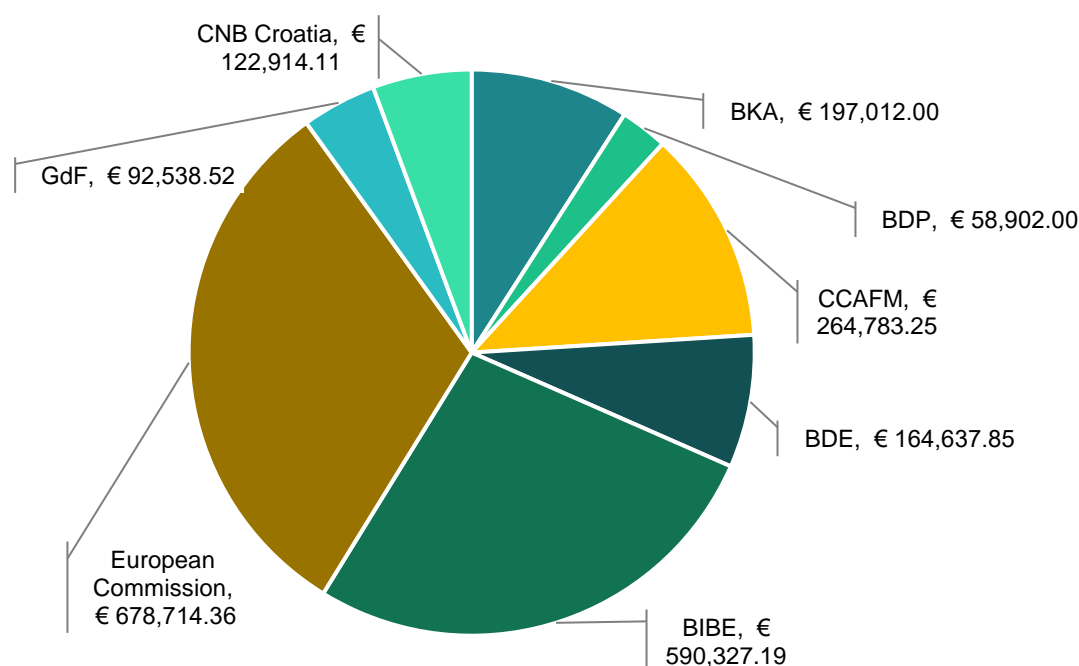
The Pericles IV Programme, running from 2021 to 2027, has a total budget of EUR 6.2 million. The annual budgets are EUR 0.8 million for 2021, EUR 0.9 million for 2022, EUR 0.6 million for 2023 and an additional EUR 200 000 as a support budget line for 2023. Managed by the European Commission, the Pericles Programme allocates funding to Member States based on their needs and proposed actions. The overview of the Programme's implementation to date is provided below. As the midterm report necessitates an assessment of the current Programme, currently only data from 2021, 2022, and 2023 is available for evaluation.

Table 1 - Amount division of actions in 2021, 2022 and 2023 Pericles IV Programme (excluding e-Grants)

Year	Grants	Procured Commission actions	e-Grants contribution
2021	5	3	1
2022	5	3	1
2023	9	1	1
Total	19	7	3

In 2021, the entire budget of EUR 0.8 million was utilised, funding nine actions: five grants to Member State initiatives, three Commission policy initiatives, as well as the annual costs for the e-Grants tool. In 2022, a EUR 0.85 million was allocated, with 97.41% committed by year-end. This funded nine actions, including five grants to Member State authorities, three procured actions by the European Commission, and the e-Grants tool costs. In 2023, EUR 0.666 million was committed, achieving an absorption rate of 99.9%. The funds supported twelve actions, comprising nine grants, one European Commission procured action, and the annual e-Grants tool costs.

Figure 1 – Total amount from the Pericles IV Programme (2021, 2022 and 2023) by recipient



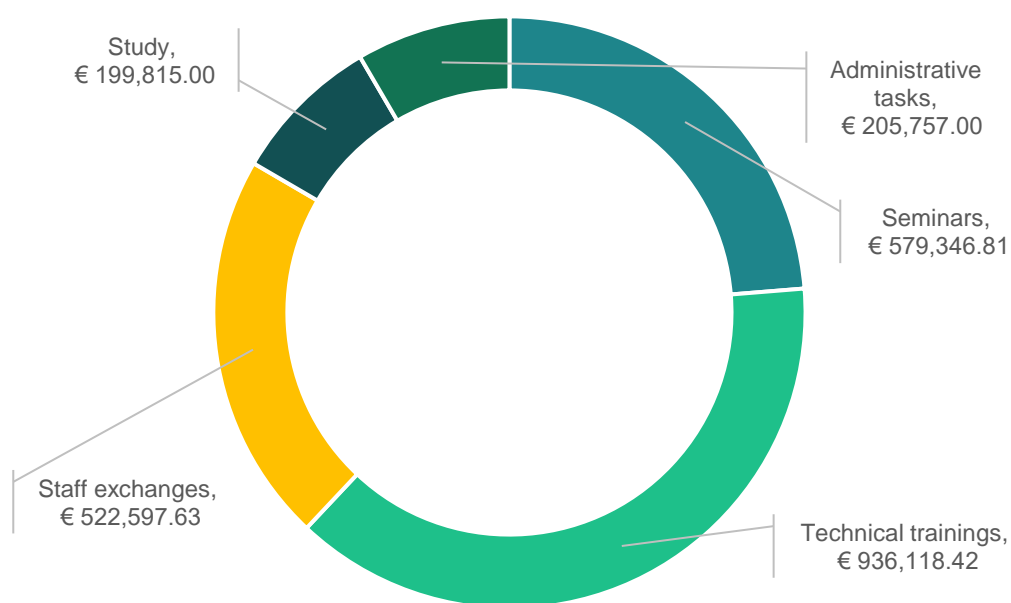
Source: Ecorys elaboration based on Pericles Annual Reports.

Over the past three years, there were eight recipients of the provided grants, namely: the Bundeskriminalamt, the German federal criminal police office (BKA), the Bank of Portugal (BDP), the Italian anti-counterfeiting agency Comando Carabinieri Antifalsificazione Monetaria (CCAFM), the Bank of Spain (BDE), the Bank of Spain's Monetary Offences Investigation Brigade (BIBE), the Italian financial crime investigation unit Guardia di Finanza (GdF), and the Croatian National Bank (CNB), all under the Pericles IV Programme. The European Commission is also marked as a recipient; these funds represent the procured actions by the European Commission. The figure above illustrates the division of funds amongst the respective recipients.

The types of actions conducted by the recipients spanned between seminars and technical trainings to staff exchanges, study and administrative knowledge exchange initiatives. The below figure illustrates the amounts dedicated to various activities and the amounts provided to the member states and the European Commission in 2021, 2022, and 2023. Most funds in these years (38%) were allocated to technical trainings, followed by seminars (25%) staff exchanges (21%), administrative tasks (8%), and study allocation (8%). In 2021, 2022 and 2023, the Pericles IV Programme funded five grants and four initiatives by the European Commission. The funding was evenly divided into technical trainings (30%), staff exchanges (24%), seminars (22%), and a study

(21%), with a small portion allocated for administrative functions (3%)⁶. The Pericles IV Programme supports law enforcement, judicial authorities, and banks in combatting euro-counterfeiting through these various activities.

Figure 2 – Total amount from the Pericles IV Programme (2021, 2022 and 2023) by activity type



Source: Ecorys elaboration based on Pericles Annual Reports.

The Pericles 2020 Programme, compared to the current iteration, shares similarities in the objectives and stakeholder involvement, as both initiatives aim to combat related fraud and counterfeiting of the euro currency by implementing measures to enhance law enforcement capacity, improve security features, and foster cooperation among EU Member States through technical training sessions and seminars. A similar division amongst grants and Commission Actions has been established and the stakeholder recipients continue to implement actions as they did under the Pericles 2020 Programme. With regards to current takeaways, in both iterations, the shared positive results are the focus on strengthening bilateral and multilateral cooperation and the focus on the transnational involvement of counterfeiting. However, thus far, one difference between the Pericles 2020 Programme and Pericles IV implementation is that the latter Programme currently does not include any purchase of equipment which is to be used by the specialised anti-counterfeiting authorities.

⁶ European Commission, 2022. Report from the Commission concerning the implementation of the Pericles IV Programme for the protection against counterfeiting in 2021

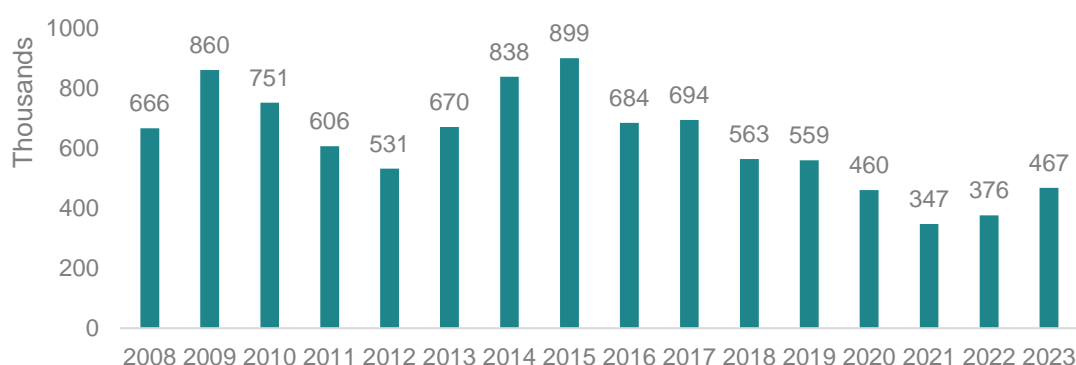
2.3. Points of comparison

Regulation (EU) No 2021/840 lists key indicators to describe the nature and severity of the counterfeiting problem, namely the number of detected counterfeit euros, and the number of dismantled illegal workshops. Both indicators have also been used in this mid-term evaluation to describe the current situation with regards to euro counterfeiting and the development thereof in recent years.

Counterfeits detected

Turning first to the detected counterfeit euros, ECB data shows a decreasing trend. In 2008, 666,000 counterfeit banknotes were detected. This amount grew to 899,000 banknotes in 2015. Since then, the number of detected counterfeit banknotes in circulation has decreased. In 2023, 467,000 counterfeit banknotes were detected in circulation.⁷ This marks a decrease of nearly 50%. However, statistics on recent years show an upward trend in the number of counterfeit banknotes detected in circulation. The figure below illustrates this development.

Figure 3 – Number of counterfeit banknotes detected in circulation (2008 – 2023)

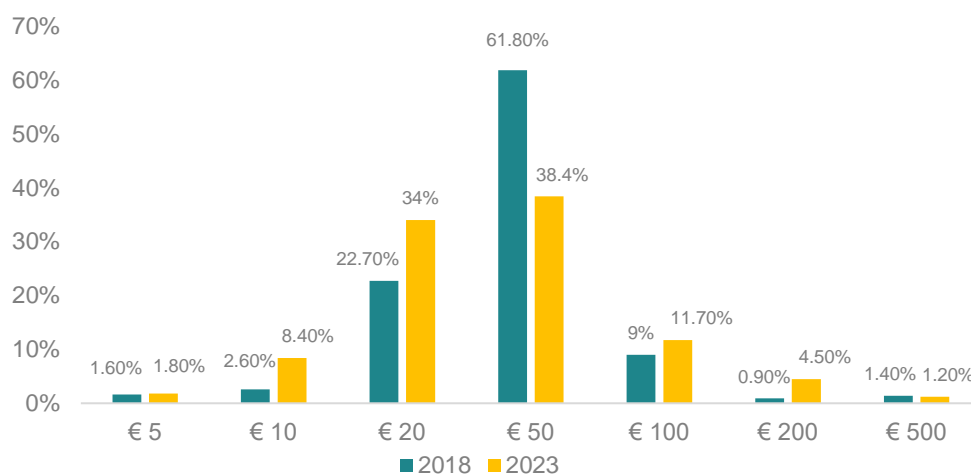


Source: ECB press releases

The banknote denominations most frequently counterfeited are 20 and 50 euro banknotes. Together, they account for slightly below two-thirds of the total, as illustrated by the following graph. Comparing statistics from 2018 to those of 2023, it becomes evident that the 20-euro banknote was detected more often than before while the situation for the 50-euro banknote is reversed.

⁷ ECB, Number of counterfeit euro banknotes remains low in 2023, 2024, see this [link](#).

Figure 4 – Breakdown of euro counterfeit banknotes detected by denomination (2018 vs 2023)



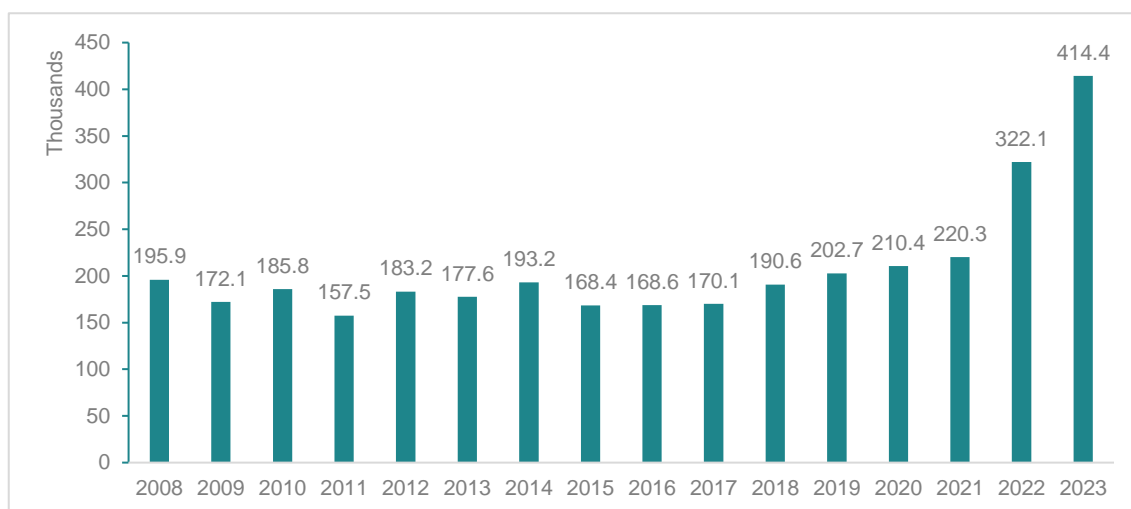
Source: ECB press releases, 2019 and 2023

In 2023, the majority of counterfeits were detected in the Euro area (97.2%). 1.9% of the counterfeits are found in non-Euro area Member States, and 0.9% in other parts of the world.⁸

With regards to euro coins, the number of counterfeits detected in circulation had remained relatively stable over the years. However, since 2016, there has been a steady increase in the number of coin counterfeits detected, with an increase of around 29% in 2023 compared to 2022. The following figure illustrates this development. Counterfeit coins were found in the whole euro area in 2022, with those seized in Italy, Germany, Italy, Greece, and Spain accounting for about 61 % of the total seized in 2022.⁹

⁸ Ibid.

⁹ While the total number of counterfeit coins detected in 2023 is available, a more detailed breakdown by country and denomination as provided by the ETSC is not publicly available yet.

Figure 5 – Total number of counterfeit euro coins detected (2008-2023)

Source: ETSC annual reports¹⁰

The breakdown of detected counterfeit euro coins by denomination shows a clear trend towards higher denominations in the number of euro coins detected since 2014. The number of detected 2-euro coins has been increasing significantly since 2014, reporting an increase of about 51% in 2022 compared to 2021. In 2022, detected 1-euro coins reported an increase as well (around 38%), while the number of 50 cents decreased by about 17% compared to 2021.

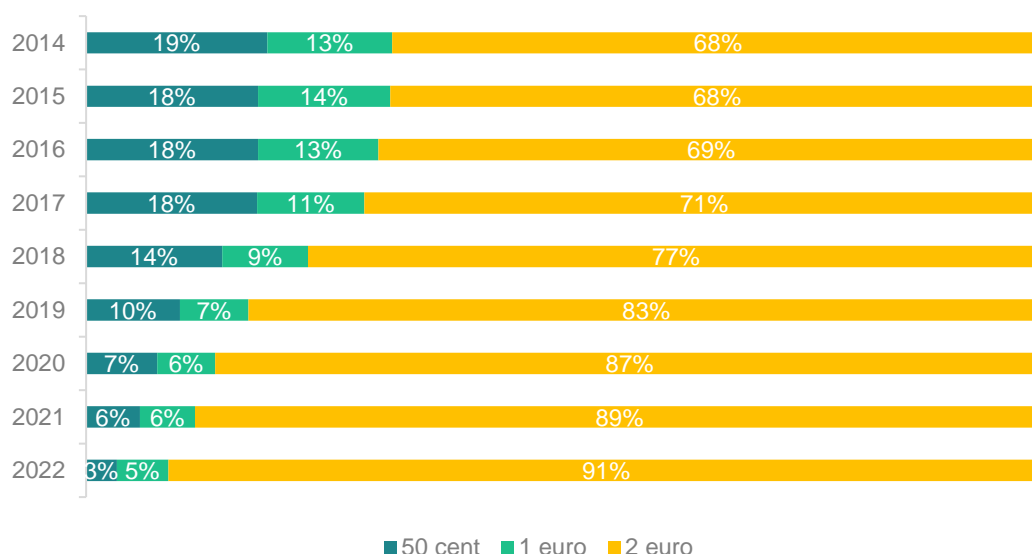
In particular, an increase in counterfeits has been reported in five main classes of the 2-euro coin, which account for 74% of the total number of 2-euro counterfeits seized.¹¹ A significant aspect related to these classes is that unusually high quantities are detected in the South East Europe, especially in Montenegro and Kosovo (UNSCR 1244).¹² In the latest reference period (from 1 October 2022 to 30 September 2023), an increase of the total registered 2euro counterfeit coins was reported in this area, with the vast majority of those coins belonging to the 2E72 class.¹³

¹⁰ ETSC Annual Report, The protection of euro coins in 2022, available [here](#).

¹¹ ETSC Annual Report, The protection of euro coins in 2022, available [here](#).

¹² This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

¹³ ETSC Annual Report, The protection of euro coins in 2022, available [here](#).

Figure 6 – Breakdown of euro coin counterfeits by denomination (2014 – 2022)

Source: ETSC annual reports

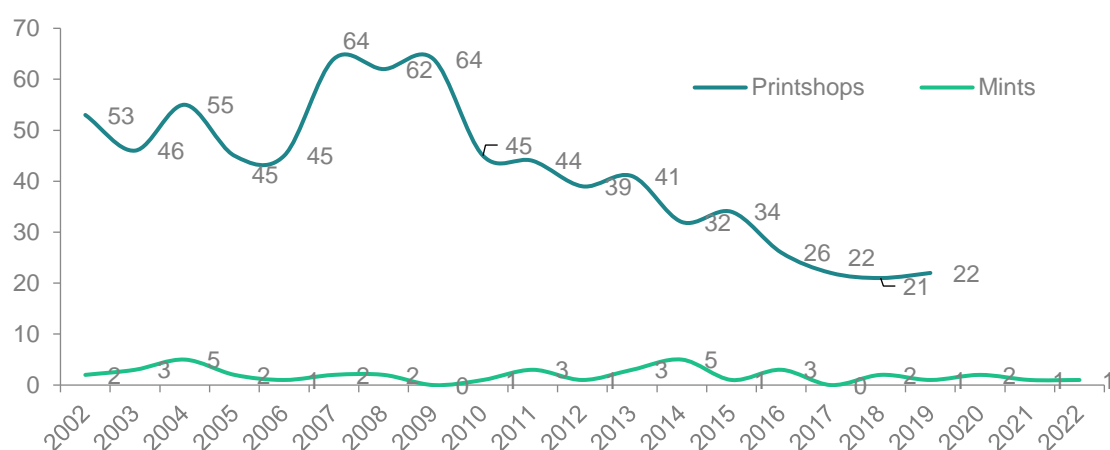
Illegal workshops dismantled

In addition to the counterfeit euro coins removed from circulation, counterfeits are regularly seized before they enter into circulation, mainly in the framework of law enforcement authorities' operations and investigations. For most of the observed years, the number of illegal mints found and dismantled has been decreasing, despite some fluctuations, while the number of print shops dismantled is constantly declining. According to the Programme performance website¹⁴, nine illegal workshops (mints and print shops) were dismantled in 2023. An investigation carried out in Italy which led to the dismantling of an illegal mint has been reported.¹⁵

The figure below shows the number of illegal mints and print shops dismantled since 2002 based on the ETSC report. Data on the number of print shops is available until 2019.

¹⁴ European Commission, available [here](#), retrieved on 29 May, 2024.

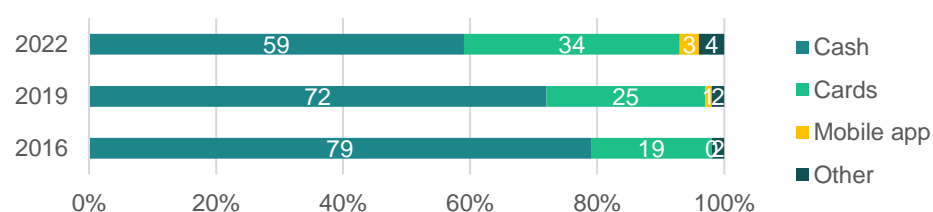
¹⁵ Annex to the Commission Decision on the financing of the Pericles IV programme and the adoption of the annual work programme for 2024, available [here](#)

Figure 7 – Total number of illegal workshops dismantled (2002-2022)

Source: ETSC reports and European Commission

Use of cash

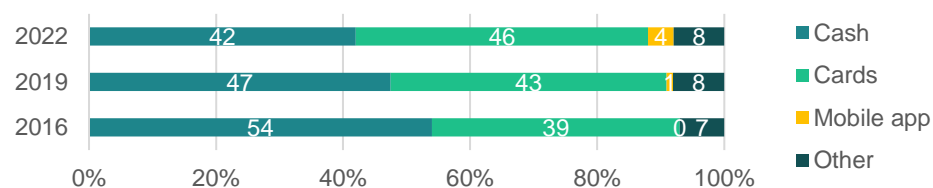
In addition to the developments on the number of seized counterfeits and the number of dismantled illegal workshops, information on the use of cash is relevant to take into account when analysing the Pericles IV Programme. It is difficult to identify solid and accurate quantifiable data on the use of cash, as the use of cash cannot be captured by one single statistic. Data on the use of cash (euros) at the points of sale¹⁶ show a decline in the use of cash, both in the amount and value of transactions, see figures below.

Figure 8 – Share of payment instruments used at the points of sale in terms of number of transactions (euro)

Source: ECB, Study on the payment attitudes of consumers in the euro area (SPACE), 2022

¹⁶ I.e. Point-of-sale payments include those payments made to purchase goods or services at supermarkets, shops for day-to-day items, street or market selling points, shops selling durable goods, restaurants, bars, cafés, petrol stations, vending or ticketing machines, venues for culture, sports or entertainment, offices of public authorities and hotels or similar, as well as for services outside the home (e.g. hairdressers, dry cleaning, bicycle repair) or inside or around the home (e.g. cleaning, babysitting) and at other physical locations (ECB, 2022).

Figure 9 – Share of payment instruments used at the points of sale in terms of value of transactions (euro)



Source: ECB, Study on the payment attitudes of consumers in the euro area (SPACE), 2022

At the same time, this data shows that cash is still the preferred method of payment and that the amount of cash (both banknotes and coins) in circulation is increasing.¹⁷ However, such statistics only capture a part of the situation, as cash might also be withheld from circulation and be stored as a form of ‘saving’. The use of cash is therefore not a perfect point of comparison against which to assess the relevance or the effectiveness of the Pericles IV Programme.

¹⁷ See monthly updated data by ECB on net circulation of [banknotes](#) and [coins](#).

3. Evaluation findings

This chapter presents the evaluation findings, which are presented along three questions:

- (i) To what extent was the intervention successful and why? – reflecting the effectiveness, efficiency, coherence and sustainability of the Pericles IV Programme.
- (ii) How did the EU intervention make a difference and to whom? – showing the EU added value of the Programme.
- (iii) Is the intervention still relevant? - providing evidence in relation to the relevance of the Programme.

The findings have been formulated based on the answers to individual evaluation questions, which can be found in Annex II.

3.1. To what extent was the intervention successful and why?

The Pericles IV Programme contributes to the prevention and combating of euro counterfeiting, preserving thereby the integrity of euro bank notes and coins. The Programme has, thus far, successfully fostered cooperation and enhanced the capacity to protect the euro among relevant institutions in Member States and third countries by providing technical trainings, seminars, staff exchanges, and studies. Beneficiaries of the Programme reported that their participation in Pericles actions resulted in improved skills in detecting, identifying, and classifying counterfeit banknotes and coins, as well as an increased knowledge of technical equipment. Third country authorities particularly benefit from actions such as technical training provided by the ETSC to support their ability to prevent and combat euro coin counterfeiting, which has been a prominent threat in the past years. In addition, Pericles significantly contributes towards bolstering institutional capacity both in Member States (e.g. improved procedures in commercial banks) and, in particular, in third countries, where participation has contributed to enhanced legal frameworks and operation capacities. The Pericles IV Programme has thus far ensured an efficient use of resources in achieving the Programmes outputs, results, and impacts. Additionally, the Programme is found to be complementary and coherent to initiatives undertaken by other Union institutions, such as the ECB and Europol.

3.1.1. Effectiveness

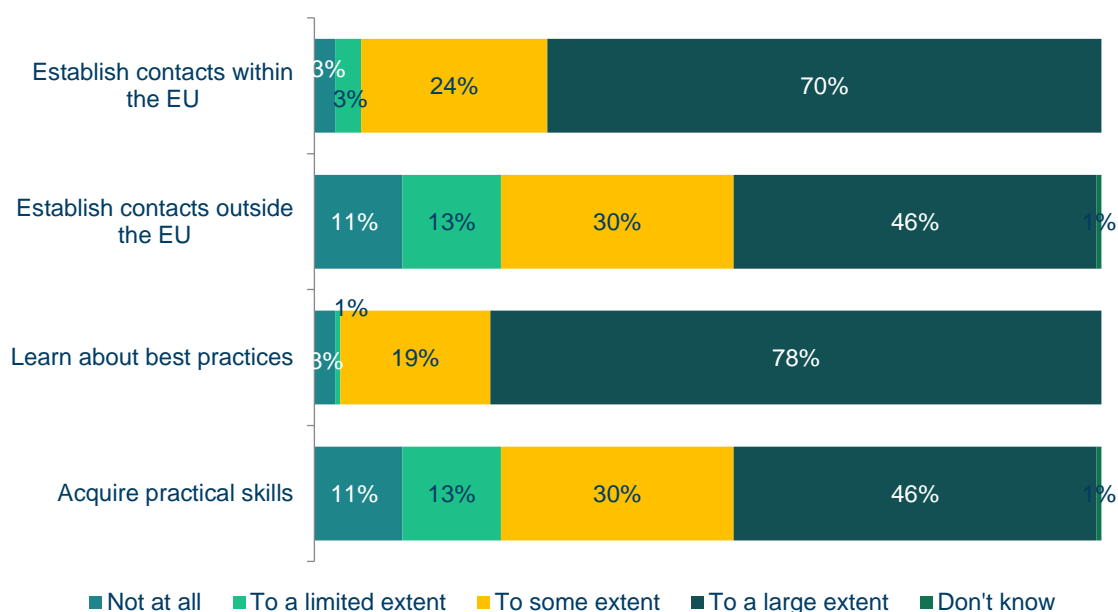
The Pericles IV Programme, as outlined in Article 2 of Regulation 2021/840/EU, has successfully fostered cooperation and enhanced the capacity to protect the euro among relevant institutions in Member States and third countries. The Programme's actions have facilitated the establishment of critical contacts and the exchange of information, thereby significantly improving institutional and operational capabilities. Notably, third countries have benefited from the knowledge and experiences shared by EU Member States.

By providing technical trainings, seminars, staff exchanges, and studies, the Programme has supported and supplemented measures undertaken by Member States, particularly where national funding is limited. The Programme has successfully fostered cooperation and the exchange of best practices among Member States, Union authorities, third countries, and international organisations. This has resulted in the establishment of formal and informal contacts, facilitating inquiries, and collaborative investigations.

The Pericles IV Programme contributed to establishing or enhancing cooperation and the exchange of best practices. Building upon the analysis of the relevance of the different types of actions, provided in the section on relevance, it can be observed that all stakeholders emphasised that one of the Programme's main benefits Programme is the opportunity it provides to foster relationships. Participation in Pericles IV actions has enabled them to establish formal and informal contacts in other Member States and in third countries, which they regularly utilise for inquiries or collaborative investigations. Stakeholders have also underscored the importance of cultivating contacts within their own country, alongside those abroad. Examples include the direct exchange of information between police, national bank, and mint whenever new counterfeits are identified.

Overall, beneficiaries of Pericles IV see several benefits to the Programme (see Figure 10). More than 70% of survey respondents (N=152) find Pericles IV actions useful for learning about best practices and establishing contacts within the EU. Interviewed stakeholders have outlined that conferences and seminars are typically the type of action where they can best make use of networking and meeting other colleagues.¹⁸ Staff exchanges were also deemed useful for the exchange of best practices, but their true value lies in the exchange of knowledge and practical skills, a benefit highly valued by 46% of the survey respondents. Additionally, the Programme has improved participants' skills in detecting counterfeit euros and increased their awareness on emerging trends or the use of particular technical equipment in other countries.

¹⁸ Interviews with Successful applicant Member State and third countries.

Figure 10 – Benefits of Pericles IV actions

Source: Survey, N=152

Increased cooperation is one of the Pericles IV Programme's most significant outcomes of the Programme. Interviews and survey results show that participants established formal and informal contacts in other countries, which they use regularly. For example, an Italian respondent mentioned that cooperation with police forces in other countries, established through Pericles, helped identify a reseller located in Italy. Another respondent mentioned that Pericles IV actions contributed to the capture and dismantling of several criminal organisations involved in counterfeiting national and foreign currencies, including euros and dollars. Stakeholders also emphasised the importance of cultivating contacts within their own countries. This has led to closer cooperation between police, national banks, and mints whenever new counterfeits are identified, resulting in successful operations.

The development and reinforcement of contacts through Pericles IV are also emphasised by third countries, particularly those located in Europe, who highlight the opportunities it presents for cooperation and knowledge sharing. Third countries outside of Europe likewise report having benefited from the Pericles Programme. For example, a joint investigation involving Argentina and Peru addressed the smuggling of counterfeit euros and dollars by Peruvian criminals through Argentina. The contacts in Argentina were established through Pericles, and this collaboration led to the seizure of 3 million euros and 5 million euros in euro counterfeits respectively.¹⁹

Beneficiaries of the Programme reported that their participation in Pericles actions resulted in **improved skills in detecting, identifying, and classifying**

¹⁹ Interview with third countries

counterfeit banknotes and coins, as well as an increased knowledge of technical equipment. Stakeholders from third countries have particularly stressed the value of their participation in actions such as technical training provided by the ETSC as key elements in supporting their ability to prevent and combat euro coin counterfeiting, which is an emerging threat.

In addition, Pericles significantly contributes towards **bolstering institutional capacity** both in Member States (e.g. improved procedures in commercial banks) and in particular in third countries, where participation has contributed to enhanced legal frameworks and operation capacities, often built from scratch based on insights gathered from other participants during Pericles actions with regards to organisation structures, legal requirements, and the use of technical equipment. Stakeholders have highlighted that sharing information about administrative structures is crucial for third countries to improve their fight against and prevention of euro counterfeiting as well as seeking EU accession.

Concerning Pericles IV implementation, Member States that have applied to organise actions (seven grant recipients thus far) tend to have more resources (either in capacity or budget) compared to those that do not apply. The Member State organising an action will typically invite other Member States or third countries with whom they seek to establish or foster relationships. Stakeholders consulted during the interviews and the observed action of OCRFM mentioned that although the Pericles Programme itself does not have influence on these points, this practice can result in unequal opportunities for Member States to organise or participate in actions. Nevertheless, in order to ensure that the actions organised are as effective and relevant as possible, it would be beneficial to focus on connecting countries that are specifically relevant to the issue at hand. By including Member States and third countries that have a direct stake or expertise in a particular topic, the Programme can ensure a more meaningful and productive action. This approach would not only optimise the use of resources but also address the most pertinent challenges more effectively. Consequently, it is challenging to determine the extent to which the Pericles Programme has supported and supplemented all Member States.

Further to the above, it is worth emphasising that the **satisfaction rate of participants in the actions financed by the Pericles IV Programme is consistently very high** - an average for three years of 99.1%, which is much higher than the set target of 75%. Participants who have already taken part in previous Pericles actions also offer very positive feedback regarding the impact made by the Pericles IV Programme on their activities in protecting the euro against counterfeiting - an average above 97%, while the target is also 75%. The data shows an increasing number of unique competent authorities applying to the Pericles IV Programme - 8 as of 2023. The progress so far is good in terms of reaching the set milestone of 12 (assuming 4 new unique authorities apply for the Programme), although considering the current numbers reaching the target of 24 in 2027 will likely prove difficult, without additional promotional activities and/or adjustments in the work Programmes. The number of

conferences/workshops so far (15) is aligned with the practice from previous Programmes. The number of studies is modest (2 so far) but considering the values for the preceding Programme (4 studies in the 2014-2020 period) as well, this is not unexpected. Currently, the value for the indicator purchased equipment is zero. However, one purchase of equipment has been committed within the action organised by the Portuguese Criminal Investigation Police and awarded a grant during the first call of proposal for 2024.²⁰ For the 2014-2020 period, the value of the indicator was 4, with one piece of equipment purchased in the 2019-2020 period (under the Pericles 2020 Programme).

The data for preceding Programmes shows that the number of participants in Pericles IV has decreased by almost a hundred on average per year when compared to the Pericles 2020 Programme. This decrease can likely be explained by the decreased budget of the Programme, as well as by the sharply reduced participation in the 2020-2021 COVID-19 pandemic period. Moreover, it is worth mentioning that the number of participants depends also on the type of action: while conferences generally allow for more attendees, actions such as staff exchanges or technical training can only accommodate fewer. The types of participants per stakeholder group have largely remained similar across the Programmes. However, the share of participants from National Central Banks (NCBs) continues to increase, while the participation of commercial banks/financial sector bodies, customs, and the coin-processing machine industry has decreased. Thus, in the first years of implementation of the Pericles IV Programme, the representation of stakeholder groups other than participants from the police and NCBs has decreased as compared to the preceding years.

3.1.2. Efficiency

The overall coordination, management, and administrative structures of Pericles IV are adequate and ensure the efficient use of resources in achieving the Programmes outputs, results, and impacts. DG ECFIN continues to provide prompt support to beneficiaries, which is highly appreciated. Specifically, stakeholders appreciated the support of the EC experts involved in the Pericles management provide during both the application and implementation processes.

The Programme benefited from an application process simplification thanks to the introduction of the eGrants system, which was welcomed by Programme beneficiaries. The grant agreement signature procedure (eGrants) is different compared to the previous (Pericles 2020) Programme as it digitalised the full application procedure. Nevertheless, the time needed to inform on the outcome of the evaluation is slightly longer when compared to Pericles 2020 (61 versus

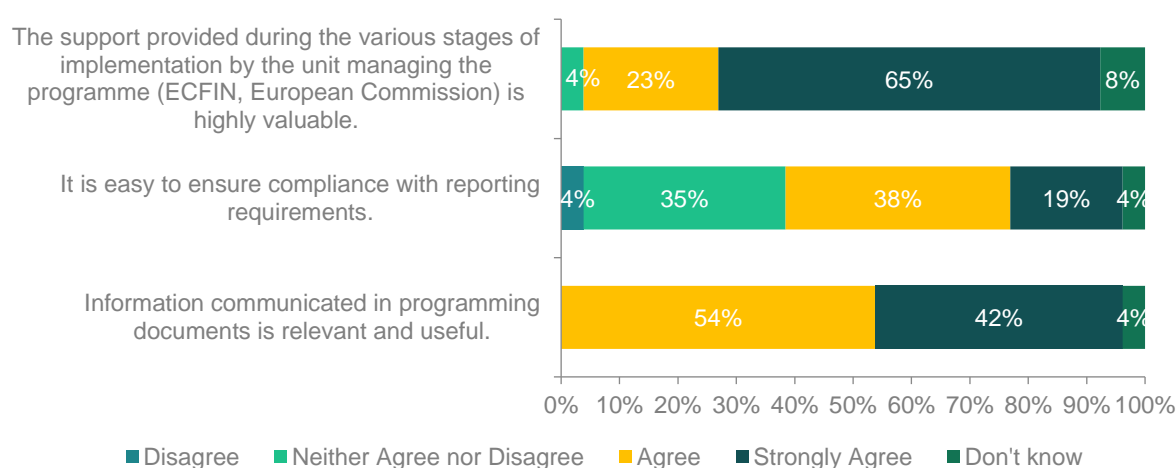
²⁰ Call level documentation provided by DG ECFIN

57 calendar days to sign agreements²¹). Once the grant is awarded, the applicant has to follow a number of steps in the eGrants Portal (e.g. provide further legal and administrative details not included in the proposal) before the grant agreement can be signed (as explained in Grant Preparation). In the previous Programme, the final version of the grant agreement was sent to the applicant for signature (no other info to be provided) which explains, among other things, the difference in the average time to sign agreements.

Partner institutions like the ECB and Europol also provided a positive assessment of their cooperation with DG ECFIN regarding the management of Pericles Programme, which is indicative of the positive collaboration extending through programming periods. Since 2023, Eurojust has been added to the list of participants of the ECEG meetings; as such, collaboration is expanding to include judiciary authorities – a much-needed element, which was continuously stressed by interviewed stakeholders.

When it comes to support provided during the application process, survey respondents (96%, N=26) indicated that information communicated in programming documents is seen as relevant and useful²². As far as implementation is concerned, survey responses show that more than 85% of recipients (N=26) agreed that the support provided during the various stages of implementation by the unit managing the Programme (DG ECFIN, European Commission) was highly valuable. An aspect which was considered less favourably was adherence to reporting requirements, which only 57% of respondents considered easy to comply with.

Figure 10 – Stakeholder perception of coordination and communication during the application and implementation stage



Source: Online survey, N=26

²¹ DG ECFIN, Annual Activity Report 2020. Annexes. Available at [Link](#)

²² Survey, Q.7 Agreement with statements referring to the coordination and communication with the European Commission (DG ECFIN) unit managing the Pericles IV Programme; (N = 26).

Stakeholders highlighted the **simplification of the application process thanks to the use of the eGrants system**. The Portal allows participants to post any questions they might have during the preparation of applications, which are answered by the Pericles management staff from the European Commission. Such an online channel replaced email communication and thus contributed to the efficiency of Programme management. As all replies to questions are stored in the portal, knowledge is easily accessible to all applicants. Additionally, guidance and information for applicants and beneficiaries are provided on the website of the Pericles IV Programme. Relevant information with example data on how to fill out application forms and templates are easily accessible and presented in a clear manner.

Even though the application process was digitalised, interviewed applicants still consider it relatively time consuming, although they claim that the benefits outweigh the costs. An estimation of costs incurred in the preparation of proposals was done based on survey data for a sample of six different action organisers and co-organisers (countries). Information on the (estimated) time spent in preparing proposals for the Pericles IV Programme was provided by five implementers and one co-organiser, which were responsible for the implementation of 18 actions (out of 19 actions implemented and committed at the time of writing of this report). **The estimated time varies considerably, ranging from a minimal reported 6 staff/days to a maximum of 60 staff/days**. The weighted average time for an application preparation was 16 staff/days. The difference in the number of staff days required for an application does not seem to be related to the implementer's familiarity with the application process but rather to the complexity of the action that is being organised.

Generally, actions that targeted larger audiences (i.e. multiple participants and organisations from several different countries) and were more logistically layered (because they included travel), resulted in higher numbers of staff days spent on the application preparation process. While one might expect the digitalisation process to have reduced the application preparation time, when compared to the numbers provided in the Mid-term evaluation of Pericles 2020, these numbers are higher. The Mid-term evaluation estimates ranged from a maximum of 14 staff/days to just 2-3 staff/days, with an average of 8.4 staff/days (weighted average)²³. Beyond the different sample sizes analysed²⁴, the longer application process is likely the result of a longer period needed to sign the grant agreement, which applicants count as part of the preparation process. Additionally, while the process was moved online, the reporting requirements have, de facto, not changed. As such, a simplification was expected mostly in limiting the time spent on exchanges and communication via email²⁵, which would contribute to a more systematic storing

²³ Mid-term evaluation of Pericles 2020

²⁴ The sample size of the Pericles 2020 evaluation was lower, with full data available for set of nine actions.

²⁵ Taking place in the reporting phase in case supporting documents are requested.

of information via the eGrants system and save time for DG ECFIN on coordination activities, which can instead be directed to supporting the implementation of actions. Furthermore, while in the previous Programme all invoices had to be submitted, supporting documents (such as invoices) currently only have to be provided upon request.

The annual costs (for 2023, latest data available) for the management of the Programme at the level of the EC is around EUR 205 000, i.e. 1.46 Full Time Equivalent (FTEs), the same as reported in the previous year.²⁶ To put these numbers in perspective, in 2023, the total annual budget was EUR 667 060 for 2023 (in addition to EUR 200 000 as a support budget line), while in 2022, the total envisaged grants and EC actions amounted to EUR 850 169. **Thus, the Programme management costs were 23.6% of the programmed actions for 2023, which remains on the high side.** Nevertheless, there is a drop in required FTE's spent on management activities when compared to previous Programmes, which points towards efficiency gains. Additionally, it should be noted that the management costs would have been lower had the financial envelope for the Pericles IV Programme not been cut. The final evaluation of the Pericles 2020 Programme found that annual costs for the management of the Programme at the level of the EC (for 2020) are around EUR 224,000, i.e. 1.7 FTEs, which in turn showed that management costs were 23.8% of the Programmed actions for 2020²⁷. The Mid-term evaluation of Pericles 2020 found that in 2015, the management of Pericles 2020 required a total of 1.9 FTE staff and estimated the total overhead costs at about € 262,000²⁸. In the same year, Programme commitments were about € 968,000, which implies an incidence of overheads of about 27%.

There are several drivers affecting Pericles IV's management cost structure. Firstly, the responsible unit managing Pericles IV is also an active business unit, which is involved in the implementation of the Pericles actions carried out by Member States authorities. This ensures Member State buy-in and also serves as a control mechanism through on-the-spot monitoring of action implementation. DG ECFIN staff participate in all events, often chairing, delivering presentations, leading workshops, co-drafting conclusions and consequent use of the outputs. Additionally, they chair and moderate the ECEG meeting which takes place three times per year.

The DG ECFIN 2022 Annual Report provides further justification, highlighting that Pericles IV operates with a relatively small budget, whose implementation and controls are not proportional to the relative low grants awarded, in a similar vein, due to its low budget, the Programme cannot benefit from economies of scale²⁹. While management costs of the Pericles IV Programme remain higher when compared to average management costs of similar Programmes, the

²⁶ DG ECFIN, Annual Activity Report 2023. Annexes. Available at [Link](#)

²⁷ Final evaluation of Pericles 2020, Final report, 2021.

²⁸ Mid-Term Evaluation of the Pericles 2020 Programme, Final report, 2017.

²⁹ DG ECFIN, Annual Activity Report 2020. Annexes. Available at [Link](#)

evolution of cost over time indicates points towards declining costs, which implies efficiency gains, likely to be attributed to the digitalisation of the application process.

Lastly, the Pericles Programme is subject to two independent evaluations per programming cycle – both mid-term and ex-post. This is normal practice for Multi-annual Financial Framework (MFF) initiatives. However, given the unique size of the Programme and the fact that Pericles is an evolutionary iteration of previous Programmes and ensures continuity, the question of proportionality of evaluation requirements versus the overall budget could be put forward.

Key to the Programme's coordination and management are the Euro Counterfeiting Experts Group (ECEG) meetings as well, which take place three times per year. **Stakeholders interviewed thus far deem the ECEG meetings as very useful for their work.** Nevertheless, they did provide suggestions for future ECEG meeting. The first relates to the duration of the ECEG meetings. As these gather participants three times a year, the agenda often contains a long list of items, not all of which can be discussed at the proper level of detail due to time limitations. Participants consider the discussions valuable and would prefer extending the meeting to 2 days rather than cutting discussions short to fit into the one-day meeting timeframe. Secondly, suggestions were made in relation to the eligible participants to ECEG meetings. Particularly, a plea was made to involve judiciary authorities and allow participation to future ECEG meetings³⁰. Their participation should be encouraged due to the significant role that they play in counterfeiting prevention through legal actions (i.e. treatment of “altered design” notes should judicial authorities treat as counterfeits and subsequent handling of perpetrators).

The Pericles IV Programme shows adequate programming and allocation of available resources, indicated by high levels of commitments. The Programme has so far achieved a very high percentage of allocation as compared to the reference budgets – more than 97% on average, which shows adequate programming and allocation of the available resources. Specifically, the commitments amounted to 97.41% of the overall budget in 2022³¹ and 100% of the overall budget in 2021³². In both years, more than 50% of committed budget was allocated to grants – 54% in 2021 and 59% in 2022. The latest figures for 2023 show a commitment of 99.88% of the total budget³³.

The Programme showed a relative balance amongst the different type of implementation actions, albeit technical trainings dominate. Interviewees highlighted that maintaining a balance amongst different action types is rather

³⁰ ECEG meeting, 12 March 2024 and contribution to open ended question in online survey.

³¹ COM(2023) 468 final

³² COM(2022) 318 final

³³ Report from the commission to the European Parliament, the council and the European Central Bank concerning the implementation and the results of the Pericles IV programme for the protection of the euro against counterfeiting in 2023; shared with Ecorys by DG ECFIN

difficult given that Member States decide on their own accord which type of action would be organised. They called for more coordination in this regard, which would favour organisation of actions based on needs rather than proactivity of organisers.

The 'absorption' by the grant beneficiaries deviates from the high level of allocation. Aggregated data for eight grant beneficiaries (based on actions reviewed as part of the case study research) shows that the difference between the planned and actual grants is on average -11% (more than EUR 170 thousand in total). The deviation ranges from 0% (for four projects) to -27%. Such differences are attributable to changes in the specific cost elements - i.e. examination of travel, subsistence and hotel costs, staff costs, and the costs for equipment and subcontracting.

For seven out of eight reviewed (for which there were available grant agreements and final financial reports), the actual budgets were lower than the planned budgets, although their scope largely remained the same and their objectives were to a large extent achieved, thus indicating efficient use of resources. The Final evaluation of Pericles 2020 stressed that the reason for the divergency comes from the fact that beneficiaries usually aim to request maximum eligible amounts in order not to run into any unforeseeable overruns. However, it should be noted that differences emerge also due to unforeseen circumstances, which can lead some participants to drop out (albeit this is not a systematic issue).

The main challenge for participants in organisation of actions are related to the unit costs of subsistence. The Pericles IV Programme, applies the unit costs for subsistence as authorised by Commission Decision C(2021)351, as amended by Commission Decision C(2023)49282. Unit costs are not used for travel and accommodation costs which are based on actual costs. Due to inflation, subsistence costs present a major challenge for organisers and the most recent update of the Commission Decision³⁴ authorising the use of unit costs for travel, accommodation and subsistence costs has not remedied this point. The Decision only updated the unit costs for travel costs. This is not applicable for the Pericles IV Programme for which travel costs are reimbursed on the basis of actual costs. However, a new amendment should shortly be updated and the new rates, including accommodation (not applicable for the Programme as accommodation costs are reimbursed on the basis of actual costs) and subsistence, which will be published on the EU Funding and Tenders Portal³⁵ (Annex 2a) as soon as that is adopted. Besides this challenge, stakeholders consulted thus far are not reporting any significant efficiency-related issues in relation to the implementation process.

³⁴ Commission Decision of 12 January 2021 authorising the use of unit costs for travel, accommodation and subsistence costs under an action or work programme under the 2021-2027 multi-annual financial framework (C(2021)35). Latest update on 26 July 2023, see (C(2023) 4928 final)

³⁵ <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/home>

The planned and realised participants in the selected sample of actions showed an average discrepancy of around 35%. In more than half of the analysed actions, the difference between the number of participants that were planned to attend the action versus those that actually did so was higher than 30%. The main reason for such a high deviation stems from the method used to count participants, which often included double counting of participants.

Adequacy of co-financing rate and budget appropriateness

The Pericles IV Programme is implemented through co-financed actions (grants) originating from the competent authorities of the Member States and through "Commission actions", organised directly by the Commission. As per Article 8 of Regulation (EU) 2021/840, the co-financing rate for grants awarded under the Pericles IV Programme shall not exceed 75 % of the eligible costs, except in the case of exceptional and duly justified cases, defined in the annual work programmes referred to in Article 10, where the co-financing rate shall not exceed 90 % of the eligible costs. Overall, this is acceptable to applicants and implementers as not all actions are responding to strategic priorities³⁶.

The average co-financing rate per Pericles IV grant reviewed within the scope of the case studies is 80%, which is close to the standard threshold of 75%. Most case study grants were within this threshold (4 out of 7), while 3 projects required a co-financing rate above 75%). Interviews with non-applicants revealed that financial resources, understaffing and capacity remain the main culprits for the limited involvement of these countries. Even if the relevant authority would receive funding from Pericles IV, internal procedures often pose a challenge in ensuring the remainder financial resources to supplement the co-financed amount. For some non-applicant countries, euro counterfeiting is not seen as a high-level priority given the low amounts of detected counterfeits in circulation.

The average co-financing rate for 19 Pericles IV financed actions is 81%, which is relatively close to the standard co-financing rate of 75%. In total, 11 projects (58%) applied for a 75% co-financing rate, while 8 projects used the higher co-financing rate of 90%. This indicates that most actions performed at the envisaged threshold level, albeit the number of actions seeking higher co-financing rates have risen in comparison with Pericles 2020 (where 13 projects out of 59 requested a 90% co-financing rate). The reasons for a relatively large number of actions benefitting from higher co-financing rates lies in their scope. These actions tend to be held outside the EU as they target staff from third countries, require substantial acquisition of equipment or target new priorities of the Pericles strategy. Given that Pericles IV faces a lower budget in comparison to the previous period, the higher number of actions co-financed at a rate of 90% limits the budget for future Pericles IV actions. The combined grants of the 17 actions with a justified increase of the co-financing rate is EUR 976.255,11.

³⁶ Interview with successful applicant Member States.

In a hypothetical situation where their co-financing rate was 75%, this would have amounted to EUR 813.545,93. Thus, the difference between a 75% and a higher co-financing was about EUR 162.709,19. Considering that the average grant size is around EUR 95 thousand, the increased co-financing rate resulted in about 1,5 grants less than in a counterfactual situation with no increased co-financing rate.

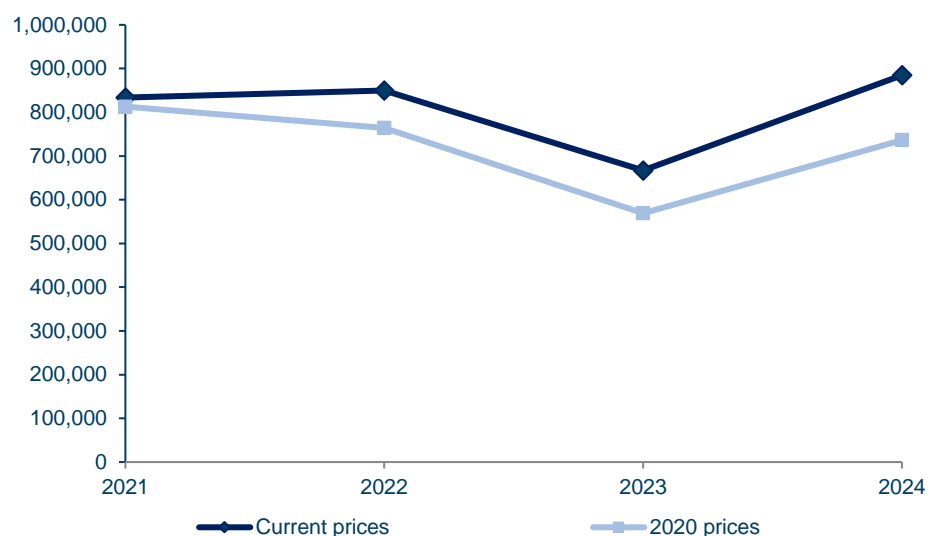
A higher co-financing rate would also mean, in reality, fewer Pericles actions, which is why an increase in the co-financing rate without an increase in the overall budget of the Programme is undesirable. However, it can be concluded that, overall, the current co-financing setup (up to 75% standard rate, and 90% in duly justified cases) is appropriate.

While the budget of Pericles IV can be considered overall appropriate to allow the Programme to fulfil its objectives, any further decreases of the budget (following the budget cut faced in the current programming period) would have a detrimental impact on the scope of the Programme's actions. This is already reflected in the decreased number of implemented actions and number of action participants when compared to the previous Pericles Programme. With the issue of counterfeiting being of continued relevance and, in addition, in considering the future threats, the Pericles Programme would benefit from sustaining the current envelope as a minimum or, ideally, see an increase thereof.

When compared to the Pericles 2020 Programme, Pericles IV shows a decrease in the number of commitments. During its first and second year of implementation, Pericles 2020 Programme funded 10 and 12 actions, respectively (six grants and four procured actions in 2014; nine grants and three procured actions in 2015). With Pericles IV, a total of 10 actions were financed in the first two implementation years, five in 2021 and five in 2022. This presents more than a 50% drop when compared to the previous programming period. Furthermore, the number of participants in Pericles IV has decreased by almost a hundred compared to the Pericles 2020 Programme. According to the Programme statement prepared by the European Commission, this decrease can be attributed to the lower budget in the current multiannual financial framework and the increase in inflation rates³⁷. Indeed, when comparing the relative average annual budget allocation of Pericles IV to the one of Pericles 2020 (in constant prices) a relative decrease of more than 20% can be observed. The evolution of the Pericles IV budget expressed in 2020 constant prices shows that, due to inflationary pressures and the use of the operational budget for conducting the evaluations of the Programme, the real budget decrease in real terms was even larger, standing at 32% (see Figure 12).

³⁷ Data extracted from Programme statements, European Commission, website accessible through the [link](#).

Figure 11 - Evolution of Pericles 2020 budget expressed in current and 2020 constant prices



Source: Ecorys elaboration based on Pericles Annual Reports

Implementers of Pericles IV actions were largely of the opinion that the budget is not sufficient and that it results in a more limited set of implemented actions, as organisers have to choose between different action types. Survey responses pointed out that an increase of the Pericles Programme budget would be beneficial for eligible participants as it would allow them to implement more actions. As far as interviewed action participants are concerned, the quality of the actions has remained the same, but further decreases following the ones that were made to the current Pericles IV budget would risk limiting the Programme's results, impacts and, therefore, the level of protection of the euro.

Case study: Southeastern Europe Network

Interviews with several authorities of the Southeastern Europe region stressed the importance of the outreach that Pericles IV actions have. Overall, there is a need to involve a larger number of people in Pericles actions for which the budget is insufficient. The Montenegrin police has highlighted the need for a higher budget for Pericles IV activities. Enhanced cooperation is established through mutual trust – creating contacts and acquaintances is key to the success of euro counterfeiting activities. It is important to have as many participants as possible for Pericles IV actions. As national financing is not sufficient to perform such activities, the scope of Pericles IV financed activities are crucial.

3.1.3. Coherence

In analysing the level of coherence of the Pericles IV Programme, two aspects are relevant to assess, namely (i) the degree to which the coordination and cooperation mechanisms within the Programme have maintained consistency and complementarity with other relevant Commission Programmes and activities, and (ii) how well the coordination and cooperation mechanisms within the Programme have ensured consistency and complementarity with existing actions implemented by Member States, the ECB and Europol.

To enhance readability and clarity, the findings and associated analysis group reflections on the consistency and complementarity of actions implemented by ETSC, Eurojust, Interpol, ECB, and Europol are grouped together.

Consistency and complementarity with other relevant EU Programmes and activities

With regards to other relevant EU Programmes and activities, three other EU Programmes were assessed: ISF, TAIEX, and the Twinning Instruments.

ISF

The International Security Fund (ISF) ³⁸ pursues three specific objectives, namely (1) to increase the exchange of information among and within the EU law enforcement, and other competent authorities and relevant EU bodies, as well as with non-EU countries and international organisations, (2) to intensify cross-border cooperation, including joint operations, among and within the EU law enforcement and other competent authorities, in relation to terrorism and serious and organised crime with a cross-border dimension and (3) to support efforts to strengthen capabilities to combat and prevent crime, terrorism and radicalisation, as well as manage security-related incidents, risks and crises, in particular through increased cooperation between public authorities, civil society, and private partners across the Member States.³⁹

It seeks to achieve those objectives by funding a variety of initiatives, including the purchase/procurement of ICT systems, monitoring of the implementation of EU law and policy objectives in the Member States, operations implementing or facilitating the implementation of the EU Policy Cycle/EMPACT, support to thematic or cross-theme networks of specialised national units and education and training for relevant law enforcement and judicial authorities and administrative agencies.

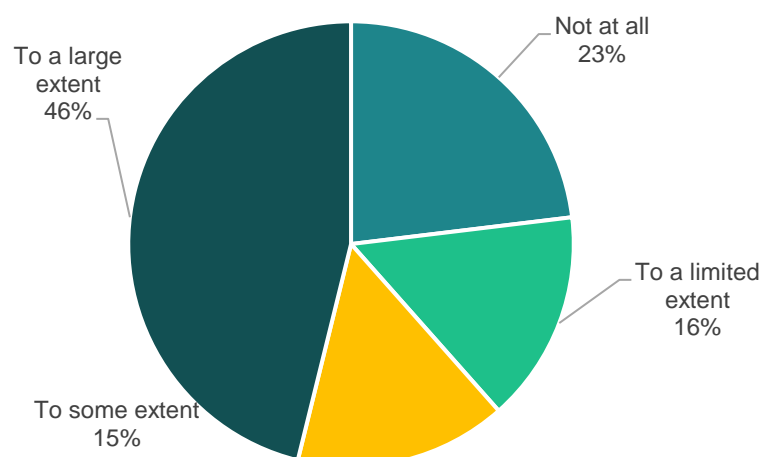
³⁸ Regulation (EU) 2021/1147 of the European Parliament and of the Council of 7 July 2021 establishing the Asylum, Migration and Integration Fund, [link](#).

³⁹ European Commission, Internal Security Fund, n.d., [link](#).

Under the ISF banner, the European Commission (DG HOME) launches calls for EU action grants, targeted at specific crime priority areas. An overview of the work Programmes indicates that counterfeiting of the euro has not been identified as a priority crime area by the ISF.⁴⁰ An overview of all grants awarded under ISF between 2021-2024 shows no immediate indication of overlapping projects, contributing to the impression that the two instruments do not represent a duplication of efforts.

Feedback received through stakeholders in the interviews consolidates this point. The stakeholder survey shows that amongst those respondents who had an opinion⁴¹ on the complementarity between Pericles IV and ISF, the majority of the respondents either think ISF and Pericles IV are to some extent (15%, N=13) or to a large extent (46%, N=13) complementary.⁴²

Figure 12– Perception of stakeholders on the complementarity of ISF and Pericles IV



Source: Online survey, N=13

TAIEX

The Technical Assistance and Information Exchange instrument of the Commission (TAIEX), managed by the Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR), is an instrument which supports public administrations in the framework of Cooperation or Association agreements signed with the EU, with regard to the approximation, application,

⁴⁰ European Commission, ISF, work programmes 2021-2022 and 2023-2025, [link](#)

⁴¹ Respondents who indicated 'I don't know' are excluded from this analysis. This approach applies for all survey analysis presented in this section, unless indicated otherwise.

⁴² Survey Q22

and enforcement of EU legislation as well as facilitating the sharing of EU best practices. It is largely needs-driven and delivers tailor-made expertise to address issues at short notice through workshops, expert missions, and study visits.⁴³ There are various beneficiaries.⁴⁴

As can be seen in the following Table 2, six actions have been organised with a link to counterfeit money. It should be noted, however, that based on the overview of participants and (draft) agendas available, it cannot always be determined how, to what extent, and in what depth counterfeit money has been addressed.

Table 2 – Overview of relevant TAIEX actions

	Date	Type of action	Title	Place	Beneficiary/partner
1	October 2022	Study visit	TAIEX TSI Study Visit on Anti-Money Laundering supervision capacity	Paris, France	Estonian, Polish, and Slovak Financial Intelligence Units (FIUs), Estonian and Polish supervisors, Estonian Ministry of Finance
2	May 2023	Expert mission	TAIEX Expert Mission on Protection of the euro coins against counterfeiting	Belgrade, Serbia	National Bank of Serbia
3	July 2023	Study visit	TAIEX Study Visit on building administrative capacities against piracy and counterfeiting	Budapest, Hungary	Ministry of Trade, Industry and Entrepreneurship of Kosovo* (* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/199 and the ICJ Opinion on the Kosovo declaration of independence)
4	October 2023	Workshop	TAIEX Workshop on Training processes, Fields of Cooperation, Trends and Opportunities in Combatting Narcotic crimes	Ankara, Türkiye	Ministry of Interior of Türkiye

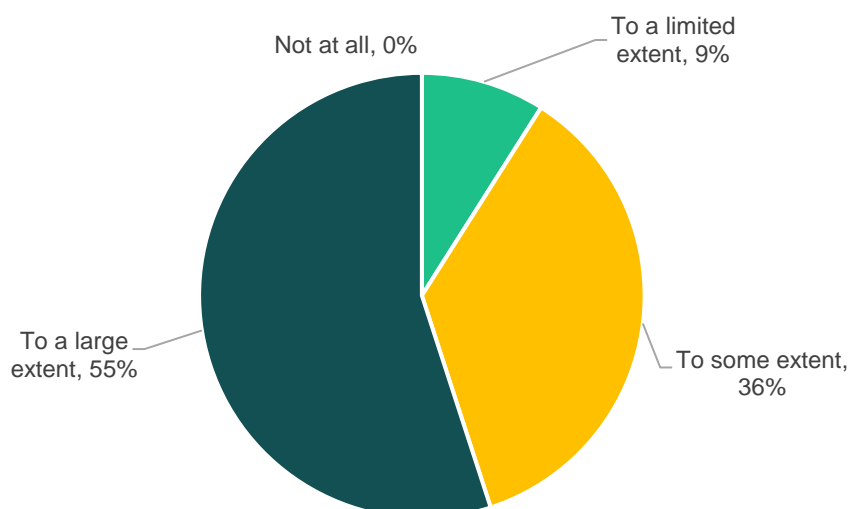
⁴³ European Commission, TAIEX, n.d., [link](#).

⁴⁴ Beneficiaries such as Türkiye, North Macedonia, Montenegro, Serbia, Albania, Bosnia and Herzegovina and Kosovo* (*This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence), Turkish Cypriot community in the northern part of Cyprus, Algeria, Armenia, Azerbaijan, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, Palestine* (*This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Syria, Tunisia, Ukraine, all countries covered by the Partnership Instrument, the EU Member States in the framework of administrative cooperation with DG for Regional and Urban Policy, DG Environment and DG Structural Reform Support and Partner countries and territories covered by Directorate-General for International Partnerships.

	Date	Type of action	Title	Place	Beneficiary/partner
5	December 2023	Expert mission	TAIEX Expert mission on National coordination mechanisms in the field of protection of financial interests	Video teleconference	State Audit Service of Ukraine
6	February 2024	Study Visit	TAIEX Study Visit on determining the effective model for national system against money counterfeiting in terms of EU legislation and practice	Rome, Italy	The General Police Inspectorate, Republic of Moldova

Although no consulted stakeholder mentioned TAIEX during the interviews, the stakeholder survey shows that amongst those respondents who had an opinion on the complementarity between Pericles IV and TAIEX, the majority found there to be complementarity either to some extent (36%, N=11) or to a large extent (55%, N=11).⁴⁵

Figure 13 – Perception of stakeholders on the complementarity of TAIEX and Pericles IV



Source: Online survey, N=11

⁴⁵ Survey, Q22

The underlying objectives of Pericles IV and TAIEX differ significantly, with TAIEX specifically focused on facilitating the approximation, implementation, and enforcement of EU legislation by third countries. Consequently, there appears to be overall complementarity with the work carried out by Pericles. Moreover, to prevent overlap, TAEIX consults with ECFIN before approving funding for projects related to combatting euro counterfeiting.⁴⁶

Twinning instruments

The twinning instrument supports institutional cooperation between Member States public administrations and beneficiary.⁴⁷ Twinning activities can include workshops, training sessions, expert missions, study visits, internships, and counselling. The twinning activity reports⁴⁸ between 2021-2024 provided no indication of particular activities focused on counterfeiting. Open-source research carried out for the purposes of this evaluation did not identify activities focused on counterfeiting either.

As there have been no counterfeiting activities during this period of the Twinning instruments, it can be cautiously assumed that there is (currently) no risk of overlap. The stakeholder survey further supports this view, with the majority of respondents who had an opinion on complementarity indicating that there is complementarity to some extent (41%, N=17) or to a large extent (53%, N=17).⁴⁹

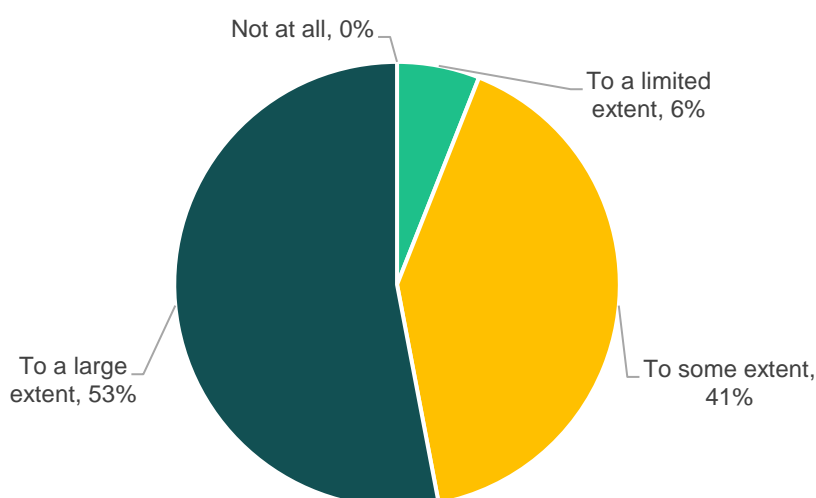
⁴⁶ Interview with EU level stakeholder

⁴⁷ Twinning instrument beneficiaries include Türkiye, North-Macedonia, Montenegro, Serbia, Albania, Bosnia and Herzegovina, Kosovo* (*This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence), Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, Palestine**(** This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Syria, Tunisia, Ukraine, and partner countries and territories covered by the Directorate-General for International Partnerships (DG INTPA).

⁴⁸ These reports usually also cover TAIEX activities

⁴⁹ Survey, Q22

Figure 14 – Perception of stakeholders on the complementarity of the Twinning instruments and Pericles IV



Source: Online survey, N=17

European Technical and Scientific Centre (ETSC)

The European Technical and Scientific Centre is established within the Commission and is tasked with analysing and classifying every new type of counterfeit coin. It contributes to the fulfilment of the objectives of the Pericles Programme, assists the Coin National Analysis Centers (CNAC) and collaborates with law enforcement and other competent authorities in taking action in counterfeit euro coins and the strengthening of euro protection. The ETSC furthermore coordinates the activities of the Counterfeit Coin Experts Group (CCEG), and it participates in other institutional groups with regard to protecting euro coins against counterfeiting and provides training under the Pericles IV Programme. ETSC is also part of the ECFIN Unit managing the Pericles Programme.

In recent years, the ETSC has organised three meetings of the Platform 1210 financed by Pericles IV:

- 3rd meeting (online, November 2021);
- 4th meeting (Madrid, 4 and 5 October 2022);
- 5th meeting (Lisbon, 10 and 12 October 2023).

Platform 1210 is a networking instrument for enhancing the implementation of Regulation 1210/2010 with the purpose to maintain close cooperation between the various stakeholders involved (such as coin processing machine

companies, cash-in-transit companies, the European Commission, the ECB, and Member State National Authorities).

Given the close alignment of role and objective of the ETSC and the Pericles Programme, complementarity and close cooperation is evident.

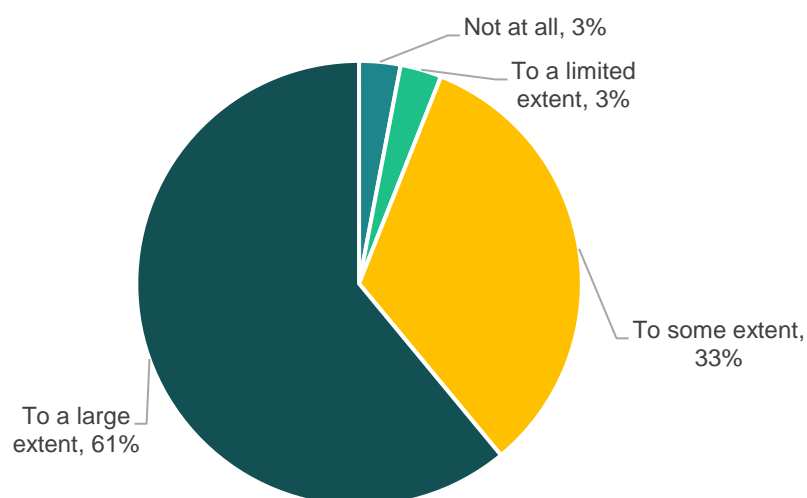
Consistency and complementarity with existing actions implemented by Member States, the ECB, and Europol

This assessment focuses on evaluating the analytical and technical assistance support provided by entities such as the ECB, CBCDG and ETSC, and operational and tactical assistance provided by law enforcement authorities by EU and international entities such as Europol, Interpol and Eurojust. A brief overview of all institutions or entities will be provided. The complementarity and coherence will be assessed for each institution. Finally, the complementarity and coherence of actions on the national level will be evaluated. Within the framework of the fight against counterfeit money, the ECB is tasked with monitoring the advances in printing and reproduction technologies and recording the number of counterfeits seized. These tasks are carried out by the ECB's Counterfeit Analysis Centre (CAC). The CAC collects and processes technical and statistical information on counterfeits and subsequently shares this information with national police forces and other bodies involved in combatting counterfeiting (i.e., Europol, Interpol, and the European Commission).

The role and responsibility of the ECB in the fight against counterfeiting is complementary to the role that the Pericles Programme plays in this regard. The tasks carried out by the CAC add on to the activities carried out under the Pericles umbrella. This complementarity and coherence are underlined by the stakeholder survey, the majority found the ECB complementarity to Pericles IV to a large extent (61%, N=36).⁵⁰

⁵⁰ Survey, Q22

Figure 15 – Perception of stakeholders on the complementarity between the ECB and Pericles IV



Source: Online survey, N=36

In addition, the complementarity and coherence is also confirmed by various NCO's in the interviews. They highlight that the activities provided by ECB are of technical nature and provide new insights in the technical aspects of the production of counterfeits. To this end, the activities by the ECB are mostly relevant to the national central banks. As such the two Programmes seem to successfully complement each other.

Central Bank Counterfeit Deterrence Group (CBCDG)

The Central Bank Counterfeit Deterrence Group is a group of 35 central banks and note printing authorities organised at the request of the Governors of the G10 central banks. The CBCDG seeks to investigate the common emerging threats to the security of banknotes and propose solutions for implementation by issuing authorities.⁵¹ Through its counterfeit deterrence system (CDS), the group deters the use of personal computers, digital imaging equipment, and software in the counterfeiting of banknotes.

The work of the CBCDG is likely complementing the activities employed under the umbrella of the Pericles Programme, thereby, contributing to the realisation of the strategic objectives of the latter. Nevertheless, no insights have been collected on the coherence between the CBCDG and the Pericles IV Programme specifically.

⁵¹ CBCDG, n.d., [link](#).

European Technical and Scientific Centre (ETSC)

The European Technical and Scientific Centre⁵² is established within the Commission and is tasked with analysing and classifying every new type of counterfeit coin. It contributes to the fulfilment of the objectives of the Pericles Programme, it assists the Coin National Analysis Centres (CNAC) and it collaborates with law enforcement and other competent authorities in taking action in counterfeit euro coins and the strengthening of euro protection.⁵³ The ETSC furthermore coordinates the activities of the Counterfeit Coin Experts Group (CCEG), and it participates in other institutional groups with regard to the protection of euro coins against counterfeiting and it provides training under the Pericles IV Programme. ETSC is also part of the ECFIN Unit managing the Pericles Programme.

In recent years, the ETSC has organised three meetings of the Platform 1210 financed by Pericles IV:

- 3rd meeting (online, November 2021);
- 4th meeting (Madrid, 4 and 5 October 2022);
- 5th meeting (Lisbon, 10 and 12 October 2023).

Platform 1210 is a networking instrument for enhancing the implementation of Regulation 1210/2010 with the purpose to maintain close cooperation between the various stakeholders involved (such as coin processing machine companies, cash-in-transit companies, the European Commission, ECB and Member State National Authorities).⁵⁴

Given the close alignment of role and objective of the ETSC and the Pericles Programme, complementarity and close cooperation is evident.

Europol

Europol is a key operational and tactical assistance provider in the fight against counterfeiting of euros. It acts as the central office for coordinating the protection of the euro, and closely works with the ECB and national law enforcement agencies (LEAs) in counterfeiting investigations. Europol, through Analysis Projects (AP), prioritises resources to the support of EU law enforcement authorities.⁵⁵ This includes activities similar to the Pericles Programme, such as training, but also more operational activities such as analysing information and intelligence, facilitating operational meetings between partners involved in cases; deployment of mobile offices in the field, and

⁵² European Commission, ETSC, n.d., [Link](#)

⁵³ DG ECFIN, The protection of euro coins in 2022, 2023, p. 4.

⁵⁴ DG ECFIN, The protection of euro coins in 2022, 2023, p. 24.

⁵⁵ Europol, Europol Analysis Projects, n.d., [link](#).

support to judicial cooperation. AP Soya specifically supports the fight against currency counterfeiting by supporting the dismantling of distribution networks and identifying illegal currency print shops.

Europol also drives the European Multidisciplinary Platform Against Criminal Threats (EMPACT), which fosters multidisciplinary and multiagency operational cooperation to fight organised crime at an EU level.⁵⁶ It calls for robust action to target the most pressing criminal threats facing the European Union. EMPACT identifies the most pressing criminal threats facing the EU on a multi-annual basis and supports actions focusing on these threats. One of the priorities identified in the current cycle (2022 – 2025) is ‘Fraud, economic and financial crimes’ which covers, amongst others: intellectual property (IP) crime, Counterfeiting of goods and currencies. This area focuses on the combat and disruption of criminal networks and criminal individual entrepreneurs involved in IP crime and in the production, sale or distribution (physical and online) of counterfeit goods or currencies, with a specific focus on goods harmful to consumers’ health and safety, to the environment and to the EU economy.⁵⁷

Under the umbrella of EMPACT, various operations have been carried out with a focus on combatting euro counterfeiting. Relevant examples include the operation MULTIBUY which concerned a cyber patrolling action whereby groups of law enforcement agents were scanning the Internet (the dark web clear web and Telegram) to identify advertisements and sellers of counterfeit euros.

In principle, Europol (in particular through EMPACT) also seeks to provide trainings and contribute to capacity building of law enforcement. As this task overlaps, in part, with the objectives of the Pericles Programme, Europol (EMPACT) and DG ECFIN agreed that the Pericles Programme, given its specialisation and experience, would take the initiative in this regard and allow EMPACT to put its additional brand on most relevant Pericles initiatives , allowing Europol to focus its activities on operational support.⁵⁸ This agreement was able to materialise and has been effectively put in practice, thereby avoiding overlap between the activities employed by the two actors. In general, as the Pericles Programme adopts a multidisciplinary approach involving a variety of actors, the risk for overlaps between Europol and the Pericles Programme concentrates on the engagement of law enforcement. Finally, coherence between Europol and the Pericles Programme also extends to attending and / or speaking at events that are organised by either party. However, it was mentioned that Europol’s attendance is sometimes limited to specific parts of actions due to constraints in the Agency’s capacity and funding.⁵⁹ The coherence and complementarity between Europol and the

⁵⁶ Europol, EMPACT, n.d., [link](#).

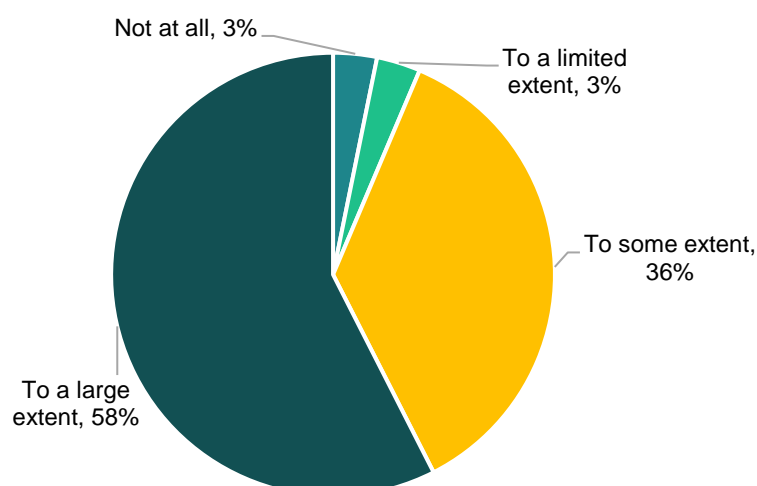
⁵⁷ Council of the European Union, Council conclusions setting the EU's priorities for the fight against serious and organised crime for EMPACT 2022 – 2025, 2021, p.8.

⁵⁸ Interview with EU Institution.

⁵⁹ Interview with EU Agency

Pericles IV Programme is also underlined by the stakeholder survey. The survey shows that amongst those respondents who had an opinion on the complementarity between Pericles IV and Europol, the majority found them complementary to a large extent (58%, N=31).⁶⁰

Figure 16 – Perception of stakeholders on the complementarity of Europol and Pericles IV



Source: Online survey, N=31

The coherence between the work of Europol and the Pericles Programme was also confirmed during interviews with representatives of law enforcement agencies. Europol provides operational support whereas the Pericles Programme focuses on providing technical assistance, capacity-building activities and network building.

Interpol

Interpol is one of the oldest international players in the field of combatting currency counterfeiting and its original mandate, enshrined in the 1929 Geneva Convention, included the suppression of international currency counterfeiting.⁶¹ Interpol hosts the International Central Office for the suppression of Counterfeit Currency. The office does so through providing technical databases, forensic support, training and operational assistance. Through Interpol's secure channels, additional tools and services are available such as counterfeit alerts, counterfeit currency statistics and early warning messages.⁶²

⁶⁰ Survey Q22

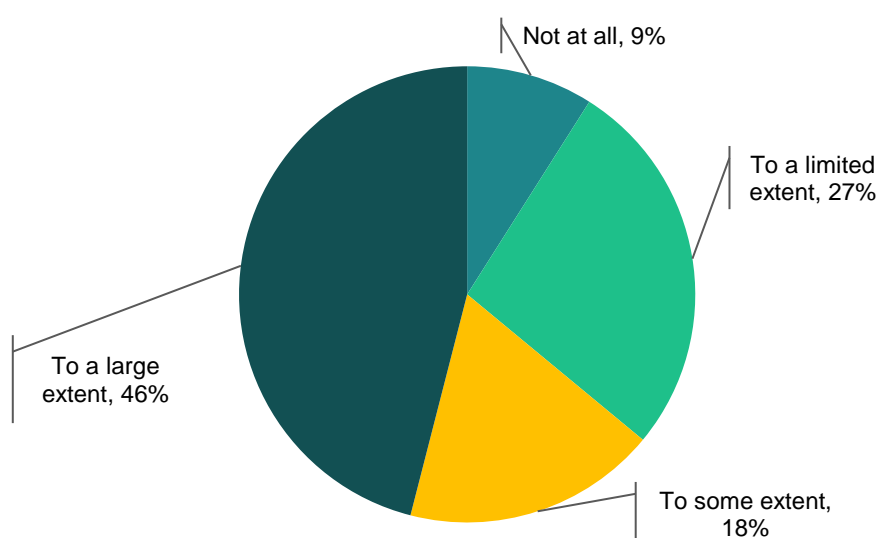
⁶¹ Interpol, counterfeit currency, n.d., [Link](#)

⁶² Interpol, Counterfeit currency fact sheet, 2017.

In recent years, the focus of Interpol's efforts have been primarily with counterfeit documents. The attention on counterfeit currencies has, as a consequence, been limited.⁶³ Moreover, Interpol's activities are not solely geared towards the euro but also cover other currencies. As a result, content-wise the Pericles Programme and Interpol's activities are naturally complementary to each other. This is particularly the case given the narrow focus of the Pericles Programme on the euro and training and networking activities. Interpol applauds the capacity building activities by the Pericles Programme as they have the potential to create a lasting impact (i.e. sustainable impact) in the participating countries. From the Interpol perspective, it can be considered an asset that the Pericles Programme does not solely focus on European Member States.⁶⁴

The coherence and complementarity between the work of Interpol and Pericles IV are recognised in the survey. The stakeholder survey shows that 45% of the respondents (N=22) find that there is complementarity to a large extent.

Figure 18 – Perception of stakeholders on the complementarity of Interpol and Pericles IV



Source: Online survey, N=22

Two opportunities for improvement have been identified. One concerns the need for a more coordinated outreach to China. Both Interpol and the Pericles Programme seek to improve cooperation with China. It would enhance the credibility of both parties and, likely, also positively impact the effectiveness of these activities if the two organisations would coordinate more. Secondly, Interpol flagged issues similar to those mentioned by Europol in relation to the financing of Interpol involvement in Pericles actions. With currency counterfeiting being less of a priority for Interpol at the moment, little or no

⁶³ Interview international institution.

⁶⁴ Ibid.

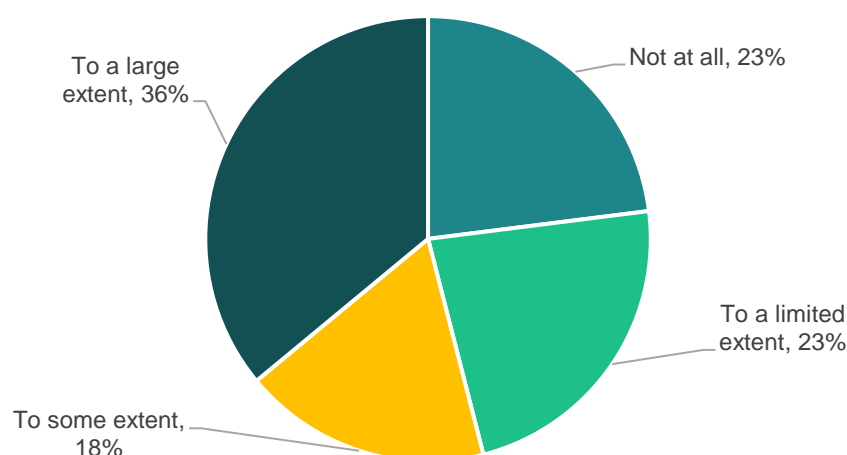
financial support from the Pericles Programme to Interpol means that the latter cannot attend Pericles actions.

Eurojust

Eurojust, the European Union Agency for Criminal Justice Cooperation, cooperates with law enforcement and judicial authorities in Member States to combat and investigate cross-border crimes in various areas.⁶⁵ In the field of the fight against counterfeiting currency, the agency complements the work of Pericles IV, which focuses on cross border judicial cooperation between Member States.

The stakeholder survey revealed divided opinions among respondents regarding the complementarity between Pericles IV and Eurojust. Among those who had an opinion, 36%(N=22) believed there is complementarity to a large extent, while 23% (N=22) indicated no complementarity at all.⁶⁶ Such opinions could be the result of Eurojust's limited involvement on the issue of euro counterfeiting and they reflect the limited awareness of survey respondents on Eurojust's involvement in the Programme (the majority of which were Pericles IV action participants rather than action implementers).

Figure 19 – Perception of stakeholders on the complementarity of Eurojust and Pericles IV



Source: Online survey, N=22

⁶⁵ Eurojust, n.d., [Link](#)

⁶⁶ Survey Q22

Member States

Initiatives on the Member State level generally concern trainings for law enforcement officers and are of a rather basic nature.^{67 68} These trainings are often provided by the central banks and concern, for example, the recognition of counterfeit notes, theoretical and practical insights into the techniques and processes for minting coins and printing banknotes and several aspects of handling cash, including one training on security features and the protection of the euro.⁶⁹ Generally speaking, the activities aimed at anti-counterfeiting of the euro on the Member State level remain limited, not least due to the limited priority that is largely allocated to the issue of currency counterfeiting. Hence, the Pericles Programme addresses an element that receives relatively little attention on the national level, thereby naturally being coherent with what is being done already.

Whereas the Member State activities (outlined above) are of a rather basic nature, the actions financed by the Pericles Programme provide more in-depth knowledge and expertise and, above all, foster the network building between the Member States. The Pericles IV action organised by OCRFM in March 2024 is an excellent example of how a Pericles IV action is coherent with what is being done on the national level because several of the activities part of the OCRFM action (i.e. the house search and the workshop to design your own counterfeit) are, generally, not available on the national level.⁷⁰ This illustrates the coherence and complementarity of the actions by Pericles IV with those organised on the national level.

No interviewee indicated overlap between the Pericles IV actions and the activities employed on the national level. Non-applicants also did not mention overlaps between the Pericles Programme and their respective national activities as a reason not to apply or participate to Pericles IV actions.

3.1.4. Sustainability

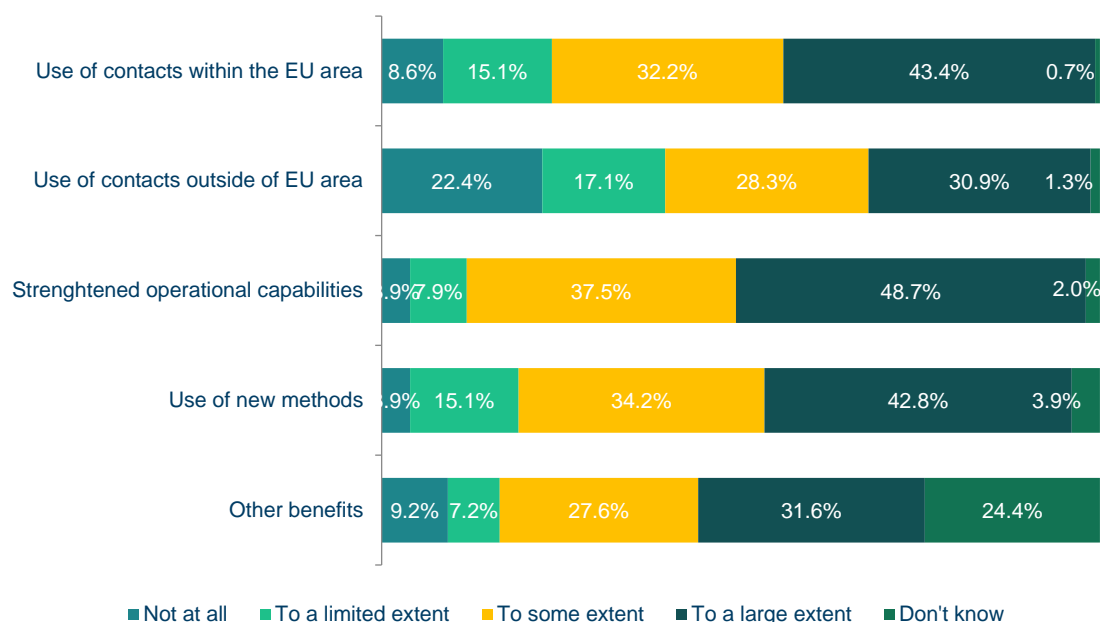
The Pericles IV Programme ensures the sustainability of its outputs and progress towards its objectives. Participants have widely adopted structured knowledge-sharing practices, both formal and informal, which have strengthened operational capacities and facilitated the use of new methods and of contacts within the EU. However, the use of contacts outside the EU remains relatively limited and suggests a need for more international networking.

⁶⁷ Ecorys, final evaluation Pericles 2020, 2022.

⁶⁸ ECFIN acknowledged awareness of trainings on the national level that complement the Pericles Programme in France and Croatia.

⁶⁹ Ecorys, final evaluation Pericles 2020, 2022, p. 73.

⁷⁰ Active observation of OCRFM Action

Figure 20 – Engagement in dissemination

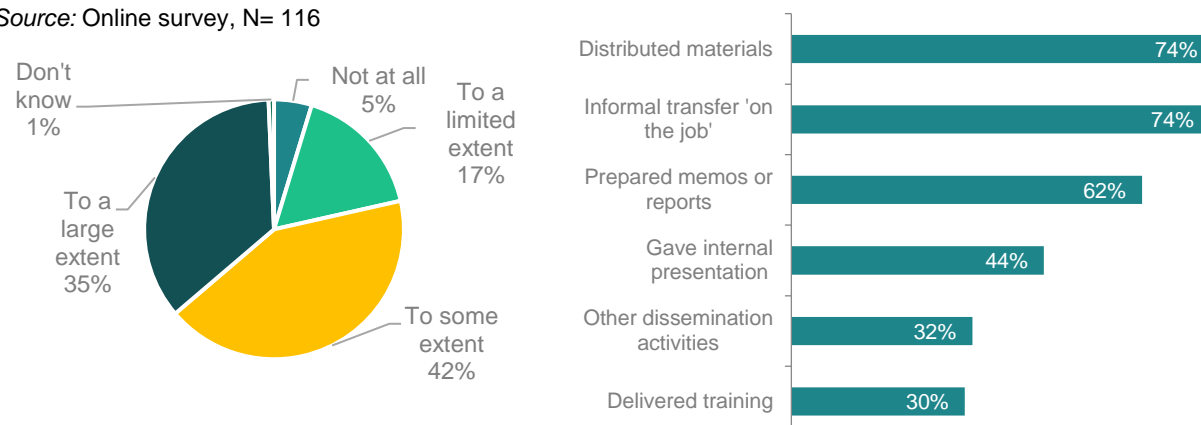
Source: Online survey, N=152

The survey results reflect a high engagement in dissemination activities, with participants sharing information through various channels such as materials distribution, informal discussions, and formal presentations.

The survey results confirm a high involvement of participants in dissemination activities (Figure 21). When it comes to the dissemination of results within the institution, e.g., with colleagues working for the same institution, most respondents reported being able to do so in different ways (78%/N=116). The most frequent dissemination practices included the distribution of (information) materials received (74%) and informal transfer of information during regular operational activities such as during investigations (74%), memos or report for internal circulation (62%) and internal presentations (44%). Less frequent measures include another type of dissemination (such as internal newsletters, articles, e-learning platforms, and posts on the institution's intranet) and delivery of formal training (30%).

Figure 21 – Extent and Nature of Dissemination Activities

Source: Online survey, N= 116



These results have been confirmed by the interviews, according to which the distribution of material is the most used and efficient way to transfer knowledge. An interesting aspect is the preparation for participation in actions. An interviewee mentioned holding preparatory meetings to identify specific questions and topics of interest. This targeted approach ensures the team focuses on relevant areas and gathers pertinent information.

Case study: South Eastern Europe Network

Most of the countries organise trainings at national level to be able to transfer knowledge on use of technical equipment and identification of counterfeits. While in some countries this is limited to certain departments of law enforcement bodies, in others the training is more extensive. Montenegrin authorities organise frequent training sessions at the police academy – such trainings are a result of experiences exchanged with other Pericles Programme participants (in this case, Portugal). The one day seminar primarily targets police officers in charge of border control. The goal is to educate on how to recognise counterfeits, the protocol on how to react and new modus operandi. The session is held jointly by the police, the central bank and the prosecutor's office, with each institution covering aspects within their remit of work (i.e., criminal, technical and legal aspects). The seminar is usually held prior to the summer season due to the higher influx of counterfeits in these months. Such activities being done at national level cannot fully replace what Pericles IV activities provide, as such a training only constitutes sharing of knowledge and best practices. Thus, it primarily speaks to the sustainability of Pericles IV activities.

Another interesting finding emerging from the interview is the increasing inclusion of other types of stakeholders within dissemination activities, such as cashiers at supermarkets, retails, airports, post offices and pay tolls. While raising awareness and vigilance is important across all countries, this is particularly relevant for Balkan countries where the euro is not legal tender but is unofficial used and where circulation increases during the tourist season. While raising awareness and vigilance is important across all countries, this is

particularly relevant for Balkan countries where the euro is not legal tender but is unofficially used (especially for purchases of apartments and second hand vehicles) and where circulation increases during the tourist season.

Another way to ensure sustainability is the regular organisation **of follow-up actions, as well as providing ongoing support**. By regularly engaging participants in Pericles IV actions, maintenance and update of knowledge can be ensured. Stakeholders have primarily appreciated the possibility to stay abreast of developments in the area of counterfeiting, including trends and techniques, as well as maintaining contacts. Thus, the need for repeated training every 2-3 years was emphasised, ensuring that training content remains relevant and up to date with evolving criminal activities, such as the shift from the dark web to social media. In addition, the need to receive **ongoing and follow-up support** has been mentioned⁷¹ especially for third countries where continued support is needed for the full institutionalisation of the processes acquired through training workshops. This support could either come under Commission actions, therefore from the ETSC or within a Pericles action organised by a Member State.

Institutional engagement, commitment and obstacles

The majority of participants in Pericles IV actions have experienced a positive evolution in their roles, with increased involvement in euro protection activities for more than half of the respondents. This increased involvement is reflected in higher quality investigations, improved police operations, and refined administrative and technical skills. A high retention rate among participants contributes as well to institutional capacity building, with 99% of respondents still working at the same institution. The onboarding of new colleagues to replace retiring staff is managed effectively through access to existing materials and necessary training. Despite the challenges, maintaining international contacts is generally manageable.

There is a strong strategic and institutional commitment to continuing euro protection activities linked to the Programme. However, perceptions of the availability and allocation of financial and human resources differ. Some stakeholders, especially from third countries, highlighted a lack of resources dedicated to euro counterfeiting, which could limit the implementation of practices acquired through the Programme. This underscores the importance of the Pericles Programme as a critical initiative for supporting countries' capacities in combating euro counterfeiting. According to stakeholders' language barriers have occasionally posed challenges, particularly during

⁷¹ Interviews with third countries.

practical training sessions and networking activities carried out within the actions.

3.2. How did the EU intervention make a difference and to whom?

The Pericles IV Programme offers EU added value by establishing and enhancing relationships among authorities in Member States, third countries, Union institutions, and international organisations. These relationships ensure that national authorities have clear points of contact in other countries for obtaining information, sharing knowledge or facilitating cooperation when needed. Furthermore, the Programme plays a crucial role in disseminating information about emerging trends in euro counterfeiting and enhancing technical capacities of staff at central banks and law enforcement authorities. Threats posed by the Internet and altered design banknotes continue to necessitate action at EU level to safeguard the euro from counterfeiting and provide citizens and business with a stable currency which functions effectively.

3.2.1. EU added value

The assessment of EU Added Value looks at the extent to which the Programme provides EU added value. This is addressed from three perspectives:

- The added value resulting from the intervention(s) compared to what could be achieved by Member States at a national level;
- The most likely consequences of stopping or withdrawing the Programme;
- The extent to which the needs addressed by the intervention continue to require action at EU level.

Comparing EU interventions with national efforts

Four distinct elements have been identified regarding the value that Pericles IV adds to what can be done on the national level.⁷² First, stakeholders consulted across the board confirm that the Pericles IV Programme facilitates contacts between counterparts across different Member States. The links between the NCOs, NACs, and CNACs in different Member States are fostered through various actions funded by the Pericles Programme as well as through activities adjacent to the Programme, such as the regular ECEG meetings. These regular

⁷² See for more information on the effectiveness of these elements section 3.2

meetings provide a platform for open dialogue, sharing best practices, and keeping up to date on emerging threats and trends in euro counterfeiting. Stakeholders confirm that, thanks to the Pericles Programme, they know their counterparts across the border and can easily contact them. This has positively impacted operational work (i.e. investigations) repeatedly.

In addition, consulted stakeholders⁷³ underline that the Pericles Programme creates opportunities to develop and / or strengthen relationships with third countries. These connections are relevant and necessary since the production and distribution of counterfeit euros are not confined to the European Union. Such cross-border ties are essential in the fight against crime, and in particular when fighting criminal networks, as their activities often extend beyond Member State borders and beyond the borders of the European Union.⁷⁴ For example, some authorities expressed the value and need of establishing collaboration channels with Chinese and Turkish authorities, which is difficult to do only at the level of Member States.

From the perspective of third countries, most consulted stakeholders highlight the Pericles Programme's role in developing and strengthening relationships with Member States. For instance, for third countries that may join the EU in the future, the Pericles Programme provides a valuable way to be included into the EU systems and become familiar with its legal frameworks and procedures. Furthermore, the Programme is particularly appreciated by third countries for improving relationships with neighbouring countries. However, for third countries not geographically close to Member States, collaboration with other Member States is considered less important than maintaining existing partnerships.

Secondly, stakeholders value the Pericles Programme as it aids Member States to become more familiar with the processes, procedures and legislation in other Member States (with whom they cooperate). Through participation in the ECEG meetings and (for some stakeholders) the organisation of actions or the attendance thereof, NCO's, NAC's and the staff involved in operational cooperation understand better what the legislative framework in Member States other than their own looks like, how procedures are shaped, why this is the case and how this impacts cooperation in practice. Understanding the working reality in another Member State, subsequently, improves collaboration and information exchange.

Thirdly, Pericles IV is appreciated for taking the initiative to consolidate information and knowledge on trends and developments. The study dedicated to movie money is an example of this. Stakeholders consulted (amongst which international organisations) have indicated that the comprehensive study on the threat posed by movie money has helped bring together the currently available

⁷³ Interviews with successful applicant Member States and interviews with non-applicant Member States.

⁷⁴ Europol, Decoding the EU's most threatening criminal networks, 2024, [link](#).

information, thereby contributing substantially to a clear picture of the threat posed. Such a dedicated study would, likely, not have materialised without Pericles IV, as other stakeholders do not have sufficient funding to initiate such activity, and neither would they have the more high-level, policy-oriented perspective on the issue of euro counterfeiting that is required to request such study.

Finally, stakeholders consulted emphasised that their resources (financial or on capacity) at national level to combat euro counterfeiting are often limited. Limited resources remain available for training, exchange of best practices, strategic development and the cross-border component is often not included in those national actions. However, these components are important and relevant to address the continuous developments in euro counterfeiting *modus operandi*. Various NCO's, therefore, emphasised that the Pericles IV Programme plays an important role for them as it functions, in a way, as an extension of their teams. In particular, the different actions funded by the Programme are well perceived as they help developing and updating the knowledge basis of these teams. Pericles IV therefore supports and provides opportunities at EU level, thereby enabling Member States to participate in these beneficial activities.

The availability of funding through Pericles IV and the fact that resources on the national level are restricted, also ties into the question on what would happen if the Pericles Programme would be stopped or withdrawn. Stakeholders confirmed during interviews that if the Pericles Programme would cease to exist, it would be unlikely that the actions that are currently being organised under the Programme would continue to be organised as hardly any Member State would have sufficient resources to take on such a role. A halt in the organised Pericles actions (and adjacent ECEG meetings) would impact the transnational cooperation between the Member States as opportunities for interaction and exchange would be reduced and it would be more difficult to keep contacts up to date. As a result, stakeholders expect that cooperation with Member States with which regular cooperation takes place would continue but the development of new relationships with Member States and, even more so, third countries would be negatively impacted.

Continuation of EU level action on addressed needs

With regard to the extent to which the needs addressed by the intervention continue to require action at EU level, stakeholders refer to the increasing threats posed by the Internet as well as altered design banknotes. The challenges that sales of counterfeit euros (and raw materials) on the clear- and dark web pose require an approach that goes beyond the national level, stakeholders argue. Hence, collaboration on the EU level is necessary and there is a potential for the Pericles Programme to play a more substantial role here.

The threat posed by altered design banknotes is aggravated due to the different legal frameworks and corresponding approaches in the Member States. To address this threat effectively, coordination and continuous exchange between Member States is required in order to reduce legal loopholes. This is, again, an area where the Pericles Programme can be (and has been) of added value.

3.3. Is the intervention still relevant?

The Pericles IV Programme continues to be relevant. Current threats include the increasing quality of counterfeits, the increasing numbers of altered design banknotes in circulation and the ease at which both counterfeits and altered design banknotes are accessible via the clear web and social media. The Programme is currently addressing these threats to a substantial extent by funding actions that are specifically targeted at these threats and / or by procuring studies aimed at these topics. Counterfeiting of the euro is a type of crime with an international character as the production and distribution of counterfeit banknotes often involves various countries (i.e. Member States and third countries). Therefore, the need for good contacts with counterparts in different countries and an understanding of their investigative practices and legislative is a particularly relevant need that the Programme should keep addressing.

3.3.1. Relevance

In analysing the relevance of the Pericles IV Programme, it is worthwhile assessing four elements, namely the extent to which (i) there is a need to protect the euro against counterfeiting, (ii) Pericles IV is relevant to meet this need and any possible evolution thereof, (iii) the specific objectives of the Programme are relevant to achieve its overall objective and (iv) the Pericles IV actions and target groups are relevant to achieve the overall and specific objectives. This section will present the findings in relation to each of these aspects.

The need to protect the euro against counterfeiting and related fraud

While the majority of the stakeholders consulted agree that there is a need to protect the euro against counterfeiting and related fraud, they indicate several difficulties in quantifying the issue of counterfeiting of the euro based on the indicators provided in Regulation (EU) No 2021/840 (i.e. the number of counterfeit euros detected and the number of illegal workshops dismantled).

First of all, stakeholders across the board emphasise that it is difficult to assess the full size and scope of an issue because one simply does not know the full scale of illicit activities occurring (i.e. **dark figure problem**). Moreover, some

stakeholders underline the issue that not all counterfeit banknotes identified (by the general public) might be reported, thereby further skewing the statistics. The statistics on the numbers of detected counterfeit banknotes, printshops and mints are, therefore, deemed relatively inaccurate to assess the relevance (and effectiveness) of the Pericles IV Programme.

Furthermore, various stakeholders underline that the **decline in numbers of counterfeits detected can be interpreted in a variety of ways**. In one way, the decline could be caused by a deterrent effect of improved detection mechanisms, cooperation and investigation. Simultaneously, stakeholders reason that the decline in counterfeit banknotes detected is a consequence of perpetrators making use of new or different modus operandi which are not (well) detected yet. This argument is in line with a common understanding within policing whereby perpetrators continuously adapt their modus operandi to avoid being caught. Several NCO's, furthermore, argued that the decline in the amount of counterfeit bills detected implies that the situation is relatively 'under control' at the moment. However, they argue that continuous attention is needed to maintain this status quo; redirecting attention would risk the situation escalating. Interpreting the decline in the number of counterfeits detected indicates as a consequence of having fewer counterfeits in circulation or caused by the fact that detection mechanisms fail to detect the counterfeits has been qualified by stakeholders as unlikely.

Thirdly, stakeholders across the board are **generally wary to interpret the (perceived) decline of use of cash as being correlated to the use of counterfeits**. Rather, they point out that consumers and cash handling staff (i.e. in shops) are becoming less and less familiar with the look and feel of euro banknotes, thereby enhancing vulnerability for payments with counterfeit euros. A similar observation has been made repeatedly when underlining the vulnerability of actors that are less used to dealing with euro banknotes, such as new Euro area members, non-Euro area members and third countries. This dynamic was further accelerated by the COVID-19 pandemic that resulted in a sudden drop in the use of cash. The increased prevalence of the issues with regard to altered design banknotes (prop copies and movie money), which generally are of relatively low quality, support this line of reasoning.

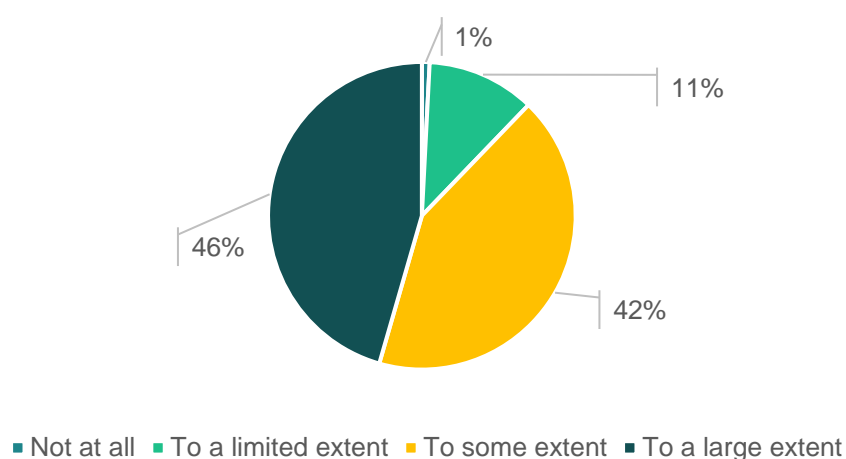
Finally, stakeholders consulted across different groups emphasise that **as long as cash is used, the risk posed by counterfeits persists**. They argue that the use of cash as a payment is likely to impact, to some extent, the vulnerability for counterfeits but a certain risk is likely to sustain. Moreover, stakeholders argue that the European Commission and the Member States have a moral obligation both to protect innocent individuals and companies from being affected by counterfeit payments and to put efforts into maintaining high levels of trust in the euro.

The above-outlined caveats complicate an accurate assessment of the size and scope of the issue of euro counterfeiting and, thereby, impact the ability to

assess the relevance of the Pericles IV Programme. These considerations have been taken into account in the analysis of the relevance of the Programme.

The survey results provide relevant, quantitative, insights in relation to the relevance of the Pericles IV Programme. The majority of the competent national authorities that answered to the question ‘To what extent do you consider the counterfeiting of the euro a problem?’ were law enforcement authorities (i.e. 31%, N = 38) and National Central Banks (i.e. 60%, N = 74). From the group of law enforcement authority representatives, a majority (71%, N = 27) indicated they perceive counterfeiting of the euro to a large extent to be a problem. Of the representatives of National Central Banks, a majority perceive euro counterfeiting to be problematic to some extent (53%, N = 39). The figure below illustrates these results.

Figure 22 – To what extent do you consider the counterfeiting of the euro a problem?⁷⁵



Source: Survey, N=152

During interviews with different types of stakeholders, the needs were detailed more specifically. Three key problems stood out. First, stakeholders consulted underscore that the **quality of counterfeits is increasing**. Perpetrators have been increasing their capacity and expertise and this has resulted in an increase in the quality of counterfeits. In some instances, counterfeits have also successfully deceived machines (i.e. such as bank deposit machines).⁷⁶

Secondly, the challenges posed by **altered design banknotes** (i.e. also referred to as movie money or prop copies) have been regularly brought up. Contrary to the problem outlined above, the issues posed by the altered design banknotes are not driven by high quality of these notes. Of all counterfeit banknotes detected between March 2019 and November 2022, 17 % have

⁷⁵ Survey Q8, N = 123, only answered by competent national authorities.

⁷⁶ Active observation of OCRFM Action.

been movie money banknotes and 6 % prop copy products.⁷⁷ This marks a steep increase. In short, the challenge here lies with the fact that these altered design banknotes are readily available online and can, generally, be legally obtained. These banknotes are unlawful reproductions of banknotes, on commercial paper, with a similar design, shape, dimension and colour to genuine banknotes, infringing on reproduction rules.⁷⁸ However, increasingly, the altered design banknotes are brought into circulation. The issue on altered design banknotes is further complicated by the fact that Member States have different legal interpretations of (the use) of altered design banknotes. In some Member States, the possession of such banknotes can provide sufficient reasoning for an investigation and a counterfeit sentence while in other Member States, such procedures can only be launched when someone is caught paying with altered design banknotes and in such instances, the act would be understood as a copyright infringement or fraud. The core of the problem here is that the EU and Member States have different views and practices of countering the phenomenon of altered design banknotes.⁷⁹

Stakeholders indicate that it has become increasingly easy to ‘upgrade’ altered design banknotes and insert them into circulation.⁸⁰ Whereas the development of high quality counterfeits has become more complicated and requires skills, equipment and substantial efforts, the altered design banknotes can be tweaked relatively easily.⁸¹ This would result in less convincing banknotes which, nevertheless, still have a chance of being accepted into circulation due to the limited checks on banknotes by cash handlers.⁸² It should be noted that Pericles IV procured a study focusing solely on the issue of altered design banknotes.⁸³

In relation to the increasing detection of altered design banknotes, the *modus operandi* on rip-deals should be mentioned. Various stakeholders have mentioned that they notice an increase in the number of rip-deals taking place whereby perpetrators pay a citizen or company using altered design banknotes. The victim only realises later that the money that was used for the payment is not genuine but, by then, the perpetrator cannot be traced anymore.⁸⁴

Thirdly, counterfeits (in particular altered design banknotes) have become **relatively easily accessible** in recent years. Whereas previously, such banknotes were predominantly available through the dark web, these days, advertisements can be found on the clear web and social media channels too. This marks a change in *modus operandi* and could potentially also impact the profile of perpetrators. In other words, altered design banknotes have become more easily accessible to a wider public.

⁷⁷ RAND Europe, Study on movie money, prop copy products and other altered design banknotes, 2023, p. 9.

⁷⁸ RAND Europe, Study on movie money, prop copy products and other altered design banknotes, 2023.

⁷⁹ Ibid.

⁸⁰ Interviews with successful applicant Member States.

⁸¹ As also heard during the active observation of OCRFM Action.

⁸² Interviews with successful applicant Member States and active observation of OCRFM Action.

⁸³ RAND Europe, Study on movie money, prop copy products and other altered design banknotes, 2023

⁸⁴ Interviews with successful applicant Member States.

Case study: Pericles IV actions with a focus on the web illustration

In the interviews conducted relating to the internet and web, the ease of clear web access was highlighted. The dark web is no longer the first stop shop for counterfeiters as most materials for counterfeiting can be readily found on the clear, open web. This is also the case with altered design banknotes, which have become an important and rapidly rising threat. The ease of access and purchase by individuals factors in another hurdle in detection of counterfeited banknotes or coins. More cooperation with postal services and customs is crucial in this new process of counterfeiting trade. As well as more active investigation and reprimands against online advertising of materials such as banknote paper stacks and printers.

More horizontally, stakeholders across the board agreed that there is a continued need for attention for anti-counterfeiting of the euro, not in the last place because of links between this type of crime and other forms of crime and the involvement of organised crime groups. Counterfeiting of the euro has been, in some instances, an **enabler of other types of crime**.⁸⁵

Furthermore, **modus operandi** for counterfeiting of the euro and the distribution of these counterfeits are continuously **in development**, stakeholders consulted thus far emphasise. This implies that law enforcement efforts (and those at the policy level) also require constant attention in order to keep up with the changing tactics of perpetrators. Available resources on the national level to do so are often limited and, therefore, the Pericles Programme seems to continue to be relevant as it addresses this gap.⁸⁶

Stakeholders consulted thus far generally mention the need to address euro counterfeiting in relation to the **protection of citizens and business against the harm that counterfeiting can do**. This touches upon the impact of counterfeiting on the integrity of the euro, the trust therein and in the Union's economy, however, these elements are not explicitly mentioned by stakeholders.

Relevance of Pericles IV Programme to meet this need and the possible evolution thereof

The Pericles IV Programme has, thus far, funded a variety of actions that specifically address the most pressing current threats (i.e. the increased quality of counterfeits, altered design banknotes and the ease at which counterfeits can be purchased).

⁸⁵ Interpol, 2017. Fact sheet: counterfeit currency.

⁸⁶ Interviews with successful applicant Member State and non-applicant Member States.

Examples include the actions which have a specific focus on the clear- or dark web⁸⁷ (see also the case study, Annex V) but also the study that was procured and is focusing specifically on altered designed banknotes and the risks thereof.⁸⁸ The actions facilitated the dissemination of dark net practises and trends during technical trainings and seminar workshop sessions. The BKA COPE action entailed diving deep into the investigation on the clear and dark web, working with case studies at each event with the objective to ‘train the trainer’. In a similar sense, investigative practises and training were conducted at the BIBE actions with participants from the Ibero American region. Furthermore, these key threats have also been touched upon in various other Pericles IV funded actions, examples include the action by the OCRFM (held in March 2024) whereby attention was dedicated to the quality of counterfeits as well as to altered design banknotes.

This view is also echoed by the majority (77%, N = 43) of the respondents to the survey who indicated that the Pericles IV Programme largely meets their needs.⁸⁹ 79% of the respondents (N = 43) indicated that the Pericles IV Programme is contributing to the prevention and / or detection and / or repression of euro counterfeiting to a large extent.⁹⁰

Nevertheless, as threats develop rapidly, there is a continued need for the Pericles Programme to assess how the Programme can be designed and implemented in the most relevant way. In this regard, some opportunities for enhancing the relevance of the Programme have been observed.

When asked to reflect on any emerging threats or topics that respondents would like to see explored in future Pericles actions, a large range of different suggestions was provided (Q28, N = 161).⁹¹ These answers can be grouped into future threats and suggestions for the organisation of the Pericles IV Programme. In light of **future threats**, the dangers posed by China and Türkiye as source countries of counterfeits and raw materials to produce these were mentioned. Simultaneously, a need for support in further intensifying cooperation with China and Türkiye was also voiced. Other threats mentioned include the sales of counterfeits and altered design banknotes on the clear- and dark web, the impact and threats posed by the digital euro and cryptocurrency and the impact of AI on production and detection of counterfeit currency.

The majority of the above-presented points were also raised during interviews with various stakeholders. In part, the Pericles Programme seems to be well equipped to address these threats or to start doing so more intensively. Having this overview of current and upcoming threats can serve as a guideline for the

⁸⁷ I.e. Curso de Formacion sobre Falsificacion de Moneda para expertos de países Iberoamericanos 2022 & 2023, Curso Lima (2022) and Curso Bogota (2023). Organised by Ministerio del Interior (B.I.B.E)

⁸⁸ RAND Europe, Study on movie money, prop copy products and other altered design banknotes, 2023

⁸⁹ Survey Q19.

⁹⁰ Survey Q19.

⁹¹ Included in these 161 respondents are those that indicated to have no suggestions for focus areas for future Pericles IV actions.

management of the Pericles IV Programme when launching new calls for actions and in the selection process thereof.

For some threats, such as the risks related to the counterfeiting of the future digital euro and the threats posed by AI, the exact threat assessment is difficult to make at this stage because it is not clear yet how exactly the digital euro will look like or how exactly AI could be (ab)used for counterfeiting purposes. With many of such factors being unclear at this point in time, it is complicated to foresee the role that the Pericles Programme could play in this regard. Assuming that counterfeiting the digital euro would be technically possible, the Pericles Programme, naturally, could play a role in this field. The Pericles expertise on counterfeiting of the euro would, depending on the exact technicalities, need to be expanded with specific knowledge on the working of the digital currency.⁹²

Similar observations can be made with regards to the potential role for the Pericles Programme in light of the threats posed by China and Türkiye. Here, also, the Programme would be equipped to address the counterfeiting risks that are posed but it could benefit from tapping into more specific (technical) expertise (elsewhere). The role for the Pericles Programme could, then, be more focused on developing an evidence-base through research, ensuring an equal understanding of the issue across Member States and support other organisations (i.e. Europol, Interpol and the European Commission) in their efforts in these regards.⁹³

With regards to **suggestions for the organisation of the Pericles IV Programme**, respondents suggested to dedicate more attention for real-life examples of counterfeits and counterfeit cases, including investigations thereof (supported by videos and pictures), to enhance the information provision and training on the techniques and tools used to counterfeit and updates on new types of counterfeits, production techniques and modus operandi for bringing those into circulation, to improve cooperation with judicial authorities (specifically in light of the threats posed by altered design banknotes), with customs and the private sector (i.e. postal services), to improve methods of detection of counterfeit coins, to provide more training or information on production of licit banknotes (by manufacturers), security features of licit banknotes and ways in which they are (or can be) exploited and to intensify international co-ordination/co-operation against new types of counterfeiting and harmonisation of approaches across the European Union.

It is, however, important to note that the needs of Member States seem to differ based on the current status of their anti-counterfeiting approach and the priority given to this issue. Whereas some Member States are relatively advanced and find it interesting to explore how the Pericles Programme could provide in light of future threats, other Member States (or third countries) voice a need to

⁹² Interviews with successful applicant Member States and EU-level stakeholders.

⁹³ Interviews with successful applicant Member States, EU-level stakeholders and international organisation.

develop the basic capabilities to identify counterfeits and to train law enforcement personnel on how to act upon this. To meet the needs of these different 'groups', it would be worthwhile to ensure sufficient targeted focus and corresponding actions for each of these tracks. This two-tracks approach would, naturally, have to be considered within the available funding envelope.

Relevance of the specific objectives of the Pericles IV Programme to achieve its overall objective

Consultations with a variety of stakeholder groups show that these specific objectives⁹⁴ are still deemed relevant to achieve the overall objective of the Programme.⁹⁵

Stakeholders across all groups agree that there is a **continued need for support of Member State activities** undertaken. Member States often face limited resources, they target their resources on national actions in the counterfeit domain and they, generally, suffer from lower priority for the issue of euro counterfeiting on the national level. This results in limited activities employed on the national level and the cross-border component is often not included in those national actions.⁹⁶

Furthermore, counterfeiting of the euro is a type of crime with an **international character** as the production and distribution of counterfeit banknotes often involves various countries (i.e. Member States and third countries). Therefore, the need for good contacts with counterparts in different countries and an understanding of their investigative practices and legislative is particularly relevant. Such contacts and understanding can only be provided to a limited extent on the national level (for the reasons outlined above) and, therefore, an overarching Programme on the European (and international) level such as Pericles IV is welcomed. Pericles IV is particularly valuable in bringing together different Member States (through actions but also as part of the ECEG meetings), thereby facilitating contacts between Member States, also beyond the well-established cooperation axis.

However, only a relatively small number of Member States actively organise Pericles actions. A larger group is actively participating therein.⁹⁷ Resource constraints have been mentioned by non-applicants as the prime reason for not applying for Pericles IV funding (see also below). However, some (smaller)

⁹⁴ To support and supplement the measures undertaken by 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

⁹⁵ To prevent and combat counterfeiting and related fraud, preserve the integrity of the euro banknotes and coins, thus strengthening the trust of citizens and business in the genuineness of these banknotes and coins and therefore enhancing the trust in the Union's economy, while securing the sustainability of public finances

⁹⁶ A more elaborate analysis on the EU added value of the Pericles IV Programme can be found in the section on EU added value.

⁹⁷ See also chapter 2.

Member States indicated that actions organised have often a limited number of seats and that they are sometimes not invited.⁹⁸ Looking at the Member State participation in the different actions, it shows that nearly all EU Member States have participated in Pericles IV actions thus far. However, it becomes apparent that some Member States have participated in nearly each action organised whereas others were only participating in one.⁹⁹ The choice for Member States to be invited to actions lies (largely) with the Member State organising the respective action. Nevertheless, the relevance of the action (and thereby the Pericles Programme) could be boosted by adopting a wider view, where possible, and to also consider inviting a wider range of Member States to actions.

With regard to **cooperation with third countries**, cooperation with countries that do use the euro as an official currency as well as with those that do not is relevant. The latter is directly impacted by the risk of counterfeiting of the currency and, specifically, countries that recently joined the Euro area could benefit from dedicated attention for euro counterfeiting. Non-Euro area countries are also a relevant target audience as these countries often do deal with euro as an accepted currency for transactions (i.e. in the Balkans) while the knowledge of private sector (i.e. places where transactions take place) as well as law enforcement authorities in recognising counterfeit banknotes is limited.

Regardless of whether a third country uses the euro as a formal currency or not, stakeholders generally confirm that more structural collaboration with third countries is needed.

Some third countries are known to have perpetrators producing counterfeit banknotes whereas in others that accept payments with euros, the distribution of counterfeit euros poses a problem. There is, therefore, a need and wish to enhance cooperation with those countries in order to better address the production of counterfeit euros and to improve the detection of counterfeit euros when attempts are being made to bring those into circulation. Some representatives of third countries also indicate that capacity building targeted at these countries is important as a prevention measure (i.e. to avoid a ripple effect).¹⁰⁰ Stakeholders indicate they seek collaboration, to some extent, with third countries on a case-by-case basis and that for more structural information exchange (on trends, challenges and best practices) they rely on Programmes such as Pericles IV.

The form and shape of the cooperation would depend on the need and the specific case at hand. In some cases, involving third country representatives in workshops to discuss trends and threats, modus operandi and detection mechanisms might be more suitable (as happened in, for example, the actions

⁹⁸ Interviews with non-applicant Member States.

⁹⁹ Analysis based on available information on participants attending actions.

¹⁰⁰ Interviews with third countries.

organised in Latin America by BIBE¹⁰¹). In other instances, there is a need for more information exchange and cooperation in light of police investigations.¹⁰² Countries that are mentioned specifically include Türkiye, China, countries in the Balkans and in Latin-America.

It should be noted, however, that some stakeholders indicated that the cooperation with third countries is not necessarily of interest to them.¹⁰³ They emphasise that their need lies with improved cooperation with Member States and that this collaboration also still provides opportunities for improvement. Enhancing cooperation with third countries has less of a priority for them.

Relevance of the actions and target groups of the Pericles IV Programme

Stakeholders representing different groups generally agree that the **Pericles IV actions are relevant to their needs**. The different actions funded by the Programme differ in scope, target and set-up and, as such, have the ability to address different needs that exist within the target audience. The different actions also bring about different results and, therefore, each have a different role in achieving the intended effects (see also section 4.2 on effectiveness).

Stakeholders¹⁰⁴ indicated that seminars have been relevant as they provide the opportunity to update knowledge on current trends, developments and the evolution of potential future threats. These seminars have been positively received by countries both in and outside the euro area.¹⁰⁵ Such seminars are often not available on the national level and, therefore, the seminars funded by Pericles IV address a need that is not met elsewhere. Some stakeholders, however, indicated that the information shared during the seminars remains rather high-level and that only little new information is provided.¹⁰⁶ These views seem to be particularly shared by those countries that are rather active themselves on the topic of anti-counterfeiting of the euro and / or who participate in activities by Pericles, EMPACT and / or the ECB regularly. The experiences with the content of the seminars, therefore, seems to depend on the level of participation in Pericles IV activities and the priority for the topic of anti-counterfeiting of the euro the respective country has.

The technical trainings have been generally perceived positively as they help deepen the understanding on specific counterfeit threats and techniques. The information shared was often also rightly shaped and avoided being too operational (thereby avoiding overlaps with Europol's work) as well as being too focused on printing techniques (thereby avoiding overlaps with the ECB's work),

¹⁰¹ Curso de Formacion sobre Falsificacion de Moneda para expertos de países Iberoamericanos 2022 & 2023, Curso Lima (2022) and Curso Bogota (2023). Organised by Ministerio del Interior (B.I.B.E)

¹⁰² Interviews with successful applicants and non-applicant Member States.

¹⁰³ Interviews with non-applicant Member States.

¹⁰⁴ Interviews with successful applicant and non-applicant Member States.

¹⁰⁵ Interviews with third countries.

¹⁰⁶ Interviews with successful applicant Member States.

stakeholders indicated.¹⁰⁷ Again, the technical trainings provided are generally complementary to what is being offered on the national level, thereby addressing a need.

Staff exchanges have been valued widely by stakeholders across the board as they do not only serve as an opportunity to learn and exchange from each other's practices and ways of working but they also facilitate trust building between counterparts at different countries. Stakeholders who participated in staff exchanges nearly unanimously stressed that these exchanges were valuable and improved their collaboration with the other country participating in the exchange.¹⁰⁸ In some instances, it has also served as a source of inspiration for improving work processes.¹⁰⁹

Case study: South Eastern Europe Network

Pericles IV actions resulted in closer and more regular institutional cooperation and coordination among Balkan countries (both within the Balkans and with EU Member States). Following the SEITACC 2 staff exchange, the Albanian authorities report enhanced collaboration with their law enforcement counterparts in Italy, namely, the Guardia di Finanza (GdF) and Comando Carabinieri Antifalsificazione Monetaria (CCAFM). The same case is reported for the Montenegrin authorities¹¹⁰. The contact with the Italian law enforcement authorities allows them to quickly react and check indicatives of counterfeits originated from Italy and to check whether the counterfeits found in Montenegro were supposed to be on the route to Italy.

Finally, the study procured by Pericles IV has been received positively by stakeholders across the board, including international organisations and EU-level stakeholders. The study provided a comprehensive overview of the issues at stake in light of altered design banknotes and by doing so, Pericles IV contributed to addressing the need for more knowledge and expertise in this regard. The study has also provided a stepping stone for further activities to harmonise the approach to altered design banknotes across the EU.

The fact that Pericles IV funds different types of actions, each with a specific aim, set up and audience allows the Programme to contribute to a wide array of needs. Nevertheless, the degree to which stakeholders benefit from a particular action depends, for a large part, on the prior knowledge of the given participant participating, the overall level of knowledge of and priority for the issue of euro-

¹⁰⁷ Interviews with successful applicant and non-applicant Member States.

¹⁰⁸ Interviews with successful applicant and non-applicant Member States.

¹⁰⁹ Interviews with successful applicant and non-applicant Member States.

¹¹⁰ Montenegro, Italy to boost co-operation in the fight against euro counterfeiting, [link](#)

counterfeiting on the national level and the degree of involvement of the participant (and his / her jurisdiction) in Pericles IV actions.

Stakeholders across the board **are generally positive about the target groups addressed by the Pericles IV Programme** and deem these groups being the most relevant. To illustrate, the survey results indicate that respondents are generally positive. 79% of the respondents to the survey (N = 43) indicate that the Pericles IV Programme to a large extent addresses the most relevant target groups (i.e. law enforcement authorities, judiciary authorities, national central banks, etc).¹¹¹

At the same time, stakeholders across various groups indicate that there is room for more involvement of other types of stakeholders such as judiciary authorities, customs and private sector.¹¹² These three stakeholder groups are predominantly mentioned in the context of the new and upcoming threats posed by altered design banknotes and their distribution through the Internet.

Repeatedly, suggestions have been provided to include **public prosecutors** more actively in the Pericles Programme. This would allow the Programme to cover more parts of the counterfeiting process (i.e. also the prosecution).^{113 114} Moreover, stakeholders suggest that involving the judiciary is particularly relevant given the differences in legal interpretation of the use and possession of altered design banknotes. The majority of consulted stakeholders indicate there is a need for a harmonised approach across the Member States with regard to these altered design banknotes.¹¹⁵ Realising such harmonisation is not the sole responsibility of the Pericles Programme but the Programme can, nevertheless, serve as a platform that can generate a relevant input based upon which further harmonisation can be pursued.

Views on how public prosecutors could be included vary from full involvement (included attendance to ECEG meetings) to attendance to dedicated actions (such as the house search organised as part of the OCRFM action)¹¹⁶ and targeted awareness raising activities on judicial cooperation instruments and tools that can be used in cross-border investigations and prosecutions.¹¹⁷

In addition, **customs and the private sector** were also identified as potential relevant stakeholders to involve more actively. Customs and postal and delivery services play a key role in this modus operandi. Customs officials are tasked with checking parcels coming in and going out of the EU. As such, they play a

¹¹¹ Survey Q19.

¹¹² Survey Q28 and interviews with stakeholders across different groups.

¹¹³ Interviews with stakeholders across different groups.

¹¹⁴ This is also in line with what is indicated in Regulation (EU) 2021/840 of the European Parliament and of the Council of 20 May 2021 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting for the period 2021-2027, Article 6.

¹¹⁵ This was particularly raised during interviews with successful applicant Member States and during the active observation of the OCRFM Action

¹¹⁶ This was particularly raised during the active observation of the OCRFM Action

¹¹⁷ Interviews with EU level stakeholders.

key role in identifying parcels with counterfeit banknotes. At the moment, awareness amongst customs officials of currency counterfeiting is generally limited and, therefore, the approach to euro counterfeiting could benefit from also addressing those stakeholders.¹¹⁸ A similar observation is made by stakeholders consulted thus far with regard to parcel and delivery services. These services are (unknowingly) involved in the distribution of euro counterfeit banknotes. Improved awareness and knowledge of these risks would benefit the combat against euro counterfeiting. Stakeholders suggest including both groups in, for example, operational trainings and seminars (see also Annex V for the case study on web-based counterfeiting.)

Finally, some stakeholders (across different groups) indicated that there is a need for more efforts to enhance the ability of the general public (i.e. those dealing with cash in a business setting) to recognise counterfeit banknotes. As long as the awareness levels of this group are limited, counterfeit banknotes will continue to be entered into circulation. While this group indeed plays a critical role, efforts to raise awareness amongst this group do not seem to be within the scope of the Pericles Programme. Rather, efforts from the Member States would seem to be better fit in this regard.

3.4. Key findings

In addition to the above, this section provides the analysis in light of three more horizontal topics, namely the extent to which Pericles IV has been successful, the degree to which Pericles IV has made a difference and to whom and whether the Pericles IV Programme is still relevant. The analysis for each element is presented below and has been developed based on the analytical work done to answer individual evaluation questions (see Annex II).

Extent to which Pericles IV has been successful¹¹⁹

The Pericles IV Programme is set out to contribute to the enhancement of the capacity to protect euro banknotes and coins against counterfeiting and related fraud in EU Member States and third countries. The Programme is thus far achieving this objective by providing technical trainings, seminars, staff exchanges, and studies to Member States and third countries as well as opportunities to purchase equipment for third countries. Participation in Pericles IV actions has enabled beneficiaries to gain technical knowledge and enhance operational capacities, exchange best practices and establish formal and

¹¹⁸ Interviews with successful applicant and non-applicant Member States.

¹¹⁹ Question as indicated in ToR: To what extent was the intervention successful and why? Question is related to effectiveness, efficiency, coherence.

informal contacts in other Member States, which they regularly utilise for inquiries or collaborative investigations.

Stakeholders have reported that thanks to their participation in Pericles IV actions, they have managed to establish formal and informal contacts in other countries (both Member States and in third countries) that they utilise regularly. Stakeholders have also underscored the importance of cultivating contacts within their own country, alongside those abroad. By contributing to enhanced transnational cooperation among Member States authorities, the Programme supported several joint operations among law enforcement authorities. This is specifically highlighted by third countries, where the protection of the euro is often less of a political priority. For example, a joint investigation involving Argentina and Peru addressed the smuggling of counterfeit euros and dollars by Peruvians through Argentina. The contacts in Argentina were established through Pericles, and this collaboration led to the seizure of 3 million euros and a seizure 5 million euros.¹²⁰

Pericles IV continues to contribute to improved institutional and legal frameworks within third countries. In several countries, the Programme has played a significant role in facilitating the signing of ACAs between third countries and EU institutions.¹²¹ Third countries have generally indicated that Pericles actions have significantly contributed to enhancing the institutional and operational capacity of relevant authorities in both. An aspect worth mentioning is the gaining of insights into how other institutions are organised, the procedures and structures in place to preserve the integrity of the euro, and the Programmes and software are extremely relevant for third countries, especially in the South Eastern European countries. For instance, understanding how the system operates and comprehending the legal requirements enable countries to proactively prepare for forthcoming changes upon EU accession.

Finally, preventing and combating counterfeiting and related fraud strengthens the trust of citizens and business in the Union's economy, thus enhancing investment and growth, which adds to securing the sustainability of public finances.

The Pericles IV management and administrative structures are conducive to an efficient use of resources in the achievement of the Programme outputs, results and impacts. This is ensured through close collaboration with beneficiaries throughout the application process and the digitalisation of the application process, which occurred before the start of Pericles IV. The ECEG meetings play an important role in the success of the Programme as they serve as a forum to discuss emerging threats, address common issues related to

¹²⁰ Interview with third countries; ABC (2012) Decomisan mas de USD 9 millones en dolares y euros falsos en Peru; Emol (2011) Decomisan 3 millones de dólares falsos en Perú que iban a ser enviados a EE.UU

¹²¹ Interviews with third countries

counterfeit prevention and plan upcoming activities, which ensures a high share of commitments.

The actions organised under the umbrella of Pericles IV can be considered consistent and complementary with existing actions implemented by Member States, the ECB, Europol, and other Union institutions. DG ECFIN has established agreements with Union institutions to prevent any overlap between their activities. Similarly, the activities conducted by Member States at the national level, if present, tend to complement rather than overlap with those organised by Pericles.

Degree to which Pericles IV has made a difference and to whom¹²²

The threat posed by counterfeiting of the euro generally receives little attention on the national level at Member States and third countries. The efforts on this topic are predominantly driven by the Pericles Programme, Europol (EMPACT) and the ECB. With EMPACT having a strong operational focus and the ECB targeting mostly the national banks and the perspective of printing, the Pericles Programme does offer a unique component, which naturally complements the (limited) efforts on the national levels.

More specifically, stakeholders across the board indicate that the Pericles Programme stands out in a variety of ways. It plays a key role in facilitating cross-border contacts through, for example, the staff exchanges funded by the Programme. Attendance to other types of activities attended (i.e. seminars and technical trainings) have also been identified as valuable mechanisms to enhance cross-border contracts, both within and outside the euro area. Furthermore, Pericles has successfully strengthened relationships with and between third countries, both those that are geographically close to the European Union (i.e. Western Balkans) as well as those further away (i.e. Latin-American countries). Other areas in which the Pericles IV has made a difference include the provision of crucial insights into legislative frameworks (and the differences therein), the consolidation of knowledge on emerging trends (such as the study on altered design banknotes), and allocation of essential funding.

The Pericles IV Programme has primarily targeted law enforcement agencies and Central Banks, and, hence, these stakeholder groups (both within and outside the eurozone) benefit most from the Programme. Nevertheless, in recent years, other stakeholder groups that also play a role in the combat against counterfeiting of the euro (i.e. judiciary, customs and private sector) have been increasingly included. The benefits of the Pericles IV Programme are predominantly reaped by participants of funded actions, thus working on

¹²² Question as indicated in ToR: How did the EU intervention make a difference and to whom? Question is related to EU added value.

extending the outreach to consistently target all relevant stakeholder groups, including judiciary, customs and the private sector, would solidify the added value of the Programme.

Member States that have the capacity (and give priority) to fight counterfeiting of the euro take the role of action organiser more frequently than Member States with fewer resources, who tend to be less intensively involved in the Programme and have less opportunities to participate actively in (the organisation of) an action. They oftentimes rely on the capacity of more experienced Member States, which showcases solidarity amongst Member States. Nevertheless, even these Member States should be encouraged to participate (if not in a position to organise actions) when actions are of relevance to them.

Degree to which the intervention is still relevant¹²³

In the last recent years, the number of detected counterfeit banknotes and the number of detected printshops showed an overall downward trend. During the same period, the number of detected counterfeit coins as well as the number of detected mints have remained relatively stable and low (except in 2022). Furthermore, cash still remains the preferred payment method across the EU, although it does seem to be losing popularity each year.

Despite these developments, stakeholders agree that, for a number of reasons, the need to protect the euro against counterfeiting and related fraud remains. First, as long as cash is used, the risk for counterfeiting persists, stakeholders across the board argue. Secondly, most stakeholders interpret the declining numbers on detected counterfeit banknotes, printshops and mints as indications that their efforts actually pay-off. Therefore, the need for attention remains, they argue, as shifting focus could result in an increase of counterfeits. Thirdly, stakeholders perceive the protection of the general public and businesses against the harm by euro counterfeiting to be a responsibility of the state, translating this to the continued need for attention for the topic.

The specific threats posed develop as modus operandi for counterfeiting evolve. The current threats that (mostly) NCO's are facing include, predominantly, the increasing quality of counterfeits, the increasing numbers of altered design banknotes in circulation and the ease at which counterfeits including altered design banknotes are accessible via the clear web and social media. The Pericles IV Programme addresses these evolving needs and, thereby, continues to be relevant.

In recent years, the Pericles Programme has witnessed a decrease in its funding envelope. This has presented a challenge and it has impacted the effect

¹²³ Question as indicated in ToR: Is the intervention still relevant? Question is related to relevance.

of the Programme, notably through the number of actions that can be organised within the programming period. With the issue of counterfeiting being of continued relevance and, in addition, in considering the future threats, the Pericles Programme would benefit from sustaining the current envelope or, ideally, see an increase thereof.

4. Conclusions and lessons learned

This chapter presents the draft conclusions per evaluation criterion and indicates corresponding lessons learned for the remaining period of the Programme.

Relevance

Overall, the Pericles IV Programme **continues to be relevant**. Despite the numbers of detected counterfeit banknotes and detected printshops generally declining, cash remains the preferred method of payment across the EU. Even though the use of cash seems to be losing popularity each year, the need to protect the euro against counterfeiting and related fraud remains as the risk for counterfeiting continues to be relevant as long as cash is being used.

Current threats include, predominantly, the increasing quality of counterfeits, the increasing numbers of altered design banknotes in circulation and the ease at which both counterfeits and altered design banknotes are accessible via the clear web and social media. **The Programme is currently addressing these threats to a substantial extent**, by funding actions that are specifically targeted at these threats and / or by procuring studies aimed at these topics.

Lesson learned

The relevance of the Pericles IV Programme can be further enhanced by ensuring sufficient focus on the current and upcoming threats identified. The latter include, amongst others, the potential threats posed by the future digital euro and the impact of AI on production and identification of counterfeit currency. While the exact technical specifications of the digital euro are not clear at this stage, it is safe to assume that the Pericles Programme would need to attract specific expertise to address such threats.

In addition to addressing future threats, there is a need for continuous development of technical skills as different Member States and third countries find themselves at different stages of development when it comes to knowledge on how to tackle counterfeiting of the euro. The Pericles Programme should continue to serve both groups equally.

Lesson learned

Adopt a two-tracks approach whereby sufficient attention is given to those Member States (and third countries) that have a need to develop more basic technical skills that aid the anti-counterfeiting activities as well as to those Member States that are more ready to address the emerging threats.

The **specific objectives** of the Programme to support Member State activities, to assist competent national and Union authorities in their efforts to develop regular cooperation and an exchange of best practice and to include third countries and international organisations in the anti-counterfeiting efforts **are still relevant today and are also expected to stay relevant in the near future**.

Stakeholders representing different groups generally agree that the **Pericles IV actions are relevant to their needs**. The different actions funded by the Programme differ in scope, target and set-up and, as such, have the ability to address different needs that exist within the target audience. The degree to which a given action meets the needs of a participant does depend, however, on the prior knowledge of the given participant, the overall level of knowledge of and priority for the issue of euro-counterfeiting on the national level and the degree of involvement of the participant (and his / her jurisdiction) in Pericles IV actions.

Lesson learned

The needs of the audience attending actions funded by Pericles IV depend on a variety of variables, including their degree of familiarity with the topic of euro counterfeiting and their overall involvement with the Pericles IV Programme. By sharing the agenda and topic ahead of time, the content of the actions can be matched with expected audience and finetuned accordingly as well. This lesson learned also feeds into the recommendation on the 'two-tracks approach'.

With regard to the stakeholders addressed by the Pericles IV Programme, it can be concluded that the **current target audience is the most suitable one**. However, the relevance of the Programme can be further enhanced by also further involving other stakeholders, such as the judicial authorities, customs and private parties (to some extent) in actions. The involvement of these parties is mostly relevant in light of the threats by altered design banknotes, the clear- and dark web. This is particularly relevant as the participation of commercial banks/financial sector bodies, customs, and the coin-processing machine

industry has decreased in the 2021 – 2023 period as compared to the previous programming period.

Lesson learned

The fight against counterfeiting of the euro is best fought when the different stakeholders that (can) play a role in the detection, investigation and prosecution of the offences are involved. Therefore, more actively involving the judiciary, customs and parcel- and delivery services in Pericles IV actions is recommended.

Effectiveness

The Pericles IV Programme is **on course to meet its specific objective**. The Pericles IV Programme, as outlined in Article 2 of Regulation 2021/840/EU, has successfully fostered cooperation and enhanced the capacity to protect the euro among relevant institutions in Member States and third countries. The Programme's actions have facilitated the establishment of critical contacts and the exchange of information, significantly improving institutional and operational capabilities.

The Programme's success is largely a result of its current design, where Member States and the European Commission's DG ECFIN have the opportunity to cooperate closely. This management style yields significant benefits precisely because the DG ECFIN unit following the Programme acts as an operational business unit. As such, it is integral to strategy development and planning of actions and coordination within the ECEG, but also the implementation of actions, which is key to staying on top of new developments in the sphere of euro counterfeiting and aligning the Programme to the needs of Member States and action participants. The unit's close involvement in both planning and implementation ensures a coherent and focused approach, which brings added value to Member States and third countries and ensures the effectiveness of the Programme.

By providing technical trainings, seminars, staff exchanges, and studies, Pericles IV has supported and supplemented measures undertaken by Member States, particularly where national funding dedicated to fighting euro counterfeiting is limited. Moreover, the Programme has successfully fostered cooperation and the exchange of best practices among Member States, Union authorities, third countries, and international organisations. This has resulted in the establishment of formal and informal contacts, facilitating inquiries and collaborative investigations. Notably, third countries have benefited from the knowledge and experiences shared by EU Member States during the actions in the framework of the Programme, with reports of successful joint investigations and continued improvement of institutional frameworks and capacity.

The Pericles IV Programme has **demonstrated various positive quantitative and qualitative achievements**. First of all, the satisfaction rate of participants in the actions financed by the Pericles IV Programme is consistently very high (an average of 99.1%). The data show an increasing number of unique competent authorities applying to the Pericles IV Programme. The number of conferences/workshops so far is aligned with the practice from previous Programmes. On the other hand, the number of participants in Pericles IV has decreased by almost a hundred compared to the Pericles 2020 Programme, which can likely be explained by the decreased budget of the Programme, and also by the very reduced participation in the period of the pandemic, 2020-2021. The consultation results clearly show that Pericles IV actions led to establishing inter-institutional contacts (both within and beyond the EU) and disseminating best practices and information regarding emerging trends in counterfeiting and its suppression.

Efficiency

The **overall coordination, management, and administrative structures of Pericles IV are adequate** and ensure the efficient use of resources in achieving the Programmes outputs, results and impacts. DG ECFIN continues to provide prompt support, which is highly appreciated, specifically, stakeholders appreciated the support of the EC experts involved in the Pericles management provide during the application and implementation processes. Partner institutions like the ECB and Europol also provided a positive assessment of their cooperation with DG ECFIN regarding the Pericles Programme, which is indicative of the positive collaboration extending through programming periods.

While management costs of the Pericles IV Programme remain higher when compared to average management costs of similar Programmes, the evolution of cost over time points towards declining costs, which implies efficiency gains, likely to be attributed to the **digitalisation of the application process**. The costs are affected by the high involvement of the responsible DG ECFIN unit in the implementation of actions, which is required to ensure Member State buy-in, staying ahead of the latest trends in counterfeiting, but it also serves as a control mechanism through on the spot monitoring of action implementation. The Pericles Programme is subject to two independent evaluations per programming cycle – both mid-term and ex-post. However, the Programme is small in size and it has evolved in an iterative manner over previous MFF cycles to remain relevant and effective. Programme This brings into question the proportionality and efficiency of the current evaluation requirements when considered in the context of the overall Pericles budget.

The participants of the ECEG meeting consider the discussions highly valuable and suggested extending the meeting to 2 days rather than trying to fit the agenda into a single day. This extension would allow for more thorough and detailed discussions, especially in relation to and organisation of future actions

and their content. Participants considered this important as the current focus is predominantly on logistics. Given more time, discussions on specific action agendas can provide more insight on the topics to be covered, helping participants to make more informed decisions about the relevant actions for them to attend. Although extending the meeting may impact efficiency by requiring additional time and resources, the anticipated gains in effectiveness from these comprehensive discussions are expected to outweigh these drawbacks. Furthermore, effectiveness of these meetings would benefit from increased participation of judiciary authorities. Their participation should be encouraged due to the significant role that they play in counterfeiting prevention through legal actions, as for examples the treatment of “altered design” notes. Their involvement would help Member States find a common approach in classifying this type of crime as counterfeiting and the subsequent handling of perpetrators, therefore ensuring a more robust and unified strategy.

Lesson learned

Consider extending the ECEG meetings to 2 days – in presence - to allow for more elaborate discussions. Furthermore, it could be worthwhile to encourage the representatives of judiciary authorities to be more involved in the ECEG meetings (and the Pericles IV Programme in general).

The Programme has so far achieved a very high percentage of allocation as compared to the reference budgets – more than 97% on average, which shows **adequate programming and allocation of the available resources**. Overall, there is a relative balance amongst the different type of implementation actions, albeit technical trainings tend to have a larger share, thus, attention should be paid for the remainder of the programming period to ensure balance is maintained. Maintaining a balance of actions is essential to address the multifaceted nature of counterfeiting, allowing the Programme to remain relevant, adaptable and flexible, ready to respond to new challenges and trends. In addition, the different actions often involve different stakeholders and address various aspects of counterfeiting with different outcomes and results. A balanced approach ensures that all necessary skills and knowledge areas are covered, providing a more comprehensive learning experience for the participants. Diversification of actions can also help with optimising the available resources and employing different methodologies for addressing different needs. Lastly, different actions can complement each other, enhancing the overall effectiveness and sustainability of the actions.

Lesson learned

Ensure continued attention throughout the remainder of the programming period to ensure a balance between the different types of actions funded.

The ‘absorption’ by the grant beneficiaries deviates from the high level of allocation, which is reflected in the difference between the planned and actual grants budgets - on average -10%. Such differences are attributable to changes in the specific cost elements - i.e., examination of travel, subsistence and hotel costs, staff costs and the costs for equipment and subcontracting. **Unit costs of subsistence, specifically the per diems remain the main challenge for organisers** given the high rates of inflation that have affected many countries since the start of the COVID-19 pandemic.

Overall, the **current co-financing setup** (up to 75% standard rate, and 90% in duly justified cases) **is appropriate**. The average co-financing rate for 19 Pericles IV financed actions is 81%, which is relatively close to the standard co-financing rate of 75%. While some non-implementers stressed that limited financial resources restrain them from organising actions and full coverage of financial costs by the Programme would enable them to act as organisers, it is still questionable whether they would have sufficient administrative capacity to do so.

While the Pericles IV budget can be considered overall appropriate in allowing the Programme to meet its objectives, a decrease of the funding envelope in the current programming period has resulted in a lower number of implemented actions and trained participants. Further decreases of the budget would have a detrimental effect on the scope of Pericles actions thereby jeopardising the effectiveness of the Programme.

Lessons learned

An increase of the budget allocated to Pericles IV would likely have a positive impact on the scope of the Programme activities (mainly number of actions implemented and participants trained) allowing the Programme to continue being effective. With the issue of counterfeiting being of continued relevance and, in addition, considering future threats, the Pericles Programme would benefit from sustaining the current envelope as a minimum or, ideally, see an increase thereof.

EU added value

The Pericles IV Programme **offers significant EU added value**. It primarily establishes and enhances relationships among Member States, third countries, Union institutions, and international organisations. These relationships ensure that national authorities have clear points of contact in other countries for obtaining information, sharing knowledge or facilitating cooperation when needed. Furthermore, the Programme plays a crucial role in disseminating information about emerging trends in euro counterfeiting.

In addition to these added values, **Pericles IV addresses a critical gap in many Member States**, where resources (both financially and on capacity) are often limited for organising international and multidisciplinary trainings specifically targeting euro counterfeiting. By providing targeted support, the Programme strengthens the EU's capacity to combat euro counterfeiting. Moreover, discontinuing the Programme could possibly impact the ongoing successful initiatives but also hinder the development of new relationships and networks, thereby impeding nascent transnational cooperation efforts.

Coherence

The Pericles IV Programme operates within a landscape of EU- and national initiatives, each with its own focus and objectives. The actions organised by other Directorate-Generals within the EC exhibit a complementarity and alignment of the objectives with those of the Pericles Programme, **minimising the risk of overlapping activities**. This complementarity extends to actions undertaken by other Union institutions, such as the ECB and Europol. The ECB, for example, focuses on sharing information to prevent and combat euro counterfeiting, primarily targeting national banks. In contrast, Pericles IV extends its focus to include law enforcement agencies. Similarly, Europol's focus on operational activities complements the Pericles Programme's emphasis on relationship-building and information sharing.

At the **Member State level, initiatives remain limited in scope**. The Pericles IV Programme fills this gap by offering various types of actions above and beyond national initiatives providing expertise and fostering relationship building among Member States and with Third Countries.

Sustainability

The **Pericles IV Programme has effectively ensured the sustainability of its outputs and progress towards its objectives**. Participants have adopted knowledge-sharing practices whereby they share Pericles training material with colleagues within their teams or organisations, informal discussions, and formal presentations. This comprehensive dissemination strategy has facilitated the

integration of knowledge within institutions and extended its reach to relevant external entities, including law enforcement academies and retail. While new methods and EU contacts are frequently utilised, the need to constantly maintain contacts, especially with counterparts outside the EU remains. Third country authorities often face a lack of resources dedicated to euro counterfeiting, which could limit the implementation of practices acquired through the Pericles IV Programme. This underscores the importance of the Pericles Programme as a critical initiative for supporting countries' capacities in combating euro counterfeiting. Additionally, as stakeholders highlighted language barriers as occasionally posing challenges, particularly during practical training sessions and networking activities carried out within the actions, attention should be paid to ensuring that actions are maximally utilised. This can be done by encouraging the engagement of countries that share the same language or making use of translation services.

Lesson learned

Identify stakeholder groups where the language barrier would impede the results of Pericles IV actions. Foster collaboration between implementers and beneficiaries, where the actions can be held in or translated to a national language.

As mentioned under effectiveness, different Member States and third countries have different capabilities and capacity to combat euro counterfeiting. Therefore, **follow-up actions and regular training sessions are critical to solidify the learning outcomes, maintain the highest levels of knowledge amongst practitioners in the field, while also ensuring participants stay updated with the latest trends and techniques in euro counterfeiting.** While seminars and staff exchanges are important to maintain contacts and follow the latest developments, the need to carry out regular training sessions has been mentioned particularly in relation to third countries and their need to be supported in developing more institutionalised structures and processes in the fight against counterfeiting, while also relevant to sustain attention for the issue.

Lesson learned

Ensure sufficient follow-up actions and regular training sessions to ensure that learning outcomes are correctly applied and reinforced and that updates on current trends and developments are widely shared and to facilitate continuous attention for the threat posed by euro counterfeiting.

5. Annex I. Methodology and analytical models used

This mid-term evaluation was carried out by Ecorys, upon request of DG ECFIN. This annex presents the overall methodology of this mid-term evaluation, including an elaborate account of the approach, limitations and robustness of each of the data collection activities applied.

Desk research

To support the mid-term evaluation, desk research into a variety of sources has been carried out. The literature review is a key step to establishing current state of play vis-à-vis counterfeiting of the euro and gathering general information relevant to this mid-term evaluation. The desk research was carried out to inform different aspects of the mid-term evaluation, specifically:

- Current and future threats to (counterfeiting of) the euro;
- Figures and statistics with regards to detection of euro counterfeits, detection of printshops and mints and the use of cash;
- Information on the current state of implementation of the Pericles IV Programme and specific actions funded by the Programme. This also includes a review of the information available with regards to the financial implementation of the Programme;
- Information on the current state of implementation of adjacent Programmes and initiatives (with a view to assess the coherence of the Programme).

The findings from the desk research were inserted into a database of indicators which served as a foundation for the analysis of findings. The desk research commenced in January 2024 and also fed into the preparation of the interview guidelines, the survey and the case studies (see below). The table below summarises key documents reviewed, a full bibliography can be found in Annex VI.

Table 3 – Key documents reviewed

Type of document	Document titles
Programme documentation	Pericles annual reports 2021,2022 and 2023, Commission Decision Programme 2021 – 2024, Final evaluation Pericles 2020, Staff proposal for Pericles 2021 – 2027, Study on movie money, prop copy products and other altered design banknotes).
ECB Press releases and ETSC annual reports	ETSC Annual report 2021 and 2022, ECB Press releases “Number of counterfeiting” in 2021, 2022, and 2023.

Type of document	Document titles
Project-level documents	Grant Agreements, reporting, agendas, evaluation forms, participants list
EU-level documentation	Europol Serious and Organised Crime Threat Assessment (SOCTA) 2021, Europol Internet Organised Crime Threat Assessment (IOCTA) 2021 and 2022.

The desk research has been carried out in a fairly complete manner. One limitation experienced was that some sources (i.e. ETSC Annual Reports) did not have data for 2023 publicly available. Hence, these statistics could not be reported upon in the mid-term evaluation at hand.

Survey

As part of the stakeholder consultation strategy underpinning this evaluation, an online survey has been launched targeting participants in the activities of Pericles IV carried out from 2021 to March 2024. These include both attendees/trainees as well as keynote speakers/trainers, with different sets of questions designed to address the specific needs of each stakeholder group.

The survey collected participants' perceptions which contributed to assess the effectiveness, the relevance and coherence of the Programme as well as its sustainability of actions.

The list of survey recipients was compiled based on the action-level documentation provided by DG ECFIN. Upon validation of the list, the survey was launched on 5th March to 515 recipients, including representatives of EU Member States, third countries and EU institutions. The survey was disseminated in English, Italian, German, Spanish and French. It was open for 4 weeks until 2nd April 2024, with a reminder sent to participants two weeks before the deadline (March 19th). A total of 169 responses were gathered (response rate 32%).

Interviews

Interviews (scoping and targeted) serve as the cornerstone of the stakeholder consultation of this mid-term evaluation. They allowed for gathering particularly qualitative and in-depth information on the Pericles IV Programme. The interviews contribute significantly to the strategic effectiveness, relevance, sustainability and EU added value evaluation criteria.

In total 48 semi-structured interviews have been conducted (including eight scoping interviews and interviews relevant to the case studies). Attention has been paid in the selection of interviewees to ensure sufficient geographic

spread and a fair spread between different types of stakeholders. The table below summarises the interviews conducted.

Table 4 – Overview of stakeholders interviewed

No.	Level	Organisation	Interview stage	Date of interview
1	EU	Europol	Scoping phase	11/01/2024
2	EU	European Central Bank	Scoping phase	16/01/2024
3	EU	ETSC (C.5 DG ECFIN)	Scoping phase	17/01/2024
4	EU	ETSC (C.5 DG ECFIN)	Scoping phase	17/01/2024
5	National	Guardia di Finanza	Scoping phase	22/01/2024
6	National	Brigada de Investigación del Banco de España (BIBE)	Scoping phase	22/01/2024
7	National	Carabinieri Antifalsificazione Monetaria (CCAFM)	Scoping phase	24/01/2024
8	National	Carabinieri Antifalsificazione Monetaria (CCAFM)	Scoping phase	24/01/2024
9	International	Interpol	Field phase	02/04/2024
10	EU	DG ECFIN	Field phase	26/06/2024
11	EU	Eurojust	Field Phase	19/06/2024
12	EU	EMPACT	Field phase	04/04/2024
13	EU	CEPOL	Field phase	26/04/2024
14	National	Banco de Portugal	Field phase	14/03/2024
15	National	Direction Centrale de la Police Judiciaire Office Centrale pour la Répression du Faux Monnayage (OCRFM)	Field phase	04/04/2024
16	National	Banco de España	Field phase	10/04/2024
17	National	Croatian National Bank	Field phase	15/04/2024
18	National	Bundeskriminalamt	Field phase	06/05/2024
19	Non-applicant	Narodowy Bank Polski	Field phase	13/03/2024
20	Non-applicant	Bundeskriminalamt / CIS Austria and Österreichische Nationalbank	Field phase	03/04/2024
21	Non-applicant	Bank of Finland	Field phase	08/04/2024
22	Non-applicant	Dutch National Police	Field phase	10/04/2024
23	Non-applicant	Bank of Latvia	Field phase	10/04/2024
24	Non-applicant	Polícia Judiciária Portugal	Field phase	11/04/2024
25	Non-applicant	Belgian National Bank and Belgian National Police	Field phase	18/04/2024

No.	Level	Organisation	Interview stage	Date of interview
26	Non-applicant	Bank of Malta	Field phase	24/04/2024
27	Non-applicant	Bank of Lithuania	Field phase	19/04/2024
28	Non-applicant	Public Prosecutors Office in Bulgaria	Field phase	23/04/2024
29	Non-applicant	Hungarian Police	Field phase	17/05/2024
30	Non-applicant	Hellenic police/CNAC	Field phase	23/05/2024
31	Non-applicant	Cyprus Police Forensic Science Laboratory	Field phase	24/05/2024
32	Non-applicant	Central Bank of Luxembourg	Field phase	23/05/2024
33	Third country	National Bank of the Republic of North Macedonia	Field phase	02/04/2024
34	Third country	Central Bank of Egypt	Field phase	08/04/2024
35	Third country	Bank of Albania	Field phase	11/04/2024
36	Third country	Peru Policia Nacional	Field phase	13/05/2024
37	Third country	Kosovo Agency on Forensics and Central Bank of Kosovo	Field phase	24/04/2024
38	Third country	CTI Colombia	Field phase	25/04/2024
39	Third country	Central Bank of Montenegro	Field phase	13-15/05/2024
40	Third country	Turkish Police	Field phase	21/05/2024
41	Third country	National Bank of Serbia	Field phase	10/05/2024
42	Participant of action	Polizei Niedersachsen	Case study	26/06/2024
43	Participant of action	Polizei Austria Salzburger Land	Case study	27/06/2024
44	Participant of action	Polizei Hessen	Case study	27/06/2024
45	Participant of action	Politie Midden-Nederland	Case study	28/06/2024
46	Participant of action	Polizei Nordrhein-Westfalen	Case study ¹²⁴	26/06/2024
47	Organisers of action	BIBE	Case Study	21/05/2024
48	Participant of action	CTI Colombia	Case study	24/05/2024

Interviews were always conducted by at least two researchers and summary notes were drafted shortly after the interview was conducted. The notes were

¹²⁴ Please note that this was a written response.

organised (to the extent possible) per evaluation criteria to facilitate efficient integration of the interview findings in the analysis of findings.

A challenge experienced in light of the interviews was that, in some instances, it was difficult to identify the right contact person at a given organisation, despite the support of DG ECFIN in this regard. In a similar vein, it was sometimes difficult to receive responses to the interview invitations shared. Where possible, this was mitigated by sharing reminders (also by DG ECFIN) and by conducting interviews in the native language of the interviewee. In total only two interviewees (one stakeholder on EU level¹²⁵ and one non-applicant Member State) declined to participate, stating that neither they nor their colleagues had a knowledge of the Programme or that they had already responded to the survey distributed and therefore did not want to participate in an interview. In addition, due to internal administrative difficulties in a non-applicant Member State, the project team and DG ECFIN were unable to schedule an interview with them.

Active observation

Two evaluators attended the action named 'Technical and operational training on the protection of the euro against counterfeiting' by the OCRFM, taking place 25 – 29 March in Clermont-Ferrand (France). The purpose of observing this action was to obtain an accurate and practical understanding of what a Pericles IV action entails. Simultaneously, the evaluators were able to gather feedback from participants on the content, set-up and organisation of the action. The active observation resulted in a summary report presenting key findings. These findings have been integrated throughout the mid-term evaluation.

Given the innovative character of the action, this action proved a particularly interesting one to attend. Relevant insights have been collected, in particular concerning the relevance of actions of these sorts, the topics covered by the action, the modality and set-up of the action and the stakeholders involved. These findings predominantly feed into the analysis of the relevance, effectiveness and EU added value of the Pericles IV Programme.

No noteworthy limitations have been observed as part of the active observation of the action.

Focus group at ECEG meeting

Two members of the external evaluator team attended the 94th Meeting of the Euro Counterfeiting Expert Group (ECEG), which took place in Brussels on March 12th. The aim was to collect insights and reflections primarily on the relevance of the Pericles IV Programme and investigate emerging trends and

¹²⁵ This stakeholder was responsible for the Pericles Programme before 2014.

needs. In addition, the meeting was used as an opportunity to investigate the current functioning of the Programme and the extent to which this type of meeting represents the most appropriate forum for coordinating and communicating capacity-building plans and strategies. Members of the ECEG are primarily Central Banks and law enforcement authorities of the Member States, as well as Europol, the European Central Bank and Eurojust.

No noteworthy limitations were experienced. One point could be the absence of some Member States.

Case studies

The aim of the case studies (provided separately in Annex V) is to take a deep dive into specific themes relevant to the Pericles IV Programme. Two case studies have been developed, one focusing on the South Eastern Europe Network and the second one aimed at analysing the Pericles IV actions with a focus on the web. The following table summarises which actions were covered by the case studies.

Table 5 – Pericles IV actions and activities covered by the case studies

Case study	Actions covered
Case study South Eastern Europe Network	SEITACC, SEITACC 2, SEITACC 3, BNEP: 5th Conference Balkan Network Euro Protection, Pristina-Tirana technical training on coin analysis and classification.
Case study web	RAND, Study on movie money, prop copy products and other altered design banknotes (2023); Bundeskriminalamt COPE action (2022); Ministerio del Interior Spain Curso Lima (2022) and Curso Bogota (2023).

For each case study, a similar approach was followed which consisted of preparatory desk research into the selected actions and activities as well as into the broader topic covered to develop a needs analysis (this is specifically the case for the case study on the web). Subsequently, interviews with a variety of stakeholders were conducted, including organisers of the actions and participants thereof but also more generally stakeholders that have an interest or expertise in the topic (i.e. in light of the case study on the web). The findings from the desk research and interviews have been blended and written up in two dedicated case study reports.

The case studies are detailed and have reached a substantial level of granularity. This could have been further enhanced if more stakeholders (i.e. participants to actions) could have been consulted. Efforts have been made to maximise the amount of participants consulted by scheduling group interviews and by also collecting insights relevant to the case studies en marge of the active observation of the OCRFM action.

6. Annex II. Evaluation matrix and answers to the evaluation questions

6.1. Evaluation matrix per criterion

In this section, the evaluation matrix per evaluation criterion is presented.

Relevance

Table 6 – Evaluation matrix relevance

Evaluation Matrix: Relevance (EQ #1.1 – 1.4)
<p>Evaluation Questions</p> <p>1.1 To what extent is there a need to protect the euro against counterfeiting and related fraud?</p> <p>1.2 To what extent is the Programme relevant to meet this need and any possible evolution of this need?</p> <p>1.3 To what extent are the specific objectives of the Programme (i.e. enhance institutional capacity) relevant to achieve its overall objective (i.e. euro protection)?</p> <p>1.4 To what extent are the Programme actions and target groups relevant to achieve its overall and specific objectives?</p>
<p>What do we want to measure?</p> <p>The analysis of relevance of the Pericles IV Programme assesses the rationale of the Programme in relation to its objectives (EQ #1.3), the defined actions and, target groups (EQ #1.4) and the problems to be addressed (both initial needs and actual needs or 'new threats') (EQ #1, EQ #2), as defined in the Regulation 2021/840 and other relevant programming documents (e.g., Commission Decisions for the AWP, Pericles 2023 Strategy, etc).</p> <p>The analysis can be divided into two main lines of inquiry. The first line of inquiry will assess: (1) the actual extent and nature of the current euro counterfeit problem and how it has evolved since the Programme was launched (i.e. Is the initial need still relevant today?) (EQ #1.1); and (2) whether the Programme's objectives (specific and general) remain relevant to address actual needs, including 'new threats' (EQ #1.2). The aim is to determine whether the rationale underlying the Programme in general and its specific objectives and priorities in particular, are still appropriate and are expected to remain appropriate.</p> <p>The second line of inquiry will examine the logical design of the Programme and its strategic orientations (EQ# 1.3, EQ#1.3). This analysis can be cascaded in two steps. The first step will assess the alignment between the specific objectives of the Programme (i.e. enhanced institutional capacity to protect the euro within relevant institutions) and the general objective of the Programme (i.e. euro protection). The second step will assess the alignment and relevance of the various types of actions (Article 6) and target groups (Article 5) with the general and specific objectives.</p>

Evaluation Matrix: Relevance (EQ #1.1 – 1.4)	
Judgement criteria	Indicators
JC1.1: Actual and perceived need to address the euro counterfeit problem (severity)	<ul style="list-style-type: none"> • Number and importance of countries identified as 'at risk' (trends in production and/or distribution of counterfeits detected) • Counterfeit euro banknotes and coins detected in circulation (ECB and ETSC reports on euro counterfeiting) • Illegal printshops and mints discovered (ECB and ETSC reports) • Nature and severity of actual euro counterfeiting problem across countries (stakeholder perception) • Nature and severity of 'new threats' resulting from innovative forms of counterfeiting production and/or distribution (e.g. distribution on the internet) (Europol and Interpol reports, ETSC meeting) • Stakeholders' perceptions of threat severity
JC1.2: Actual and perceived adequacy of the institutional capacity to protect the euro	<ul style="list-style-type: none"> • Status of operational capabilities to protect the euro against 'new threats' (trends in production and/or distribution of counterfeits detected) • Stakeholders' assessment of capacity building needs • Stakeholder motivations to participate in the Programme (e.g., improve understanding of euro counterfeiting issues, establish contacts in EU and non-EU countries, learn best practices, acquire practical skills, etc.)
JC1.3: Degree to which the various types of actions correspond to actual and perceived needs and Programme objectives	<ul style="list-style-type: none"> • Stakeholders' perceptions regarding the usefulness of different types of actions to address needs (initial needs and actual needs / new threats) • Stakeholder views regarding the appropriateness of actions to meet the needs of 'at risk' countries • Gap between perceived usefulness of actions and initial and/or actual needs)
JC1.4: Degree of the appropriateness of the target groups to improve capacity within relevant institutions	<ul style="list-style-type: none"> • Stakeholders' perceptions regarding relevance of target groups
<p>Methods and approach</p> <p>The analysis relies primarily on a qualitative content analysis of the relevant programming documents, complemented with consultations with CNA's, third-country authorities and Programme participants. Perceptions of EU and international stakeholders were collected to triangulate the results.</p> <p>The analysis sketches the actual and perceived current needs, as well as the evolution of needs over the period of implementation according to, inter alia, objectives set in the relevant Programme and action documents, other documentary evidence and stakeholder consultations. The analysis focuses in particular on the adequacy of institutional and operational capacities to protect the euro, taking into account the differing levels of capabilities and needs across countries and the degree to which there is a collective or targeted need for continued capacity-building support.</p> <p>For all four evaluation questions, a mapping exercise was conducted to identify if there are: (i) gaps between initial and actual needs (i.e. the continued relevance of initial needs), (ii) gaps between actual needs / new threats and objectives set in the corresponding programming documents (i.e. continued relevance of the Programme); (iii) gaps between actions / target groups and objectives; and (iv) gaps between specific and general objectives.</p>	

Evaluation Matrix: Relevance (EQ #1.1 – 1.4)

Sources

- Programme and Action Documents (e.g. legal texts, AWP, Annual reports, Working Programme Statements, ECEG meeting reports, etc.)
- Other documentary sources (e.g. statistics published by ECB, ETSC, Europol reports (SOCTA), etc.)
- Interviews with CNAs (Implementers, Non-applicants) and supported third country authorities
- Interviews with EU and other international institutions
- Survey to Programme participants
- ECEG meetings
- Case studies

Effectiveness

Table 7 – Evaluation matrix effectiveness

Evaluation Matrix: Effectiveness (EQ # 3.1 – 3.4)

Evaluation Questions

3.1 To what extent have the specific objectives of the Programme been achieved?

3.2 What have been the qualitative and quantitative effects of the intervention, within the meaning of Article 2 of the Regulation?

3.3 To what extent have the actions financed under the Programme contributed to achieving its specific objectives?

3.4 To what extent have all objectives of the Programme contributed to the EU's priority of an economy that works for people?

What do we want to measure?

The assessment of effectiveness looks at the extent to which the Programme's actions delivered the intended outputs and results (EQ #3.1, EQ #3.2) and explores evidence of the expected and achieved contribution of the implemented actions to the specific and general objectives of the Programme in terms of improved institutional capabilities and impact on euro protection operations (EQ #3.3, EQ #3.4).

Evaluation Matrix: Effectiveness (EQ # 3.1 – 3.4)	
Judgement criteria	Indicators
<p>JC3.1: Degree of improvement in institutional and operational capacities within relevant institutions</p> <p>JC3.1.2: Degree to which involvement of participating organisations in euro protection activities has evolved (increased)</p>	<ul style="list-style-type: none"> • State of the legal and institutional frameworks in countries that participated in Pericles (i.e. establishment of institutions, adoption of legislation aimed at euro protection) • Number of NCOs established in third countries • Number of Administrative Cooperation Agreement signed • Status of operational capabilities to protect the euro against existing and new threats (e.g. improved investigative techniques effectively adopted) • Intensity and quality of transnational coordination / cooperation activities • Number of countries (or countries' authorities) that engaged in transnational coordination / cooperation • Percentage of administrations that made use of a working practice/guideline developed with the support of the Programme • Percentage of beneficiaries that organised internal follow up events to share their experiences, lessons learned, and the knowledge acquired during staff exchanges
<p>JC3.2.1: Degree of improvement in the effectiveness of operational counterfeit repression activities (achievement of performance targets defined in the Regulation Annex)</p> <p>JC3.2.2: Contribution (of Pericles) to sustainability of public finances</p>	<ul style="list-style-type: none"> • Evolution over time of indicators mentioned in Article 2 (counterfeit detected, illegal workshops dismantled, competent authorities applying, participants' satisfaction rate, previous Pericles actions participants feedback) • Avoidance of losses in government budget revenue.
<p>JC3.3.1: Contribution (of Pericles) to enhance the institutional capacity (i.e. degree of improvement in capacity within relevant institutions attributable to the Programme)</p> <p>JC3.3.1: Degree to which participation in initiatives resulted in more regulator cooperation with EU and non-EU countries, improved operational capabilities of staff, improved methods, etc.</p>	<ul style="list-style-type: none"> • Actual utilization of contacts developed and/or information / knowledge / skills acquired in practice • Stakeholders' assessment on contribution of Pericles actions to enhancing the institutional and operational capacity of relevant authorities in both the EU Member States and Third Countries • Stakeholders' perceptions on the role and impact of other external factors in contributing to enhanced capacities • Satisfaction rate of participants in the actions financed by the Programme
<p>JC3.3.2: Contribution (of Pericles) to improve the protection of the euro as measured by indicators in the Regulation Annex)</p>	<ul style="list-style-type: none"> • Concrete examples of Programme actions contributing to improvements in indicators mentioned in the Annex • Concrete examples of Programme actions contributing to tangible positive results in the prevention of and/or fight against the counterfeiting of the euro and related fraud, e.g. seizure of illegal mints, strengthening of procedures in commercial banks, identification of smugglers of counterfeited euros, etc • Stakeholders' perceptions on the role and impact of other external factors in contributing to effective euro protection operations

Evaluation Matrix: Effectiveness (EQ # 3.1 – 3.4)

JC3.4: Contribution to EU's priority of an economy that works for people

- Contribution of the Programme to the economic policy objectives for stability, environment, productivity and fairness
- Perceptions on the possible contribution to 'broad economic' effects (Eurobarometer)

Methods and approach

The analysis starts by reviewing qualitatively the relevant documents concerning Pericles IV actions implemented so far and to be agreed upon with DG ECFIN during the inception phase (i.e., Case Studies). Relevant documents consulted include, inter alia: (i) awarded grant applications submitted by CNAs and the ToR prepared by DG ECFIN for the direct actions; (ii) Technical Reports summarising results achieved; (iii) the Programme's strategic and implementation documents, including annual implementation reports; and (iv) previous evaluations and impact assessment documents. The first category is used to refine an understanding of the action-specific theories of change in terms of how the selected activities are expected to lead to the desired outputs and ultimately contribute to the intended outcomes.

The document analysis is complemented with stakeholder consultations (interviews with CNA's and third-country authorities and the survey to Programme participants) to provide detailed information on the progress of implementation and achieved outputs from specific actions. In particular, questions are formulated to collect factual information and insights regarding the concrete and tangible ways in which these outputs (i.e. contacts that were developed and/or the knowledge, skills and information acquired through participation in the Programme's actions) have been put into practice at both the personal and institutional level and how these changes have contributed to enhanced institutional capacity to protect the euro against counterfeiting (e.g. through dismantling illegal workshops, strengthening of procedures in commercial banks, identification of smugglers of counterfeited euros, etc). The study visits shed further light with specific illustrations on what worked and what not in terms of contribution to institutional capacity.

To assess the relationship between the delivery of capacity building outputs and the effectiveness (or results) of operational counterfeit repression activities, the analysis of key performance indicators is supplemented with qualitative inputs and analysis derived from both documentary sources (e.g. SOCTA) and primary sources (interviews and survey). The data on performance indicators is used to formulate targeted interview and survey questions around identifying whether (and to what extent) particular operational activities in selected situations can be directly or indirectly linked to improvements in institutional capacity resulting from participation in specific Programme actions (i.e. contribution analysis). External enabling and/or hindering factors will also be explored during the interviews.

Sources

- Action and Programme Documents (Action Technical Reports, Annual Implementation Reports)
- Interviews with CNAs, third-country authorities, EU / international institutions
- Participants survey
- National statistics / EU reports (e.g., Europol, ECEG, ETSC, etc.)
- ECEG meeting
- Case studies
- Observation of actions
- European Green Deal
- European Semester

Efficiency

Table 8 – Evaluation matrix efficiency

Evaluation Matrix: Efficiency (EQ # 2.1 – 2.4)	
<p>Evaluation Questions</p> <p>2.1 To what extent do the coordination (with MS, ECB, Europol and other stakeholders), management and administrative structures currently in place ensure efficient use of resources in the achievement of the Programme outputs, results and impacts?</p> <p>2.2 To what extent are the actions and outputs of the Programme delivered at a reasonable cost?</p> <p>2.3 To what extent is the co-financing rate appropriate?</p> <p>2.4. To what extent is the budget allocated to the Programme appropriate?</p> <p>What do we want to measure?</p> <p>The analysis of efficiency examines the extent to which the established coordination, management and administrative structures enable the Programme to deliver the intended outputs and contribute to outcomes in an efficient manner (EQ #8); the appropriateness of the co-financing rate for actions (EQ #10); and the overall cost-effectiveness of the implemented actions and delivered outputs (EQ v#9).</p> <p>The management and coordination structures comprise the programming documents (e.g. Pericles IV Strategy, AWP, etc) and ECEG meetings. The study assesses the extent to which the established structures and administrative procedures have facilitated or otherwise hindered the implementation of high-quality and priority actions. The analysis focuses on the extent to which the established structures enable the Programme to deliver the planned outputs, thereby contributing to the intended outcomes in an efficient manner.</p>	
Judgement criteria	Indicators
JC2.1.1: Degree to which existing management and coordination structures and procedures ensure efficient use of resources	<ul style="list-style-type: none"> Stakeholders' assessment of relevance and usefulness of information communicated in programming documents Support provided during the various stages of implementation by the unit managing the Programme Stakeholders' views regarding the efficiency of ECEG meetings for coordinating and communicating capacity-building plans Costs (time commitment) associated with attendance at ECEG meetings Costs associated with Programme management (Pericles, similar Programmes) Average time to inform applicants of the outcome of the evaluation of the application Average time to sign agreements or to notify grant decisions

Evaluation Matrix: Efficiency (EQ # 2.1 – 2.4)	
JC2.1.2: Degree to which the established administrative procedures ensured efficient use of resources	<ul style="list-style-type: none"> • CNAs' perceptions regarding clarity of procedures and quality of assistance provided by ECFIN • Administrative burden borne by CNAs (proposal preparation, reporting) • Administrative burden borne by beneficiaries in other, similar EU-funded Programmes (to the extent available/comparable) • Stakeholders' motivations for applying or not applying for funding (if linked to management / administrative procedures) • Proportionality of administrative costs to delivered outputs (burdens relative to action budgets and/or achieved outputs) • CNAs' assessment of cost-benefit ratio, areas for improvement in reducing / simplifying procedures • CNAs' views regarding areas for improvement in the administrative and financial arrangements
JC2.2.1: Degree of cost effectiveness of Programme outputs (actions) and outcomes	<ul style="list-style-type: none"> • Unit cost of Pericles actions per participant for specific outputs • Unit cost of EU contribution per participant for specific outputs • Unit costs (total and EU contribution) for specific outputs / outcomes in other, similar EU-funded Programmes or external operators offering counterfeiting training (to the extent available / comparable) • Difference between budgeted and actual costs • Personnel costs of CNAs as implementers • Cost-benefit ratio for sample selection of actions' outputs / outcomes • Satisfaction rate of participants in the actions financed by the Programme • Stakeholders' views on capacity built following participation in Programme's actions
JC2.3.1: Degree to which the mobilization of co-financing discourages participation JC2.3.2: Degree to which different co-financing rates enable focus on top priorities / themes JC2.3.3: Degree to which different co-financing rates affect (broaden / shrink) the pool of interested applicants	<ul style="list-style-type: none"> • Co-financing rates applied to actions • Number, quality and focus of applications for CNA-implemented actions at different EU contribution rates • Stakeholders' views on the ability to mobilise co-financing and incentivization of top priority actions • Data on co-financing rates in other, similar EU-funded Programmes
JC2.4.1: Degree to which the allocated Programme budget is appropriate	<ul style="list-style-type: none"> • Share of the budget per work Programme • Difference between budgeted and actual costs • Maximum % envisaged for cumulated changes to the allocations to specific actions • Stakeholders' views on the appropriateness of the budget

Evaluation Matrix: Efficiency (EQ # 2.1 – 2.4)

Methods and approach

The assessment of the efficiency of established coordination, management and administrative structures relies primarily on sources collected via interviews with CNAs, complemented with a review of financial reports to estimate the quantitative costs associated with Programme implementation. Costs associated with the management of the Pericles Programme are quantified and monetised on the basis of DG ECFIN Annual Reports, according to the reported Full-Time Equivalent (FTE) staff requirement for Programme implementation and management. The overall Programme management costs is compared with similar Programmes to establish the relative cost-efficiency of the Pericles Programme.

Focused interview questions are formulated around the allocation of CNA staff resources (staff time spent in FTE) for the preparation of Pericles actions (proposal preparation) and compliance with reporting requirements, as well as perceptions of the cost-benefit ratio. Staff costs were quantified and monetised by multiplying the amount of time spent (FTE) in preparing proposals and complying with reporting requirement by the average daily labour cost as indicated in available the Financial Reports summarising costs incurred. The proportionality of administrative burdens borne by CNAs is analysed by comparing the administrative cost estimates with the average budgets of the different types of actions implemented. The findings are complemented with stakeholder perceptions on the cost-benefit ratio and documentary evidence from Technical Reports summarising the results achieved.

Information on the budgetary outlays to fund Pericles actions are collected from the relevant Action Documents (i.e., grant applications and/or Financial Reports summarising costs incurred). Stakeholder perceptions regarding the cost-benefit ratio of funded actions are collected via interviews and the survey to Programme participants, supplemented with concrete examples of tangible results (quantitative and qualitative) that can be linked to participation in Programme actions. The results are additionally considered against the corresponding values of other, comparable EU-funded Programmes that support public administrations using similar implementing modalities.

The assessment of the co-financing rate rely on a combination of interviews with CNAs (Implementers and Non-Applicants) and documentary sources. The latter includes a review of the grant applications submitted by CNAs (including proposed budgets) and corresponding Tender specifications prepared by DG ECFIN in order to identify potential variations in the number and types of applicants, the quality of applications submitted and the focus on top priorities / themes based on the co-financing rate applied. The results will additionally be compared against data on co-financing rates in other, similar EU-funded Programmes.

Sources

- Action documents (Technical and Financial Reports, ToRs, Grant Agreements, etc.)
- Documentation from other EU Programmes (Implementation / Financial reports, Evaluations, etc.)
- Interviews with CNAs (Implementers, Non-applicants) and supported third country authorities
- Interviews with EU and other international institutions
- Survey to Programme participants
- Case study on South Eastern Europe network and observation of actions
- ECEG meetings

EU added value

Table 9 – Evaluation matrix EU added value

Evaluation Matrix: EU Added Value (EQ # 4.1)	
Evaluation Question	
4.1 To what extent does the Programme provide EU added value?	
<p>The assessment of EU Added Value (EQ #4.1) of the Pericles Programme is addressed from three perspectives:</p> <ul style="list-style-type: none"> • The added value resulting from the intervention(s) compared to what could be achieved by Member States at a national level. The study focuses in particular on the Programme's ability to support collective forms of international cooperation that are beyond reach of individual national authorities, the provision of dedicated financial resources specifically designed to protect the euro from counterfeiting and political leverage provided to reinforce direct actions of the Commission. • The most likely consequences of stopping or withdrawing the Programme. The analysis investigates the feasibility for MS to perform the same types of transnational activities on a comparable scale if the Programme were to be discontinued. The analysis will focus in particular on the role and importance of Pericles IV financial support and the importance of an EU Programme in providing visibility for the action and attracting participants from different countries. • The extent to which the needs addressed by the intervention continue to require action at EU level. This line of investigation draws on the findings regarding the continued relevance of the Programme (EQ #1.1, EQ #1.2) with particular focus on the role and relevance of the Programme in creating and fostering a transnational network and promoting cross-border cooperation. 	
Judgement criteria	Indicators
JC4.1.1: Ability and feasibility of EU Member States to implement transnational actions without Pericles	<ul style="list-style-type: none"> • Financial resources dedicated to comparable euro protection activities at Member State level • Stakeholders' views regarding possible developments in case the Programme were to be discontinued • Stakeholder perceptions / assessment of the ability to implement similar transnational actions without Pericles (role / impact of EU financial support and visibility of EU Programme)
JC4.1.2: Degree to which the Programme has promoted transnational cooperation	<ul style="list-style-type: none"> • Stakeholders' views on the importance of the Programme in triggering transnational actions (and feasibility of such actions in the absence of financial support) • Stakeholders' assessment on the importance of a transnational approach to enhance euro protection
Methods and approach	
<p>These three methodological steps guide the preparation of targeted questions included in the targeted survey and interview consultations. Interviews provide critical insights on the more qualitative benefits of transnational cooperation activities supported by Programme in relation to strengthening euro protection through the creation of a transnational network, promoting cross-border cooperation and fostering relationships with more challenging third countries (e.g., China, Colombia). Interviews provided expert judgement on how the Programme compares to what could be achieved by the Member States alone. Information collected from interviews is complemented by a comparative assessment of the financial resources dedicated to comparable euro protection activities at Member State level.</p>	

Evaluation Matrix: EU Added Value (EQ # 4.1)

Sources

- Answers to the previous evaluation questions
- Interviews with CNAs and third-country authorities
- Participants survey
- Institutional websites / Financial reports of other Programmes at national / EU level
- Deep dives
- ECEG meetings

6.1.1. Coherence

Table 10 – Evaluation matrix coherence

Evaluation Matrix: Coherence (EQ # 5.1 – 5.2)

Evaluation Questions

5.1. To what extent have the coordination and cooperation mechanisms in place for the Programme ensured consistency and complementarity with other relevant EU Programmes and activities?

5.2. To what extent have the coordination and cooperation mechanisms in place for the Programme ensured consistency and complementarity with existing actions implemented by Member States, the ECB and Europol, with the view to achieving the overall objective of protecting the euro against counterfeiting?

What do we want to measure?

The evaluation of coherence looks at the consistency and complementarity of the Programme and the implemented actions with other relevant EU Programmes and initiatives (EQ #5.1) and/or existing actions implemented at by Member states or by the ECB and Europol (EQ #5.2) seeking to protect the euro against counterfeiting and related fraud. In addition to evidence of coherence, collected from the detailed consideration of similar EU mechanisms, the evaluators looked for signs of incoherence, inconsistency or unnecessary duplication across different interventions.

At the national level, related initiatives are likely to include trainings on the authentication of banknotes and coins. At the EU and international level, the assessment consider, inter alia:

- capacity-building initiatives supported by the Commission, such as EMPACT, ISF, TAIEX and Twinning instruments;
- analytical and technical assistance support provided by entities such as the European Technical and Scientific Centre (ETSC) (e.g. trainings on coin analysis), the ECB (e.g. TA related to euro banknotes) and the Central Bank Counterfeit Deterrence Group (CBCDG); and
- operational and tactical assistance provided to law enforcement authorities by EU and international entities such as Europol (e.g. intelligence gathering and operational support to investigations), Interpol (e.g. technical forensic support, sharing of counterfeit data) and Eurojust (e.g. financial support to JITs).

A final topic investigated is the degree to which the established coordination and cooperation mechanisms have either helped to ensure, or alternatively hindered consistency and complementarity between the Pericles Programme and other relevant Programmes and initiatives at national, EU and international levels. The analysis focuses on the role and effectiveness of coordination mechanisms in reducing and/or avoiding overlaps with other initiatives at the programming stage, during the selection of the actions to be implemented as well as the implementation of specific actions.

Evaluation Matrix: Coherence (EQ # 5.1 – 5.2)	
Judgement criteria	Indicators
<p>JC5.1.1: Degree of complementarity / overlap with other EU / international euro protection initiatives</p> <p>JC5.1.2: Contribution of established coordination and cooperation mechanisms to achieved consistency / complementarity with EU / international initiatives</p>	<ul style="list-style-type: none"> • Number, nature, scope of capacity building, analytical and/or technical support initiatives implemented by EC, ECB, Interpol • Number, nature, scope of operational activities supported by Europol, Eurojust and Interpol • Stakeholders' views on complementarity of Programme actions and other EU / international Programmes and initiatives • Stakeholders' assessment on the role and contribution of coordination and cooperation mechanisms (e.g., ECEG meetings)
<p>JC5.2.1: Degree of complementarity / overlap with national initiatives and operations</p> <p>JC5.2.2: Contribution of established coordination and cooperation mechanisms to achieved consistency / complementarity with national initiatives</p>	<ul style="list-style-type: none"> • Number, nature, scope of national initiatives and operations (e.g., training on authentication methods implemented by Central Banks or banking associations) • Stakeholders' views on complementarity of Programme actions and initiatives implemented at a national level • Stakeholders' assessment on the role and contribution of coordination and cooperation mechanisms (e.g., ECEG meetings)
<p>Methods and approach</p> <p>The assessment of coherence is based on a qualitative review of various documentary sources, including institutional websites, websites of other Programmes and initiatives, such as ISF and the database of TAIEX events, as well as information gathered via stakeholder consultations. The latter includes interviews with CNAs, third country authorities, Programme participants and relevant EU and international entities. The interviews with CNAs, including during the Study visits, includes Implementers and Non-applicants. Interviews with non-applicants serves to mitigate potential selection bias among responses. Specifically, targeted questions are formulated to assess the degree to which a lack of coherence and complementarity between Pericles actions and those at the national level was a factor behind CNAs' decisions not to apply.</p>	
<p>Sources</p> <ul style="list-style-type: none"> • Documentation (e.g. annual reports) on capacity building initiatives of EC, ECB, Interpol • Documentation on operational activities of Europol, Eurojust, Interpol • ECEG reports • Interviews with EU / International organisations • Interviews with CNAs, third-country authorities • Participants survey • Study visits • ECEG meetings 	

6.1.2. Sustainability

Table 11 – Evaluation matrix sustainability

Evaluation Matrix: Sustainability (EQ 6)	
Evaluation Questions	
6. To what extent are the delivered outputs and results achieved (likely to be) sustainable?	
What do we want to measure?	
<p>The evaluation of sustainability assesses the extent to which the outputs and progress towards the achievement of intended outcomes are likely to endure over time. Specifically, the assessment investigates the measures and practices adopted by participating Member States' and supported third countries' CNAs to ensure that delivered outputs of the supported actions are implemented or otherwise institutionalised after support ends, and how such measures have been implemented and performed in practice.</p> <p>Measures to ensure sustainability might include:</p> <ul style="list-style-type: none"> • formal or informal distribution of materials received through the Programme action; • preparation of reports, memos, etc on the action; • delivery of a presentation at internal team meetings, workshops, etc outside the Pericles IV Programme; • delivery of a formal training course; • sharing of acquired contacts, information, knowledge, skills, etc. with colleagues through informal mechanisms or regular operational activities; • regular organisation of follow-up actions; or • other forms of dissemination. <p>Typical challenges to sustainability include:</p> <ul style="list-style-type: none"> • insufficient mobilisation of national resources (financial support); • staffing shortages and/or high staff turnover; • political and/or legislative support; • stakeholder commitment; or • cultural barriers, such as language barriers. <p>The assessment of both the current sustainability (based on existing established practices) and the likely future sustainability of delivered results take into account these and other relevant barriers as part of the analysis.</p>	
Judgement criteria	Indicators
<p>JC6.1: Programme participants have adopted measures or practices to ensure sustainability of delivered outputs / progress towards results</p> <p>JC6.2: Adopted measures or practices to ensure sustainability of delivered outputs / progress towards results have been implemented in practice</p>	<ul style="list-style-type: none"> • Number of follow-up actions organised • Measures adopted to ensure sustainability of delivered outputs / progress towards outcomes (i.e. delivery of internal trainings, preparation of memos or reports, sharing of contacts / knowledge, delivery of presentations, etc). Actual utilisation of contacts developed and/or information / knowledge / skills acquired in practice • Stakeholders' assessment on the evolvement of their role since participating in the Programme • Stakeholders' assessment on the role and impact of external factors in contributing to (or hindering) sustainability of results

Evaluation Matrix: Sustainability (EQ 6)	
JC6.3: Involvement of participating organisations in euro protection activities has evolved (increased)	<ul style="list-style-type: none"> Intensity and quality of transnational coordination / cooperation activities Increased quantity and quality of investigations and police operations (stakeholder input) New administrative and technical skills used on a daily basis by third countries NCAs Stakeholders' assessment on the role and impact of external factors in contributing to (or hindering) increased involvement in euro protection activities
JC6.4: Level of strategic and institutional commitment to the continuation of euro protection activities linked to Programme activities	<ul style="list-style-type: none"> Stakeholders' experiences regarding the availability and allocation of resources (financial, human) to sustain the outputs / results achieved to date. Stakeholders' perceptions regarding prospects for future sustainability in terms of allocation of resources and strategic commitment, external enabling / hindering factors, etc.
<p>Methods and approach</p> <p>The assessment relies primarily on evidence gathered through the interview consultations with CNAs and third country authorities and the survey of Programme participants, complemented with a review of Action documents to identify organised follow-up action as well as concrete measures that were envisioned by the actions to ensure sustainability of delivered outputs as needed.</p> <p>Building on the analysis of effectiveness, the approach takes as the starting point the collection of factual information and insights regarding the concrete and tangible ways in which the delivered outputs (i.e. contacts that were developed and/or the knowledge, skills and information acquired through participation in the Programme's actions) have been put into practice at both the personal and institutional level and stakeholder perceptions regarding the likely sustainability of such practices in the mid- to long-term. The consultations examine a mix of actions that have been implemented over the Programme duration, though with particular emphasis on a representative sample of actions that were implemented during the first half of the Programme in order to understand how outputs and results have been sustained (i.e. continued to be utilised) over a longer timeframe.</p> <p>Targeted interview and survey questions are formulated around identifying (i) the specific types of measures adopted by Programme participants to utilise and further disseminate the delivered outputs, and (ii) how these measures and practices have been implemented in practice, and (iii) the degree to which there is evidence of the Programme having contributed to increased involvement in euro protection activities among the Programme participants.</p>	
<p>Sources</p> <ul style="list-style-type: none"> Interviews with CNAs, third country authorities, EU institutions Participants survey Case studies ECEG meetings Action Documents (proposals, Technical reports) 	

6.2. Answers per evaluation question (per criterion)

This section provides the answers to each of the individual evaluation questions. The questions are presented per evaluation criterion.

6.2.1. Relevance

The analysis of relevance of the Pericles IV Programme assesses the rationale of the Programme in relation to its objectives (EQ #1.3), the defined actions and, target groups (EQ #1.4) and the problems to be addressed (both initial needs and actual needs or ‘new threats’) (EQ #1, EQ #2), as defined in the Regulation 2021/840 and other relevant programming documents.

1.1 To what extent is there a need to protect the euro against counterfeiting and related fraud?

Answer to the evaluation question in short

In the past fifteen years, the number of detected counterfeit banknotes showed an overall downward trend, despite some increase in the period 2014-2015. Similarly, the number of detected printshops has been decreasing steadily. During the same period, the number of detected counterfeit coins¹²⁶, as well as the number of detected mints have remained relatively stable and low. Furthermore, cash still remains the preferred payment method across the EU, although it does seem to be losing popularity each year. Despite these developments, stakeholders agree that the need to protect the euro against counterfeiting and related fraud remains, for as long as cash is used, the risk for counterfeiting persists.

Moreover, most stakeholders interpret the declining numbers on detected counterfeit banknotes, printshops and mints as indications that their efforts actually pay off. Therefore, the need for attention remains, they argue, as shifting focus could result in an increase of counterfeits. The current threats that (mostly) NCO's are facing include, predominantly, the increasing quality of counterfeits, the increasing numbers of altered design banknotes in circulation and the ease at which both counterfeits and altered design banknotes are accessible via the clear web and social media.

Regulation (EU) No 2021/840 lists key indicators to describe the nature and severity of the counterfeiting problem, namely the number of counterfeit euros detected and the number of illegal workshops dismantled. Both indicators have also been used in this mid-term evaluation to assess the extent and nature of the counterfeit problem. They have been reported upon already in chapter 2 and are referred to throughout this analysis.

While the majority of the stakeholders consulted agree that there is a need to protect the euro against counterfeiting and related fraud, they indicate several difficulties in quantifying the issue of counterfeiting of the euro.

¹²⁶ Except for an uptick in 2022.

First of all, stakeholders across the board emphasise that the number of seized counterfeits and dismantled illegal workshops should be interpreted with care. As is the case with many crime phenomena, it is difficult to assess the full size and scope of an issue because one simply does not know the full scale of illicit activities occurring (i.e. dark figure problem). Stakeholders, therefore, stress that it is difficult to put the statistics on seizures and dismantling in perspective, as the full scale of the phenomenon is (despite the ability of credit institutions to track the issued notes and coins) largely unknown. Moreover, some stakeholders underline the issue of underreporting whereby not all counterfeit banknotes identified (by the general public) might be reported, thereby further skewing the statistics. The statistics on the numbers of detected counterfeit banknotes, printshops and mints are, therefore, deemed relatively inconclusive to assess the relevance (and effectiveness) of the Pericles IV Programme.

Furthermore, various stakeholders underline that the decline in numbers of counterfeits detected can be interpreted in a variety of ways. In one way, the decline could be caused by a deterrent effect of improved detection mechanisms, cooperation and investigation. Simultaneously, a decline in the number of counterfeits detected could also indicate that there are fewer counterfeits in circulation, or that detection mechanisms actually fail to detect the counterfeits. However, stakeholders consulted stress that it is likely that the latter is not necessarily the case. Rather, they reason that the decline in counterfeit banknotes detected is a consequence of perpetrators making use of new or different modus operandi which are not (well) detected yet (this might involve different methods of printing, distribution, use of the dark- and clear web for sales but also improved quality of counterfeits). This argument is in line with a common understanding within policing whereby perpetrators continuously adapt their modus operandi to avoid being caught. Several NCO's, furthermore, argued that the decline in the amount of counterfeit bills detected implies that the situation is relatively 'under control' at the moment. However, they argue that continuous attention is needed to maintain this status quo; redirecting attention would risk the situation escalating.

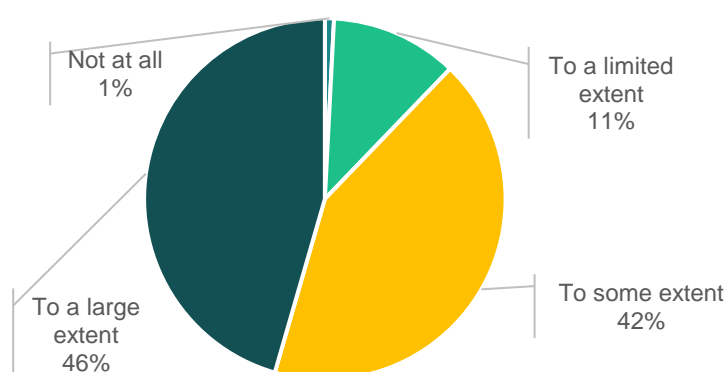
Thirdly, stakeholders across the board are generally wary to interpret the (perceived) decline of use of cash as being correlated to the use of counterfeits. Rather, they point out that consumers and cash handling staff (i.e. in shops) are becoming less and less familiar with the look and feel of euro banknotes, thereby enhancing vulnerability for payments with counterfeit euros. A similar observation has been made repeatedly when underlining the vulnerability of actors that are less used to dealing with euro banknotes, such as new Euro area members, non-Euro area members and third countries. This dynamic was further accelerated by the COVID-19 pandemic that resulted in a sudden drop in the use of cash. The increased prevalence of the issues with regard to altered design banknotes (prop copies and movie money), which generally are of relatively low quality, support this line of reasoning.

Finally, stakeholders consulted across different groups emphasise that as long as cash is used, the risk posed by counterfeits persists. They argue that the use of cash as a payment is likely to impact, to some extent, the vulnerability for counterfeits but a certain risk is likely to sustain. Moreover, stakeholders argue that the European Commission and the Member States have a moral obligation both to protect innocent individuals and companies from being affected by counterfeit payments and to put efforts into maintaining high levels of trust in the euro.

The above-outlined caveats complicate an accurate assessment of the size and scope of the issue of euro counterfeiting and, consequently, also impact the ability to assess the relevance of the Pericles IV Programme. They have, therefore, been considered in the analysis of the need to protect the euro against counterfeiting and related fraud.

The survey results provide relevant, quantitative, insights in relation to the relevance of the Pericles IV Programme. The majority of the competent national authorities that answered to the question ‘To what extent do you consider the counterfeiting of the euro a problem?’ were law enforcement authorities (i.e. 31%, N = 38) and National Central Banks (i.e. 60%, N = 74). From the group of law enforcement authority representatives, a majority (71%, N = 27) indicated they perceive counterfeiting of the euro to a large extent to be a problem. Of the representatives of National Central Banks a majority perceive euro counterfeiting to be problematic to some extent (53%, N = 39). The figure below illustrates these results.

Figure 23 – To what extent do you consider the counterfeiting of the euro a problem?



Source: Survey Q8, N=123, only answered by competent national authorities

During interviews with different types of stakeholders, the needs were detailed more specifically. Three key problems stood out. First, stakeholders consulted underscore that the **quality of counterfeits is increasing**. Perpetrators have been increasing their capacity and expertise and this has resulted in an

increase in the quality of counterfeits. In some instances, counterfeits have also successfully deceived machines (i.e. such as bank deposit machines).¹²⁷ The Central Bank of Montenegro has reported such a case, where counterfeit coins were detected by their employees after successfully passing through machines undetected (see South Eastern Europe Network case study). This development calls for continued attention to the combat against counterfeit currencies as high-quality counterfeits are more likely to go undetected and enter (and remain) in circulation.

Secondly, the challenges posed by **altered design banknotes** (i.e. also referred to as movie money or prop copies) have been regularly brought up. Contrary to the problem outlined above, the issues posed by the altered design banknotes are not driven by high quality of these notes. Of all counterfeit banknotes detected between March 2019 and November 2022, 17 % have been movie money banknotes and 6 % prop copy products.¹²⁸ This marks a steep increase. In short, the challenge here lies with the fact that these altered design banknotes are readily available online and can, generally, be legally obtained. These banknotes are unlawful reproductions of banknotes, on commercial paper, with a similar design, shape, dimension and colour to genuine banknotes, infringing on reproduction rules.¹²⁹ However, increasingly, the altered design banknotes are brought into circulation (sometimes slightly altered to have the banknotes resemble genuine banknotes more). The issue on altered design banknotes is further complicated by the fact that Member States have different legal interpretations of (the use) of altered design banknotes. In some Member States, the possession of such banknotes can provide sufficient reasoning for an investigation and a counterfeit sentence while in other Member States, such procedures can only be launched when someone is caught paying with altered design banknotes and in such instances, the act would be understood as a copyright infringement or fraud. The core of the problem here is that the EU and Member States have different views and practices of countering the phenomenon of altered design banknotes.¹³⁰

Stakeholders indicate that it has become increasingly easy to ‘upgrade’ altered design banknotes and insert them into circulation.¹³¹ Whereas the development of high quality counterfeits has become more complicated and requires skills, equipment and substantial efforts, the altered design banknotes can be tweaked relatively easily.¹³² This would result in less convincing banknotes which, nevertheless, still have a chance of being accepted into circulation due to the limited checks on banknotes by cash handlers.¹³³ It should be noted that

¹²⁷ Active observation of OCRFM Action.

¹²⁸ RAND Europe, Study on movie money, prop copy products and other altered design banknotes, 2023, p. 9.

¹²⁹ RAND Europe, Study on movie money, prop copy products and other altered design banknotes, 2023.

¹³⁰ Ibid.

¹³¹ Interviews with successful applicant Member States.

¹³² As also heard during the active observation of OCRFM Action.

¹³³ Interviews with successful applicant Member States and active observation of OCRFM Action.

Pericles IV procured a study focusing solely on the issue of altered design banknotes.¹³⁴

In relation to the increasing detection of altered design banknotes, the *modus operandi* on rip-deals should be mentioned. Various stakeholders have mentioned that they notice an increase in the number of rip-deals taking place whereby perpetrators pay a citizen or company using altered design banknotes. The victim only realises later that the money that was used for the payment is not genuine but, by then, the perpetrator cannot be traced anymore.¹³⁵

Thirdly, counterfeits (in particular altered design banknotes) have become **relatively easily accessible** in recent years. Whereas previously, such banknotes were predominantly available through the dark web, these days, advertisements can be found on the clear web and social media channels too. This marks a change in *modus operandi* and could potentially also impact the profile of perpetrators. In other words, altered design banknotes have become more easily accessible to a wider public.

Case study: Pericles IV actions with a focus on the web illustration

In the interviews conducted relating to the internet and web, the ease of clear web access was highlighted. The dark web is no longer the first stop shop for counterfeiters as most materials for counterfeiting can be readily found on the clear, open web. This is also the case with altered design banknotes, which have become an important and rapidly rising threat. The ease of access and purchase by individuals factors in another hurdle in detection of counterfeited banknotes or coins. More cooperation with postal services and customs is crucial in this new process of counterfeiting trade. As well as more active investigation and reprimands against online advertising of materials such as banknote paper stacks and printers.

More horizontally, stakeholders across the board agreed that there is a continued need for attention for anti-counterfeiting of the euro, not in the last place because of links between this type of crime and other forms of crime and the involvement of organised crime groups. Counterfeiting of the euro has been, in some instances, an **enabler of other types of crime**, they underline.¹³⁶

Furthermore, *modus operandi* for counterfeiting of the euro and the distribution of these counterfeits are continuously in development, stakeholders consulted thus far emphasise. This implies that law enforcement efforts (and those at the policy level) also require constant attention in order to keep up with the

¹³⁴ RAND Europe, Study on movie money, prop copy products and other altered design banknotes, 2023

¹³⁵ Interviews with successful applicant Member States.

¹³⁶ Interpol, 2017. Fact sheet: counterfeit currency.

changing tactics of perpetrators. Available resources on the national level to do so are often limited and, therefore, the Pericles Programme seems to continue to be relevant as it addresses this gap.¹³⁷

Stakeholders consulted thus far generally mention the need to address euro counterfeiting in relation to the **protection of citizens and business against the harm that counterfeiting can do**. This touches upon the impact of counterfeiting on the integrity of the euro, the trust therein and in the Union's economy, however, these elements are not explicitly mentioned by stakeholders.

1.2 To what extent is the Programme relevant to meet this need and any possible evolution of this need?

Answer to the evaluation question in short

The Pericles IV Programme is currently designed and implemented in such a way that it meets the needs of the targeted stakeholder groups, and specifically the most pressing needs related to the increasing quality of counterfeits, altered design banknotes and the availability of both counterfeits and altered design banknotes on the clear- and dark web. Moreover, the Programme seems to offer sufficient flexibility to address the upcoming threats that have been identified if these are considered when launching new calls for actions and in the selection procedure thereof. For specific threats with complex technical features, it would be worthwhile to consider (depending on the exact technical specificities of the issue) to bolster the Pericles IV expertise with technical know-how.

The relevance of the Programme can be further enhanced by more actively involving other stakeholders, such as the judicial authorities, customs and private parties (to some extent) in actions. The involvement of these parties is most relevant in light of the threats by altered design banknotes, the clear- and dark web.

The key current threats as identified by stakeholders across the board include (as described as part of the answer to the first evaluation question) the increasing quality of counterfeits, altered design banknotes and the availability of both counterfeits and altered design banknotes on the clear- and dark web. These topics have been covered by the actions funded by the Pericles Programme (IV and before) to some extent. Examples include the actions which have a specific focus on the clear- or dark web (see also the case study, Annex V) but also the study that was procured and is focusing specifically on altered designed banknotes and the risks thereof. Furthermore, these key threats have also been touched upon in various other Pericles IV funded actions, examples

¹³⁷ Interviews with successful applicant Member State and non-applicant Member States.

include the action by the OCRFM (held in March 2024) whereby attention was dedicated to the quality of counterfeits as well as to altered design banknotes. This view is also echoed by the majority (77%, N = 43) of the respondents to the survey who indicated that the Pericles IV Programme largely meets their needs.¹³⁸ 79% of the respondents (N = 43) indicated that the Pericles IV Programme is contributing to the prevention and / or detection and / or repression of euro counterfeiting to a large extent.¹³⁹

Nevertheless, as threats develop rapidly, there is a continued need for the Pericles Programme to assess how the Programme can be designed and implemented in the most relevant way. In this regard, some opportunities for enhancing the relevance of the Programme have been observed.

When asked to reflect on any emerging threats or topics that respondents would like to see explored in future Pericles actions, a large range of different suggestions was provided (Q28, N = 161).¹⁴⁰ These answers can be grouped into future threats and suggestions for the organisation of the Pericles IV Programme and are summarised as follows:

Future threats

- Threats posed by China and Türkiye as source countries of counterfeits and raw materials to produce these. Simultaneously, a need for support in further intensifying cooperation with China and Türkiye was also voiced;
- Sales of counterfeits and altered design banknotes on the clear- and dark web;
- Impact and threats posed by the digital euro and cryptocurrency;
- Impact of AI on production and detection of counterfeit currency.

Suggestions for the organisation of the Programme

- Attention to real-life examples of counterfeits and counterfeit cases, including investigations thereof (supported by videos and pictures);
- Information provision and training on the techniques and tools used to counterfeit and updates on new types of counterfeits, production techniques and modus operandi for bringing those into circulation;
- Cooperation with judicial authorities (specifically in light of the threats posed by altered design banknotes);

¹³⁸ Survey Q19.

¹³⁹ Survey Q19.

¹⁴⁰ Included in these 161 respondents are those that indicated to have no suggestions for focus areas for future Pericles IV actions.

- Cooperation with customs;
- Cooperation with private sector (i.e. postal services);
- Improve methods of detection and classification of counterfeit coins;
- Training or information on production of licit banknotes and coins (by manufacturers), security features of licit banknotes and ways in which they are (or can be) exploited;
- International co-ordination/co-operation against new types of counterfeiting and harmonisation of approaches across the European Union.

The majority of the above-presented points were also raised during interviews with various stakeholders. In part, the Pericles Programme seems to be well equipped to address these threats or to start doing so more intensively. Having this overview of current and upcoming threats can serve as a guideline for the management of the Pericles IV Programme when launching new calls for actions and in the selection process thereof.

Case study with focus on Internet

While the selected training actions have been highly effective, Pericles has a promising opportunity to further strengthen the euro's protection against emerging threats by expanding its actions within and beyond the borders of the EU. Interviews have highlighted that the current rising threat involves altered design banknotes, suggesting an area where more emphasis could be beneficial. By including varying institutional partners such as customs services and parcel-delivering companies in the training, Pericles can enhance its effectiveness.

It is noteworthy that all three seminars considered were primarily designed for police staff. However, by introducing dedicated actions to include these groups, Pericles can significantly boost its overall impact and success in safeguarding the euro. Whether this be through merely a preparatory nature or not.

For some threats, such as the risks related to the counterfeiting of the future digital euro and the threats posed by AI, the exact threat assessment is difficult to make at this stage because it is not clear yet how exactly the digital euro will look like or how exactly AI could be (ab)used for counterfeiting purposes. With many of such factors being unclear at this point in time, it is complicated to foresee the role that the Pericles Programme could play in this regard. Assuming that counterfeiting of the digital euro would be considered euro counterfeiting, the Pericles Programme, naturally, could play a role in this field. The Pericles expertise on counterfeiting of the Euro would, depending on the

exact technicalities, need to be expanded with specific knowledge on the working of the digital currency.¹⁴¹

Similar observations can be made with regards to the potential role for the Pericles Programme in light of the threats posed by developments in China and Türkiye. Here, also, the Programme would be equipped to address the counterfeiting risks that are posed but it could benefit from tapping into more specific (technical) expertise (elsewhere). The role for the Pericles Programme could, then, be more focused on developing an evidence-base through research, ensuring an equal understanding of the issue across Member States and support other organisations (i.e. Europol, Interpol and the European Commission) in their efforts in these regards.¹⁴²

The survey findings, furthermore, point towards several opportunities for improving the relevance of the Pericles Programme on a more organisational level. Here, several stand out as they were also mentioned repeatedly during interviews with a variety of stakeholders. These concern the need for (even) more cooperation with other types of stakeholder such as judicial authorities, customs and the private sector (see for a more detailed analysis the answer to evaluation question 1.4).

Moreover, participants to actions (including the action attended by the evaluators) emphasise that attention for real-life examples of counterfeits and counterfeit cases, including investigations thereof are deemed highly relevant as they facilitate a move from theory to practice, making it also easier for participants to understand how to apply skills in their every day practices.

Finally, it is worth noting that the needs of Member States seem to differ based on the current status of their anti-counterfeiting approach and the priority given to this issue. Whereas some Member States are relatively advanced and find it interesting to explore how the Pericles Programme could provide in light of future threats, other Member States (or third countries) voice a need to develop the basic capabilities to identify counterfeits and to train law enforcement personnel on how to act upon this. To meet the needs of these different 'groups', it would be worthwhile to ensure sufficient targeted focus and corresponding actions for each of these tracks. This two-tracks approach would, naturally, have to be considered within the available funding envelope.

¹⁴¹ Interviews with successful applicant Member States and EU-level stakeholders.

¹⁴² Interviews with successful applicant Member States, EU-level stakeholders and international organisation.

1.3 To what extent are the specific objectives of the Programme (i.e. enhance institutional capacity) relevant to achieve its overall objective (i.e. euro protection)?

Answer to the evaluation question in short

The specific objectives of the Pericles IV Programme continues to be relevant to achieve the overall objective of the Programme. There is a continued need for support of Member State activities on the national level as Member State actions on the issue are targeted to the national needs and generally, resources available on the national level are limited. Furthermore, the international nature of counterfeiting requires a cross-border approach and Pericles IV facilitates the development of cooperation between Member States (and third countries) through the different activities funded. This element could be strengthened by ensuring a wider range of Member States being invited to actions. Finally, cooperation with third countries remains relevant. The specific needs in this regard differ per Member State, third country and on a case-by-case basis. Generally, the need to enhance information exchange and to improve the ability of third countries to detect counterfeits remains relevant.

The Pericles IV Programme seeks to prevent and combat counterfeiting and related fraud, preserve the integrity of the euro banknotes and coins, thus strengthening the trust of citizens and business in the genuineness of these banknotes and coins and therefore enhancing the trust in the Union's economy, while securing the sustainability of public finances (general objective). It does so by supporting and supplementing the measures undertaken by 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 (specific objectives).

Consultations with a variety of stakeholder groups show that these specific objectives are still deemed relevant to achieve the overall objective of the Programme. Stakeholders across all groups agree that there is a **continued need for support of Member State activities** undertaken. Member States often face limited resources, they target their resources on national actions in the counterfeit domain and they, generally, suffer from lower priority for the issue of euro counterfeiting on the national level. This results in limited activities employed on the national level and the cross-border component is often not included in those national actions.¹⁴³

¹⁴³ A more elaborate analysis on the EU added value of the Pericles IV Programme can be found in the section on EU added value.

Furthermore, counterfeiting of the euro is a type of crime with an **international character** as the production and distribution of counterfeit banknotes often involves various countries (i.e. Member States and third countries). Therefore, the need for good contacts with counterparts in different countries, an understanding of investigative practices and legislative frameworks in these respective countries is particularly relevant. This is required to be able to act rapidly in counterfeit investigation cases. Such contacts and understanding can only be provided to a limited extent on the national level (for the reasons outlined above) and, therefore, an overarching Programme on the European (and international) level such as Pericles IV is welcomed. Pericles IV is particularly valuable in bringing together different Member States (through actions but also as part of the ECEG meetings), thereby facilitating contacts between Member States, also beyond the well-established cooperation axis.

However, only a *relatively small number of* Member States actively organise Pericles actions. A larger group is actively participating therein.¹⁴⁴ Resource constraints have been mentioned by non-applicants as the prime reason for not applying for Pericles IV funding (see also below). Some (smaller) Member States indicated that actions organised have often a limited number of seats and that they are sometimes not invited.¹⁴⁵ Looking at the Member State participation in the different actions, it shows that nearly all EU Member States have participated in Pericles IV actions thus far. However, it becomes apparent that some Member States have participated in nearly each action organised whereas others were only participating in one.¹⁴⁶ The choice for Member States to be invited to actions lies (largely) with the Member State organising the respective action. Nevertheless, the relevance of the action (and thereby the Pericles Programme) could be boosted by adopting a wider view, where possible, and to also consider inviting a wider range of Member States to actions. It would be challenging to widen Member States participation given that the action organisers decide on who to invite to a specific action. Nevertheless, action can be taken to raise awareness amongst all Member States on planned future actions, most notably during the ECEG meetings.

With regard to **cooperation with third countries**, a differentiation can be made between third countries that use the euro as an official currency and those that do not. Stakeholders underline that Pericles' attention is needed for both groups of countries.¹⁴⁷ Countries that do use the euro are directly impacted by the risk of counterfeiting of the currency and, therefore, can benefit directly from the support that Pericles can offer. It was highlighted specifically that countries that recently started using the euro can benefit from experience sharing and updates on trends and developments with regards to euro counterfeiting. These observations also apply to Member States that use the euro as an official

¹⁴⁴ See also chapter 2.

¹⁴⁵ Interviews with non-applicant Member States.

¹⁴⁶ Analysis based on available information on participants attending actions.

¹⁴⁷ Interviews with non-applicants Member States and third countries.

currency. Simultaneously, countries in which the euro is not an official currency are a relevant target audience for the Pericles Programme as these countries often do deal with euro as an accepted currency for transactions (i.e. in the Balkans) while the knowledge of private sector (i.e. places where transactions take place) as well as law enforcement authorities in recognising counterfeit banknotes is limited. Involvement of these countries in the Pericles IV programming has not only been well received by these countries themselves but has also been applauded by neighbouring countries that do have the euro as an official currency.¹⁴⁸

Regardless of whether a third country uses the euro as a formal currency or not, stakeholders generally confirm that more structural collaboration with third countries is needed.

Some third countries are known to have perpetrators producing counterfeit banknotes whereas in others that accept payments with euros, the distribution of counterfeit euros poses a problem. There is, therefore, a need and wish to enhance cooperation with those countries in order to better address the production of counterfeit euros and to improve the detection of counterfeit euros when attempts are being made to bring those into circulation. Some representatives of third countries also indicate that capacity building targeted at these countries is important as a prevention measure (i.e. to avoid a ripple effect).¹⁴⁹ Stakeholders indicate they seek collaboration, to some extent, with third countries on a case-by-case basis and that for more structural information exchange (on trends, challenges and best practices) they rely on Programmes such as Pericles IV.

The form and shape of the cooperation would depend on the need and the specific case at hand. In some cases, involving third country representatives in workshops to discuss trends and threats, modus operandi and detection mechanisms might be more suitable (as happened in, for example, the actions organised in Latin America by BIBE¹⁵⁰). In other instances, there is a need for more information exchange and cooperation in light of police investigations.¹⁵¹ It is difficult to pinpoint exactly how the Pericles Programme should give shape to this element of the specific objective but stakeholders across stakeholder categories have indicated that the need to improve cooperation with third countries is vital. Countries that are mentioned specifically include Türkiye, China, countries in the Balkans and in Latin-America.

It should be noted, however, that some stakeholders indicated that the cooperation with third countries is not necessarily of interest to them.¹⁵² They emphasise that their need lies with improved cooperation with Member States

¹⁴⁸ Interviews with non-successful applicant Member States.

¹⁴⁹ Interviews with third countries.

¹⁵⁰ Curso de Formacion sobre Falsificacion de Moneda para expertos de países Iberoamericanos 2022 & 2023, Curso Lima (2022) and Curso Bogota (2023). Organised by Ministerio del Interior (B.I.B.E)

¹⁵¹ Interviews with successful applicants and non-applicant Member States.

¹⁵² Interviews with non-applicant Member States.

and that this collaboration also still provides opportunities for improvement. Enhancing cooperation with third countries is less of a priority for them.

1.4 To what extent are the Programme actions and target groups relevant to achieve its overall and specific objectives?

Answer to the evaluation question in short

Stakeholders representing different groups generally agree that the Pericles IV actions are relevant to their needs. The different actions funded by the Programme differ in scope, target and set-up and, as such, have the ability to address different needs that exist within the target audience. The degree to which a given action meets the needs of a participant does depend, however, on the prior knowledge of the given participant participating, the overall level of knowledge of and priority for the issue of euro-counterfeiting on the national level and the degree of involvement of the participant (and his / her jurisdiction) in Pericles IV actions.

Stakeholders across the board are generally positive about the target groups and their geographic spread addressed by the Pericles IV Programme and deem these groups being the most relevant. However, the relevance of the Pericles Programme could be enhanced by considering involvement of other stakeholders such as the judiciary authorities, customs and the private sector more actively. These stakeholders play critical roles in the prosecution of cases related to euro counterfeiting and in the detection of parcels; this is specifically the case in relation to altered design banknotes and the sales of counterfeits and altered design banknotes on the clear- and dark web. Therefore, activities aimed at raising the awareness and increasing the understanding of euro-counterfeiting would benefit the overall approach against this crime. Furthermore, stakeholders suggested more structural involvement of the public actors through, for example, attendance to ECEG meetings could be considered.

Stakeholders representing different groups generally agree that the **Pericles IV actions are relevant to their needs**. The different actions funded by the Programme differ in scope, target and set-up and, as such, have the ability to address different needs that exist within the target audience. Stakeholders¹⁵³ indicated that seminars have been relevant and interesting as they provide the opportunity to update knowledge on current trends and developments. The seminars also provide an opportunity to enhance the network with counterparts in other countries as well as on the national level. These seminars have been positively received by countries both in and outside the eurozone, not in the last place because they allow participants to the seminars to look ahead and

¹⁵³ Interviews with successful applicant and non-applicant Member States.

anticipate potential future threats.¹⁵⁴ Meetings like those seminars are often not available on the national level and, therefore, the seminars funded by Pericles IV address a need that is not met elsewhere. Some stakeholders, however, indicated that the information shared during the seminars remains rather high-level and that only little new information is provided.¹⁵⁵ These views seem to be particularly shared by those countries that are rather active themselves on the topic of anti-counterfeiting of the euro and / or who participate in activities by Pericles, EMPACT and / or the ECB regularly. The experiences with the content of the seminars, therefore, seems to depend on the level of participation in Pericles IV activities and the priority for the topic of anti-counterfeiting of the euro the respective country has.

The technical trainings have been generally perceived positively as they help deepen the understanding on specific counterfeit threats and techniques. The information shared was often also rightly shaped and avoided being too operational (thereby avoiding overlaps with Europol's work) as well as being too focused on printing techniques (thereby avoiding overlaps with the ECB's work), stakeholders indicated.¹⁵⁶ Again, the technical trainings provided are generally complementary to what is being offered on the national level, thereby addressing a need.

Staff exchanges have been valued widely by stakeholders across the board as they do not only serve as an opportunity to learn and exchange from each other's practices and ways of working but they also facilitate trust building between counterparts at different countries. Stakeholders who participated in staff exchanges nearly unanimously stressed that these exchanges were valuable and improved their collaboration with the other country participating in the exchange.¹⁵⁷ In some instances, it has also served as a source of inspiration for improving work processes.¹⁵⁸

Case study: South Eastern Europe Network

Pericles IV actions resulted in closer and more regular institutional cooperation and coordination among Balkan countries (both within the Balkans and with EU Member States). Following the SEITACC 2 staff exchange, the Albanian authorities report enhanced collaboration with their law enforcement counterparts in Italy, namely, the GdF and CCAFM. The same case is reported for the Montenegrin authorities.¹⁵⁹ The contact with the Italian law enforcement authorities allows them to quickly react and check indicatives of counterfeits originated from Italy and to check whether the counterfeits found in Montenegro were supposed to be on the route to Italy.

¹⁵⁴ Interviews with third countries.

¹⁵⁵ Interviews with successful applicant Member States.

¹⁵⁶ Interviews with successful applicant and non-applicant Member States.

¹⁵⁷ Interviews with successful applicant and non-applicant Member States.

¹⁵⁸ Interviews with successful applicant and non-applicant Member States.

¹⁵⁹ Centralna Banka Crne Gore, n.d., [Link](#)

Finally, the study procured by Pericles IV has been received positively by stakeholders across the board, including international organisations and EU-level stakeholders. The study provided a comprehensive overview of the issues at stake in light of altered design banknotes and by doing so, Pericles IV contributed to addressing the need for more knowledge and expertise in this regard. The study has also provided a stepping stone for further activities to harmonise the approach to altered design banknotes across the EU.

The fact that Pericles IV funds different types of actions, each with a specific aim, set up and audience allows the Programme to contribute to a wide array of needs. Nevertheless, the degree to which stakeholders benefit from a particular action depends, for a large part, on the prior knowledge of the given participant participating, the overall level of knowledge of and priority for the issue of euro-counterfeiting on the national level and the degree of involvement of the participant (and his / her jurisdiction) in Pericles IV actions.

Stakeholders across the board are **generally positive about the target groups addressed by the Pericles IV Programme** and deem these groups being the most relevant. To illustrate, the survey results indicate that respondents are generally positive. 79% of the respondents to the survey (N = 43) indicate that the Pericles IV Programme to a large extent addresses the most relevant target groups (i.e. law enforcement authorities, judiciary authorities, national central banks, etc).¹⁶⁰ Stakeholders confirm that Pericles IV provides a useful platform for connecting with stakeholders from other disciplines.

At the same time, stakeholders across various groups indicate that there is room for more involvement of other types of stakeholders such as judiciary authorities, customs and private sector.¹⁶¹ These three stakeholder groups are predominantly mentioned in the context of the new and upcoming threats posed by altered design banknotes and their distribution through the Internet. They are included in some Pericles IV actions already (including trainings, seminars and the ECEG meetings). However, further room for their involvement has been identified.

Repeatedly, suggestions have been provided to include **public prosecutors** more actively in the Pericles Programme. Stakeholders across the board indicated that the Programme currently focuses predominantly on law enforcement and, therefore, on the first stages of the counterfeiting process and detection thereof. The latter stages, meaning the prosecution of offences, remains largely out of the scope. Nevertheless, an effective approach against

¹⁶⁰ Survey Q19.

¹⁶¹ Survey Q28 and interviews with stakeholders across different groups.

euro counterfeiting also involves attention for the prosecution of offences, they argue.^{162 163}

Stakeholders suggest that involving the judiciary is particularly relevant given the differences in legal interpretation of the use and possession of altered design banknotes. The majority of consulted stakeholders indicate there is a need for a harmonised approach across the Member States with regard to these altered design banknotes.¹⁶⁴ Realising such harmonisation is not the sole responsibility of the Pericles Programme but the Programme can, nevertheless, serve as a platform that can generate a relevant input based upon which further harmonisation can be pursued.

Consulted stakeholders differ in terms of the way the public prosecutors could be included in the Pericles Programme. Some argue that full involvement (included attendance to ECEG meetings) is desired as this would facilitate ‘full’ cooperation and enhanced understanding. Other stakeholders mention that attendance of public prosecutors to dedicated actions would be more appropriate. Concrete suggestions that were mentioned include, for instance, attendance of public prosecutors to the operational trainings (such as the house search organised as part of the OCRFM action)¹⁶⁵ and targeted awareness raising activities on judicial cooperation instruments and tools that can be used in cross-border investigations and prosecutions. Similar activities could also be targeting law enforcement officers with the purpose to enhance their understanding on the assistance that, for example, Eurojust can provide to such cases, particularly to complex cases concerning organised crime.¹⁶⁶

In addition to the public prosecutors, **customs and the private sector** were also identified as potential relevant stakeholders to involve more actively in the Pericles Programme. Stakeholder (across different groups) indicated that creating awareness and enhancing investigative knowledge on new types of modus operandi would ideally be extended beyond merely law enforcement. These reflections were shared specifically in the context of the distribution of counterfeit euros and altered design banknotes through the clear- and dark web. Customs and postal and delivery services play a key role in this modus operandi. Customs officials are tasked with checking parcels coming in and going out of the EU. As such, they play a key role in identifying parcels with counterfeit banknotes. At the moment, awareness amongst customs officials of currency counterfeiting is generally limited and, therefore, the approach to euro counterfeiting could benefit from also addressing those stakeholders.¹⁶⁷

¹⁶² Interviews with stakeholders across different groups.

¹⁶³ This is also in line with what is indicated in Regulation (EU) 2021/840 of the European Parliament and of the Council of 20 May 2021 establishing an exchange, assistance and training programme for the protection of the euro against counterfeiting for the period 2021-2027, Article 6.

¹⁶⁴ This was particularly raised during interviews with successful applicant Member States and during the active observation of the OCRFM Action

¹⁶⁵ This was particularly raised during the active observation of the OCRFM Action

¹⁶⁶ Interviews with EU level stakeholders.

¹⁶⁷ Interviews with successful applicant and non-applicant Member States.

A similar observation is made by stakeholders consulted thus far with regard to parcel and delivery services. These services are (unknowingly) involved in the distribution of euro counterfeit banknotes. Improved awareness and knowledge of these risks would benefit the combat against euro counterfeiting.

Stakeholders suggest including both groups in, for example, operational trainings and seminars (see also Annex V for the case study on web-based counterfeiting.)

Finally, some stakeholders (across different groups) indicated that there is a need for more efforts to enhance the ability of the general public (i.e. those dealing with cash in a business setting) to recognise counterfeit banknotes. As long as the awareness levels of this group are limited, counterfeit banknotes will continue to be entered into circulation. While this group indeed plays a critical role, efforts to raise awareness amongst this group do not seem to be within the scope of the Pericles Programme. Rather, efforts from the Member States would seem to be better fit in this regard.

6.2.2. Effectiveness

The assessment of effectiveness looks at the extent to which the Programme's actions delivered the intended outputs and results (EQ #3.1, EQ #3.2) and explores evidence of the expected and achieved contribution of the implemented actions to the specific and general objectives of the Programme in terms of improved institutional capabilities and impact on euro protection operations (EQ #3.3, EQ #3.4).

3.1 To what extent have the specific objectives of the Programme been achieved?

Answer to the evaluation question in short

The Pericles IV Programme is on course to meet its specific objectives. By providing technical trainings, seminars, staff exchanges, and studies, it has supported and supplemented measures undertaken by Member States, particularly where national funding is limited. Moreover, the Programme has successfully fostered cooperation and the exchange of best practices among Member States, Union authorities, third countries, and international organisations. This has resulted in the establishment of formal and informal contacts, facilitating inquiries and collaborative investigations. Notably, third countries have benefited from the Programme, with reports of successful joint investigations and continued improvement of institutional frameworks and capacity.

The specific objective of the Programme is to protect euro banknotes and coins against counterfeiting and related fraud in EU Member States and third countries. This specific objective is divided into two components¹⁶⁸, namely:

- By supporting and supplementing the measures undertaken by Member States;
- 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.

Supporting and supplementing the measures undertaken by Member States

The Pericles IV Programme seeks to support and supplement Member States by various types of actions: technical trainings, seminars, staff exchanges and studies. Over the past three years, there have been seven recipients of the grants, divided over five member states: Germany (BKA), Portugal (BDP), Italy (CCAFM and GdF), Spain (BDE and BIBE) and Croatia (CNB).¹⁶⁹

Before evaluating the extent to which the Pericles Programme has supported and supplemented measures undertaken by Member states, two remarks should be noted. First, the Member States that have applied to organise actions tend to have more resources (either in capacity or budget) compared to those with limited resources. The availability of these resources facilitates the organisation of actions, especially considering the co-financing requirements and the effort involved in the actual organisation of the action. Second, during the interviews and the observed action of OCRFM, consulted stakeholders mentioned that the Member State organising an action will typically invite other Member States or third countries with whom they seek to establish or foster relationships. Although the Pericles Programme itself does not have influence on these points, it is important to note that this practice can result in unequal opportunities for Member States to organise or participate in actions. For example, Member States with limited resources may not be able to apply for actions themselves, and they might also not be prioritised by the organising Member States for invitations. Consequently, it is challenging to determine the extent to which the Pericles Programme has supported and supplemented all Member States equally.

However, it is evident from stakeholder interviews that the Pericles Programme enhances (existing) national activities. Consulted stakeholders confirmed that all types of actions organised under the Pericles Programme supported and supplemented the Member States.¹⁷⁰ This support is partly attributable to the

¹⁶⁸ Pericles IV programme, n.d., available at: [Link](#)

¹⁶⁹ See for a more detailed overview on the recipients of the grants section 2.2.

¹⁷⁰ This was underlined by both successful applicants Member States and non-applicants Member States

limited national funding available to Member States for conducting such activities independently. Many Member States often face constraints that hinder their ability to organise such actions on national level, including limited financial resources or insufficient capacity.¹⁷¹ The Pericles IV Programme mitigates these challenges by providing support and opportunities on an EU level, thereby enabling Member States to participate in these beneficial activities.¹⁷²

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

The second component focuses on fostering close and regular cooperation and the exchange of best practices among Member States, Union authorities, third countries, and international organisations.

It is worth noting that there is currently no available data regarding the engagement of countries' authorities in transnational coordination / cooperation facilitated by Pericles. Nevertheless, interviews conducted with Member States (both applicants and non-applicants) and third countries revealed that the Pericles IV Programme contributed in establishing or enhancing cooperation and the exchange of best practices. All stakeholders emphasised that one of the main benefits of the Programme is the opportunity it provides to foster cross-border relationships. Participation in Pericles IV actions has enabled them to establish formal and informal contacts in other Member States, which they regularly utilise for inquiries or collaborative investigations. This is also confirmed by the survey respondents.

Despite these successes, consulted stakeholders highlighted that language barriers could occasionally impact the Programme's effectiveness. During organised actions, English is the common language, but (informal) discussions often occur in other languages. This can lead to some participants receiving less clear communication, potentially hindering their comprehension and overall experience. Additionally, some Member States might grapple with sending their preferred participants because these individuals may not have sufficient English competencies to fully grasp the knowledge and training provided.

The development and reinforcement of contacts through Pericles IV are also emphasised by third countries, particularly those located in Europe, who highlight the opportunities it presents for cooperation and knowledge sharing. Third countries outside of Europe report benefiting from the Pericles Programme. For example, a joint investigation involving Argentina and Peru addressed the smuggling of counterfeit euros and dollars by Peruvians through

¹⁷¹ Interviews with non-applicant Member States and with successful applicant Member States

¹⁷² A more elaborate analysis on the EU added value of the Pericles IV Programme can be found in the section on the EU added value

Argentina. The contacts in Argentina were established through Pericles, and this collaboration led to the seizure of 3 million euros and 5 million euros.¹⁷³

In addition, third countries¹⁷⁴ have reported the establishment of Administrative Cooperation Arrangements (ACA's) facilitated by Pericles IV predecessor Programmes. For several Western Balkan countries, the signing of ACAs resulted directly from involvement in Pericles actions. For instance, in the case of Albania, where staff of the Central Bank discussed the possibility of such an agreement with ECB and EC colleagues.¹⁷⁵ The importance of ACAs continues to be reflected in the resulting alignment of the national legislative frameworks to the EU one, which is a crucial element for Western Balkan countries that aspire to EU accession.

ACAs agreements continue to form the basis of information exchange with EU institutions and facilitate administrative building amongst third country institutions. One third country noted that they report to the European Commission (ETSC) and, in return, receive invitations for trainings and events.¹⁷⁶ While it is challenging to attribute this solely to Pericles, it is reasonable to assert that the Programme has played a significant role in facilitating the enhancement of institutional capacity amongst third countries.

Case study: South Eastern Europe Network

While most ACAs date from previous Pericles IV predecessor Programmes, enhanced institutional capacity continues to be strengthened through national action taken by relevant institutions, which can greatly enhance the results of Pericles IV actions. Some Balkan countries have put considerable efforts into strengthening the institutional framework through national bilateral agreements with other national institutions. For instance, The National Bank of North Macedonia has implemented, independently and in cooperation with the Ministry of Interior, a number of activities to strengthen the capacities of the system for suppression of money counterfeiting with special emphasis on prevention against counterfeiting euros. Montenegro has signed a protocol on interinstitutional cooperation in 2012, which established clear responsibilities between the prosecution, the central bank and the police. Such action at national level can greatly facilitate collaboration and contribute to the effectiveness of any type of activity that is aiming to combat counterfeiting practices.

Union institutions and international organisations involved in combating euro counterfeiting are typically invited in the actions organised under the Pericles IV

¹⁷³ Interview with third countries

¹⁷⁴ Interview with third countries

¹⁷⁵ Interview with third countries

¹⁷⁶ Interview with third countries

Programme. This was also seen during the OCRFM action the project team observed. Europol, notably Analysis Project (AP) Soya,¹⁷⁷ was invited to present their operational activities. Such presentations enhance their visibility, prompting Member States to engage with them for joint investigations. While these outcomes cannot be fully attributable to Pericles, the Programme has had a valuable contribution to the cooperation between Europol and national authorities.

3.2 What have been the qualitative and quantitative effects of the intervention, within the meaning of Article 2 of the Regulation?

To measure the effects of Pericles IV, we rely on the established monitoring system

The Pericles IV Programme has demonstrated various positive quantitative and qualitative achievements. First of all, the satisfaction rate of participants in the actions financed by the Pericles IV Programme is consistently very high (an average of 99.1%). The data show an increasing number of unique competent authorities applying to the Pericles IV Programme. The number of conferences/workshops so far is aligned with the practice from previous Programmes.

On the other hand, the number of participants in Pericles IV has decreased by almost a hundred compared to the Pericles 2020 Programme, which can likely be explained by the decreased budget of the Programme, and also by the very reduced participation in the period of the pandemic, 2020-2021. The consultation results clearly show that Pericles IV actions led to establishing inter-institutional contacts (both within and beyond the EU) and disseminating best practices and information regarding emerging trends in (anti-) counterfeiting.

To measure the effects of Pericles IV, we rely on the established monitoring system. In particular, we review the evolution over time of indicators such as: the number of competent authorities applying, participants' satisfaction rate, previous Pericles actions participants' feedback (indicators mentioned in the Annex of Regulation (EU) 2021/840); and the direct deliverables of the Programme (e.g. number of studies performed). Drawing a link to the intervention logic, effectively, these are output indicators that are linked to the operational objectives.

¹⁷⁷ Analysis Projects (APs) within the Europol Analysis System target specific crime areas such as drug trafficking. Europol specialists utilise APs to allocate resources effectively, maintain focus on their objectives, and provide support to EU law enforcement and partner organisations in combating organised crime and terrorism. AP Soya specifically supports the fight against currency counterfeiting. See for more information: [Europol Analysis Projects](#)

Starting with the indicators from the Regulation annex, **the satisfaction rate of participants** in the actions financed by the Pericles IV Programme is **consistently very high**: 98.4% in 2021, 100% in 2022, 98.97% in 2023, i.e. an average for the three years of 99.1%. Moreover, these achievements were **much higher than the set target of 75%**.¹⁷⁸ Drawing a link to the findings of the final evaluation of Pericles 2020, the participant satisfaction rates were also in the range 95 - 98% (based on data from the performed survey and review of project-level documentation).¹⁷⁹ To a certain extent, the results for both Pericles IV and Pericles 2020 show that a target of 75% can be considered conservative. Regardless of this target, the satisfaction rate is impressive.

Linked to the above indicator, the **feedback** of participants who have already taken part in previous Pericles actions on the impact of the Pericles IV Programme on their activities in protecting the euro against counterfeiting is also **very positive**: 95.8% in 2021, 97.5% in 2022, 98.3% in 2023, i.e. an average above 97%. In other words, the participants' assessment of the Pericles IV impact is very high. As with the preceding indicator, the target of 75% positive feedback is surpassed. It is worth mentioning that this indicator is meant to measure the sustainability of Pericles actions (see the section on Sustainability – 7.2.6).

The data show an **increasing number of unique competent authorities** applying to the Pericles IV Programme: 5 in 2021, 6 in 2022, and 8 in 2023. As stipulated in the Annual Pericles IV report for 2022, the milestone for 2024 is 12 and the target for 2027 is 24. Thus, the progress so far is good in terms of reaching the milestone (assuming 4 new unique authorities apply for the Programme), but considering the current numbers reaching **the target of 24 in 2027 will likely prove difficult**, without additional promotional activities and/or adjustments in the work Programmes. This is particularly true given that applications predominantly come from a limited number of countries. This is due to the explanation provided under Relevance and Efficiency, where resource constraints represent the main obstacle to application to Pericles action and rather tend to converge national resources on national actions, which are however impacted by the scarce prioritisation at political level in many Member States. The data for the above indicators is presented in the following table.

¹⁷⁸ See, for example, the Report from the Commission to the European Parliament, the Council And The European Central Bank concerning the implementation and the results of the Pericles IV programme for the protection of the euro against counterfeiting in 2022

¹⁷⁹ See the analysis of Effectiveness of the Final evaluation of Pericles 2020, available at: [Link](#)

Table 12 - Output indicators (Annex to Regulation (EU) 2021/840 indicators)

Indicator	2021	2022	2023	Total / average
Satisfaction rate of participants in the actions financed by the Pericles IV Programme	98.4%	100%	98.97%	99.1% (average)
Feedback of participants that have already taken part in previous Pericles actions on the impact of the Pericles IV Programme on their activities in protecting the euro against counterfeiting	95.8%	97.5%	98.3%	97.2% (average)
Number of unique competent authorities applying to the Pericles IV Programme ¹⁸⁰	5	6	8	-

Source: Performance statement

Further to the indicators included in the Annex to Regulation (EU) 2021/840, the Pericles IV monitoring system also includes indicators that are related to direct deliverables of the Programme. These are presented in the table below.

Table 13 - Output indicators (additional indicators from the intervention logic)

Indicator	2021	2022	2023	Total
Number of conferences and workshops	2	6	7	15
Number of studies performed	0	1 performed	1 performed + 1 committed	2
Purchased equipment	0	0	0	0
Number of participants in trainings, staff exchanges, conferences	482	599	526	1,607

Source: Documentation provided by ECFIN

The **number of conferences and workshops has grown** in the period 2021-2023 from 2 to 7 events, resulting in 15 events in total. Since there is no general target for this indicator, benchmarking against previous Pericles Programmes can provide a measure of the progress made. In the 2006-2013 period, there were 32 seminars/conferences organised, while in the 2014-2020 period they were a similar number – 33. The average number per year for the 2014-2020 period was 4.7, which is similar to the current numbers for Pericles IV. Thus, it can be concluded that **the number of conferences/workshops so far is aligned with the practice from previous Programmes**.

The **number of studies is modest** (2 so far) but considering also the values for the preceding Programme (4 studies in the 2014-2020 period), this is not

¹⁸⁰ The values of the indicator are presented cumulatively.

unexpected. As shown in the table, currently **the value for the indicator purchased equipment is zero**. However, the purchase of equipment has been committed within the action organised by the Portuguese Criminal Investigation Police and awarded a grant during the first call of proposal for 2024.¹⁸¹ As a comparison, for the 2014-2020 period the value of the indicator was 4, with one equipment was purchased in the 2019-2020 period (under the Pericles 2020 Programme).

The **number of participants in trainings, staff exchanges, conferences** in the period 2020¹⁸²-2023 is 1,607. For some benchmarking, the overall number and professional background of participants in Pericles actions is presented in the following table. The data for preceding Programmes show that the number of participants in Pericles IV has decreased by almost a hundred on average per year when compared to the Pericles 2020 Programme. This decrease can likely be explained by the decreased budget of the Programme, (see discussion of efficiency for evaluation question on budget) and also by the very reduced participation in the period of the pandemic, 2020-2021. Moreover, it is worth mentioning that the number of participants depends also on the type of actions: while conferences generally allow for more attendees, actions such as staff exchanges or technical training can only accommodate fewer. Therefore the lower number on average could be also explained by the fact that up to the writing of this study, there has been a higher commitment of funds for technical training, seminars, and staff exchanges, respectively (Section 2.2).

The types of participants per stakeholder group have largely remained similar across the Programmes. However, the **share of participants from National Central Banks (NCBs) continues to increase**, while the participation of commercial banks/financial sector bodies, customs, and the coin-processing machine industry has decreased. Thus, in the first years of implementation of the Pericles IV Programme, **the representation of stakeholder groups other than participants from the police and NCBs has decreased as compared to the preceding years**. Participants by groups are represented in the table below.

¹⁸¹ Call level documentation provided by DG ECIFN

¹⁸² The numbers include 2020 data as the 2021 Annual report analyses the implementation of all Pericles-funded actions in the calendar year 2022, i.e. it includes the implementation of both actions committed under the 2021 and 2022 "Pericles IV" budgets, as well as actions committed under previous "Pericles 2020" budgets.

Table 14 - Professional background of participants in Pericles actions (by year of commitment)

Year	Total (number)	Police (%)	NCB (%)	Judiciary (%)	Mints (%)	Coin-processing machine industry (%)	Cash in transit companies (%)	EU institutions (%)	Other (%)	Commercial banks / financial sector (%)	Customs (%)	Finance, ministry of home affairs (%)
2006-2013	4,320	64	11	7	1				9	5		3
2014	662	44	18	6	6			8	8	7		2
2015	618	53	19	10	3			8	4		4	
2016	528	37	23	11	8	8		7	6			
2017	756	42	24	8	4	4		6	2	3	4	3
2018	568	54	23	4	2	6	2	4	5			
2019	637	43	22	11	2	5		6	2	3	6	
2014-2019	Total: 3,769 Average: 628	Avg.: 46	Avg.: 22	Avg.: 8	Avg.: 4	Avg.: 6	Avg.: 2	Avg.: 7	Avg.: 5	Avg.: 4	Avg.: 5	Avg.: 3
2020-2021	482	32	36	11	2	4		6	4		2	3
2022	599	53	33	3	2	2		5	2		1	
2023	526	50	28	6	2	2		4	4	2	1	
2020-2023	Total: 1,607 Average: 536	Avg.: 45	Avg.:32	Avg.:7	Avg.: 2	Avg.: 3		Avg.: 5	Avg.: 3	Avg.: 2	Avg.: 1	Avg.: 3

Source: Ecorys elaboration based on the Pericles 2020 final evaluation and annual reports

The intervention logic also includes two other “qualitative” outputs “Inter-institutional contacts established” and “Best practices / information on emerging threats disseminated”. The results of the survey clearly show that **Pericles IV actions led to establishing inter-institutional contacts**. More specifically, 94% (143 respondents out of 152) responded that Pericles IV actions contributed to establishing contacts with other people involved in the protection of the euro in EU Member States “to a large extent” and “to some extent”. The survey results concerning the establishing with non-EU countries are lower, but still positive – 76% (115 respondents out of 152) answered that Pericles IV actions contributed to establishing contacts with other people involved in the protection of the euro in non-EU Member States “to a large extent” and “to some extent”. Many interviewees (from different stakeholder groups such as central banks and law enforcement authorities of various countries) highlighted **the importance of establishing contacts via Pericles actions**. Some authorities particularly expressed the value and need of establishing collaboration channels with Chinese and Turkish authorities, which is difficult to do only at the level of Member States.

The survey results also show that **Pericles IV actions have led to the dissemination of best practices and information**. An overwhelming majority of respondents – 97% (147 out of 152) answered that they learned about best practices in the prevention and/or detection and/or repression of euro counterfeiting “to a large extent” and “to some extent”. Furthermore, respondents specified that via Pericles IV actions they: exchange best practices related to new anti-counterfeiting technologies; learn about experiences and techniques from other institutions, which helps improving local practices and responses; and are more able to analyse counterfeiting issues from a global perspective. As concerns new trends, the case study on the web (see Annex V) concludes that while participants were very positive about the effectiveness of the conducted seminars, they stated that the new trends surrounding counterfeits are practically unknown in Latin America; so the knowledge obtained in the seminars is more of a preparatory nature, for a threat that will likely affect the region in the future. Such consideration could probably explain the slightly lower, yet highly positive, responses concerning the acquisition of practical skills for the prevention and/or detection and/or repression of euro counterfeiting – 76% (115 out of 152) answers “to a large extent” and “to some extent”.

The contribution of the Programme to the **sustainability of public finances** (developed further in 3.4 below) relates quantitatively to the loss of revenue for the government budget in the way of lost seigniorage (monetary income). This loss is very small in the euro, but it can be significant in extreme cases. As Pericles contributes to keeping counterfeits at very low levels, it also minimises the budgetary losses of seigniorage. Additionally, the Programme contributes to avoiding tax losses due to unrealised transactions, occurring in cases of very large numbers of counterfeits.

Indeed, the major contribution of Pericles in this respect is that, by preventing and combating counterfeiting and related fraud, **it strengthens the trust of citizens and businesses in the Union's economy**, thus enhancing investment and growth, which adds to securing the sustainability of public finances.

3.3 To what extent have the actions financed under the Programme contributed to achieving its specific objective?

Answer to the evaluation question in short

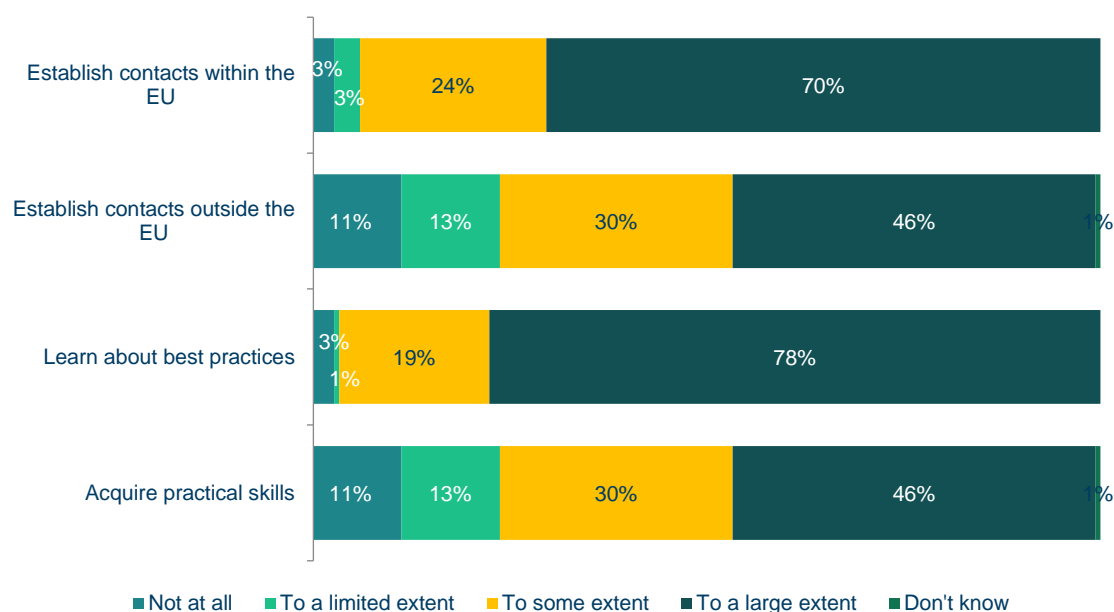
The Pericles IV Programme, as outlined in Article 2 of Regulation 2021/840/EU, has successfully fostered cooperation and enhanced the capacity to protect the euro among relevant institutions in Member States and third countries. The Programme's actions have facilitated the establishment of critical contacts and the exchange of information, significantly improving institutional and operational capabilities. Notably, third countries have benefited from the knowledge and experiences shared by EU Member States.

As per Article 2 of Regulation 2021/840/EU, the specific objective of the Programme is to contribute to the enhancement of the capacity to protect the euro among relevant institutions in Member States. The Programme aims to reach this objective by providing several types of actions: technical training, seminars, staff exchanges, studies and purchase of equipment. Overall, the combination of these actions yields enhanced cooperation amongst beneficiaries of actions, strengthened operational staff capacity, and increased institutional capacity. 55% of survey respondents (N=152) state that their involvement in euro protection activities has increased since their participation in the Pericles IV Programme.¹⁸³

Survey responses show the main benefits for participants, which are reflected in Figure 23. More than 70% of respondents (N=152) find Pericles IV actions useful for learning about best practices and establishing contacts within the EU. As discussed under Relevance, interviewed stakeholders have outlined that conferences and seminars are typically the type of action where they can best make use of networking and meeting other colleagues.¹⁸⁴ Staff exchanges were also deemed useful for the exchange of best practices, but their true value lies in the exchange of knowledge and practical skills, a benefit highly valued by 46% of the survey respondents.

¹⁸³ Q13 Since your participation in the Pericles IV initiative(s), how has your involvement in euro protection activities evolved? Please tick one.

¹⁸⁴ Interviews with Successful applicant Member State and third countries.

Figure 24 - Benefits of Pericles IV actions

Source: Survey, N=152, Q11

Surveyed respondents¹⁸⁵ added that Pericles IV actions are useful to stay on top of emerging trends in counterfeiting and gaining information about current challenges and future plans in the field of protection of the euro against counterfeiting of different countries. Third-country respondents highlighted the opportunity to learn about Europe's experiences with illegitimate sale through the deep web and dark web. Other respondents stressed that *“the creation of a network of investigators and experts to combat euro counterfeiting crime is one of the most important outputs of the Pericles Programme”*. One respondent highlighted the importance of getting exposure to technical equipment used by NCOs in other countries - the exposure to machines produced by other companies not used in the respondent's country was deemed highly useful.

Increased operational capacity

Pericles IV actions contribute to enhancing beneficiaries' knowledge and skills on tools and methods used to fight counterfeiting of the euro. This is mainly reflected in improved skills to detect, identify and classify counterfeit euro banknotes and coins as well as knowledge on use of technical equipment (foremost coin processing machines). Interviewed stakeholders highlight the value of technical training provided by the ETSC in this regard. This is specifically stressed by Western Balkan countries, where capacities to identify common classes of counterfeit coins are still limited. Practical training and enhancing operational capacities are key elements in supporting the prevention

¹⁸⁵ Overview of responses to open ended question Q11 How useful was your participation in the Pericles IV initiative(s)? In particular, to what extent were you able to... Other, please specify?

and combatting of euro counterfeiting. The Central Bank of Montenegro provided an example of how strengthened operational capacity ultimately allows for a fast reaction when counterfeits are detected. When counterfeits of 500 EUR appeared in circulation, which were detected by currently used counting machines, the Central Bank reacted quickly and notified commercial banks about the issue to stop the dissemination of counterfeit banknotes.

Otherwise, survey respondents highlight the value of seminars and training to learn about detection of classes to identify counterfeiting workshops or routes of counterfeited smuggling. The SEITACC 2 staff exchange has allowed participants to observe machines and tools that counterfeiters use for offset printing, which allowed participants to have a better understanding of important elements to pay attention to and what to look for in a seizure as well as useful tips on how to find the location of an illegal offset print-house. The 1210 conference was deemed useful as there were exchanges of best practices on how to conduct on-site inspections/on-the-spot controls of a coin processing machines. Central banks could apply this experience directly in their on-the-spot controls in late 2023 and early 2024.¹⁸⁶

Case study: South Eastern Europe Network

Pericles IV actions result in greater awareness of threats of euro counterfeiting within relevant institutions. Staff exchanges (SEITACC series and SEEC) allow participants to exchange views and experiences on best practices. Conferences like the Balkan Network for Euro Protection (BNEP) are very important for meeting colleagues from other countries and exchanging information on challenges and issues they face and how they deal with them. Several countries have stressed the value of receiving advice and hearing about experiences in relation to the use of the best technical equipment. The Central Bank of North Macedonia got advice from Croatian colleagues on the technical specifications of equipment and advise on what to use it for. Hearing experiences from colleagues helps to make processes more efficient.

Increased cooperation

Based on interviews carried out as well as survey results, stakeholders have reported that thanks to their participation in Pericles IV actions, they have managed to **establish formal and informal contacts in other countries** (both Member States and in third countries) that they utilise regularly. For instance, an Italian survey respondent stated that thanks to cooperation with police forces in other countries, which was established through Pericles, they were able to identify a reseller located in Italy.¹⁸⁷ Another respondent contributed the capture

¹⁸⁶ Response to open ended Q14 Can you provide one or more concrete examples of how your participation in the Pericles IV initiative(s) has contributed to tangible positive results in the protection of the euro?

¹⁸⁷ Response to open ended Q14 Can you provide one or more concrete examples of how your participation in the Pericles IV initiative(s) has contributed to tangible positive results in the protection of the euro?

and dismantling of several criminal organisations that counterfeited national and foreign currency (dollars and euros) to Pericles IV actions.

Stakeholders have also underscored the importance of cultivating contacts within their own country, alongside those abroad. Examples include the direct exchange of information between police, national bank and mint whenever new counterfeiting are identified. Survey respondents give the example of closer contacts with police forces and customs, which resulted in seizures of counterfeit euro banknotes. Albanian authorities highlight enhanced communication with the Kosovo police following a technical training, which resulted in several cases caught in Albania and Kosovo.¹⁸⁸

This cooperation aspect has been mentioned also in the framework of the ECEG meeting, where reports on successful operations have highlighted good relationships both among Member States authorities and among national authorities, as well as European institutions, e.g. support received by Europol.

Institutional capacity

While the effects of Pericles IV actions can mainly be seen in strengthened institutional capacity of third countries through the enhancement of legal frameworks, several Member State central banks have highlighted the strengthening of procedures in commercial banks as a result of Pericles IV actions. Insights gathered through consultations with third countries authorities in particular have highlighted the importance of their participation in Pericles IV actions and the bilateral exchange of information with Member States authorities.

Sharing and gaining information on administrative structures and legal frameworks in Member States is extremely important for third countries seeking inclusion in the system. They have generally indicated that Pericles actions have significantly contributed to enhancing the institutional and operational capacity of relevant authorities in both. These actions have facilitated knowledge transfer, improved skills, and provided valuable resources that have enabled authorities to respond more effectively to challenges within their operational domains. Specifically, stakeholders highlighted improvements in their institutional setting and procedures and coordination, strategy development, and the implementation of best practices as direct outcomes of participating in Pericles actions. Beyond strengthening internal procedures of third country central banks, training activities and monitoring towards the

¹⁸⁸ This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

commercial banks has been improved thanks to participation in Pericles IV actions.¹⁸⁹

An aspect worth mentioning is the gaining of insights into how other institutions are organised, the procedures and structures in place to preserve the integrity of the euro, and the Programmes and software are extremely relevant for third countries, especially in the Balkans. For instance, understanding how the system operates and comprehending the legal requirements enable countries to proactively prepare for forthcoming changes upon EU accession. An example¹⁹⁰ includes the setting up of counterfeiting units and administrative capacities. By learning from other countries which have three units specialised in coins, banknotes, and reporting respectively, provides valuable insights and consequently, third countries authorities are trying to reconfigure their organisational structure, bolster administrative capacity, and update hardware, software, and IT applications accordingly. A Western Balkan central bank mentioned the following: *“Based on the experiences and shared information from the other participants at the BNEP conference, we have raised the level of cooperation with the Ministry of Interior, the Customs Administration, Public prosecution office and other institutions involved in our system for suppression of counterfeiting. We have upgraded our processes, database, and reporting system.”*

Case study on South Eastern Europe network

The Croatian central bank stressed the need to enhance third country capacities when it comes to actions preventing euro counterfeiting. As the most recent member of the EU, Croatia recalls the usefulness of exchanging experiences with their EU counterparts, specifically in relation to setting up legal frameworks and procedures. According to the Croatian central bank, cooperation with Western Balkan countries is working well so far. Through Pericles IV financed staff exchanges, the Croatian central bank was able to share best practices and experiences with third countries, specifically explaining the challenges they faced in preparations for accession to the EU (from things to watch out for to how to build internal procedures). While the set up of the institutional framework is in place in most Western Balkan countries, efforts need to be made to arrive to the stage where the countries will be ready for their full implementation.

¹⁸⁹ Response to open ended Q14 Can you provide one or more concrete examples of how your participation in the Pericles IV initiative(s) has contributed to tangible positive results in the protection of the euro?

¹⁹⁰ Interview with third countries

3.4 To what extent have all objectives of the Programme contributed to the EU's priority of an economy that works for people?

The contribution of the Pericles Programme to the EU's priority of an economy that works for the people is considered by reference to the four dimensions of the EU's economic policy, adopted in the context of the European Semester¹⁹¹ as part of the European Green Deal; these are fairness, stability, environment, productivity. Protecting the currency increases policy fairness, to the extent the cash is more frequently used by lower-income households^{192 193}; these are therefore more likely to become victims of counterfeiting and are, in addition, proportionately harder hit by the losses of receiving a counterfeit.

The Programme's contribution to the economy's stability and productivity relates mainly to the element of trust, which enhances investment and growth and stabilises public finance.

The general objective of the Pericles IV Programme, laid down in Article 2 of the Regulation, to prevent and combat counterfeiting of the euro and related fraud, aims at "enhancing the competitiveness of the Union's economy and securing the sustainability of public finances" (considered above). While this aspect was not explicitly mentioned by stakeholders, it is safe to assume that the protection of the currency also has a bearing on the competitiveness of the economy and on the stability of public finances. With regard to the euro, the statistics show that the system for protection, including the Pericles Programme, has been successfully keeping euro counterfeiting in check. As mentioned, this, not only avoids any significant direct adverse effects on the public finances¹⁹⁴ but, mainly, increases the trust of the citizens and businesses in their currency and, thereby, in the economy¹⁹⁵ and thus increases the sustainability of public finances.

A strong indication for the citizens' views is the Eurobarometer, which shows that the support for the euro is at its highest since Eurobarometer surveying on this topic began in 2002, with around 80% of those surveyed replying that having the euro is a good thing for the EU (see the figure below).¹⁹⁶ Even though this opinion largely reflects financial/economic reasoning, it also shows **trust in the euro**, which would have no doubt been undermined by having a more significant counterfeiting phenomenon.

¹⁹¹ See "Annual Sustainable Growth Survey" 21 November 2023. Available at: [Link](#).

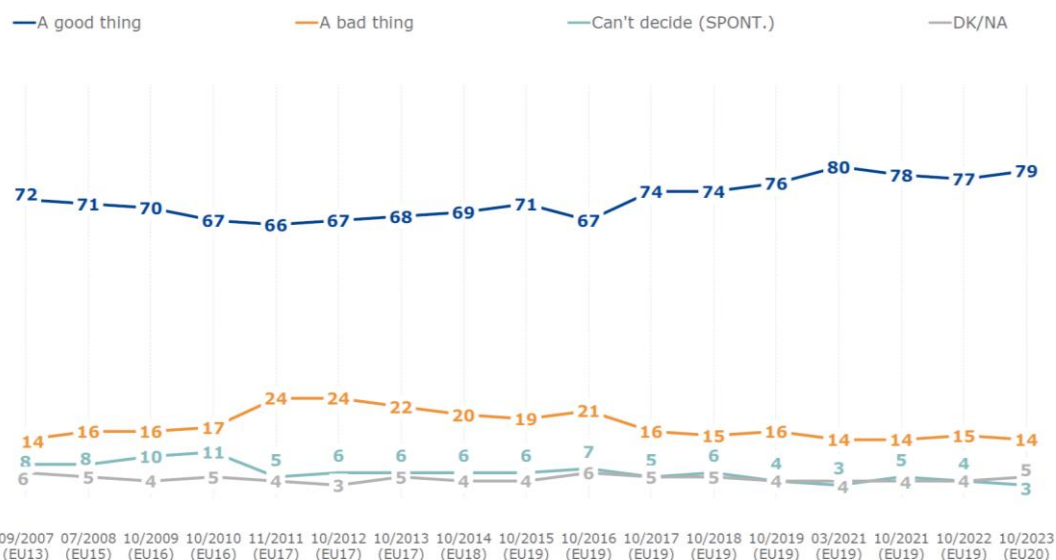
¹⁹² ECB Study on the payment attitudes of consumers if the EU (2022). Available at: [Link](#)

¹⁹³ Reserve Bank of Australia, op.cit.

¹⁹⁴ For example lost seigniorage from issuance of euro coins, which reduces government revenue; tax revenue lost because of transactions not realised; and lost seigniorage from banknotes, meaning less ECB profits transferred to government budgets.

¹⁹⁵ See Reserve Bank of Australia "The Social Costs of Currency Counterfeiting" (2015). Available at: [Link](#).

¹⁹⁶ Flash Eurobarometer 538, The euro area, Report, November 2023. Available at: [Link](#)

Figure 25 – General opinion on the euro**Having the euro is a good or bad thing for the EU (% - euro area)**Base: all respondents (n=18 667) *Trend 2007-2023*

Source: Flash Eurobarometer 538

6.2.3. Efficiency

The analysis of efficiency examines the extent to which the established coordination (with Member States, ECB, Europol and other stakeholders), management and administrative structures ensure an economic and efficient use of resources in the achievement of the Programme outputs, results and impacts (EQ #2.1); the appropriateness of the budget allocated to the Programme (EQ #2.4); the appropriateness of the co-financing rate for actions implemented by CNAs (EQ #2.3) and the overall cost-effectiveness of the implemented actions and delivered outputs (EQ #2.2). The current report focuses on providing an overview of the assessment of the management and administrative structures, while the analysis of overall cost-effectiveness (including an overview of benefits and costs), appropriateness of the co-financing rate and budget will be provided in the draft final report.

2.1 To what extent do the coordination (with MS, ECB, Europol and other stakeholders), management and administrative structures currently in place ensure efficient use of resources in the achievement of the Programme outputs, results and impacts?

Answer to the evaluation question in short

The overall coordination, management, and administrative structures of Pericles IV are adequate and ensure the efficient use of resources in achieving the Programmes outputs, results and impacts. The Programme benefited from a simplification of the application process thanks to the use of the eGrants system, which was welcomed by beneficiaries. Nevertheless, the estimated average application preparation time has not been shortened.

Management costs of Pericles IV remain on the high side, but they are well justified. The question of proportionality of monitoring and evaluation requirements should be put forward considering that the Programme is evaluated independently at mid-term and ex-post stage, which contributes to the overall management costs of the Programme.

The ECEG meetings are deemed useful by the beneficiaries and they continue to be the most appropriate forum to discuss about Pericles IV impacts, strategy and next steps. The ECEG meeting would benefit from a longer timeframe, given that most attendees found that a one day meeting often does not allow the group to cover all agenda points in an effective manner.

The overall coordination, management, and administrative structures of Pericles IV are rated in a positive manner. DG ECFIN continues to provide prompt support, which is highly appreciated, specifically, stakeholders appreciated the support of the EC experts involved in the Pericles management provide during the application and implementation processes. The average time to inform applicants of the outcome of the evaluation of the application in 2022 was 61 calendar days, while the average time to sign agreements decisions was 42 calendar days.¹⁹⁷ The time needed to inform on the outcome of the evaluation is slightly longer when compared to the previous Programme Pericles 2020 (for 2020), where the average time to inform applicants of the outcome of the evaluation of the application was 57 calendar days, while the average time to sign agreements or to notify grant decisions was shorter - 23 calendar days.¹⁹⁸

The timing changes on a yearly basis and is likely related to the complexity of the number of applications and the time needed to prepare and process the grant agreement (for administrative and hierarchical reasons). The grant

¹⁹⁷ DG ECFIN, Annual Activity Report 2022. Annexes. Available at [Link](#)

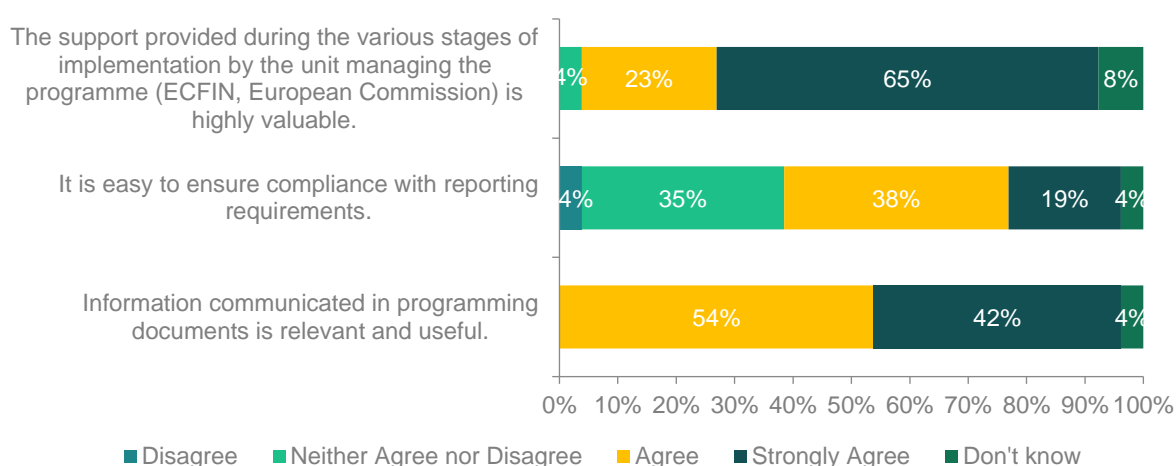
¹⁹⁸ DG ECFIN, Annual Activity Report 2020. Annexes. Available at [Link](#)

agreement signature procedure (eGrants) is different compared with the previous (Pericles 2020) Programme. If the grant is awarded, the applicant has to follow a number of steps in the eGrants Portal (e.g. provide further legal and administrative details not included in the proposal) before the grant agreement can be signed (as explained in [Grant Preparation](#)). In the previous Programme, the final version of the grant agreement was sent to the applicant for signature (no other info to be provided) which explains, a.o. the difference in the average time to sign agreements.

Partner institutions like the ECB and Europol also provided a positive assessment of their cooperation with DG ECFIN regarding the Pericles Programme, which is indicative of the positive collaboration extending through programming periods. Since 2023, Eurojust has been added to the list of participants of the ECEG meetings, thus collaboration is expanding to include judiciary authorities.

When it comes to support provided during the application process, survey respondents (96%, N=26) indicated that **information communicated in programming documents is seen as relevant and useful**.¹⁹⁹ As far as implementation is concerned, survey responses show that more than 85% of recipients (N=26) agreed that the support provided during the various stages of implementation by the unit managing the Programme (ECFIN, European Commission) was highly valuable. An aspect which was considered less favourably was adherence to reporting requirements, where 58% of respondents considered it was easy to comply with reporting requirements.

Figure 26 – Stakeholder perception of coordination and communication during the application and implementation stage



Source: Online survey, N=26

¹⁹⁹ Survey, Q.7 Agreement with statements referring to the coordination and communication with the European Commission (DG ECFIN) unit managing the Pericles IV Programme; (N = 26)

Stakeholders highlighted the **simplification of the application process thanks to the use of the eGrants system**. The e-Grants system manages the entire grant management cycle, fully electronically, from call publication to grant closure. The switch to an online platform EU Funding & Tenders Portal for submission of applications is seen as a big improvement, which led to simplification and reduced administrative burden. The Portal allows participants to post any questions they might have during the preparation of applications, which are answered by the Pericles management staff from the European Commission. Such an online channel replaced email communication and thus contributed to the efficiency of Programme management. As all replies to questions are stored in the portal, information and knowledge is stored and easily accessible to all applicants. Additionally, guidance and information for applicants and beneficiaries are provided on the website of the Pericles IV Programme. Relevant information with exemplary data on how to fill out application forms and template are easily accessible and presented in a clear manner.

Even though the application process was digitalised, interviewed applicants still consider it relatively time consuming, although they claim that the benefits outweigh the costs. An estimation of costs incurred in the preparation of proposals was done based on survey data for a sample of six different action organisers and co-organisers (covering six countries). Information on the (estimated) time spent in preparing proposals for the Pericles IV Programme was provided by five implementers and one co-organisier, which were responsible for the implementation of 18 actions (out of 19 actions implemented and committed at the time of writing of this report). **The estimated time for an application preparation varies considerably, ranging from a minimal reported 6 staff/days to a maximum of 60 staff/days**. The weighted average time for an application preparation was 16 staff/days. The difference in the number of staff days required for an application does not seem to be related to the familiarity of the implementer with the application process but rather to the complexity of the action that is being organised.

Generally, actions that targeted larger audiences (i.e., multiple participants and organisations from several different countries) and were more logistically layered (because they included travel), resulted in higher numbers of staff days spent on the application preparation process. While one might expect the digitalisation process to have reduced the application preparation time, when compared to the numbers provided in the Mid-term evaluation of Pericles 2020, these numbers are higher. The Mid-term evaluation estimates ranged from a maximum of 14 staff/days to just 2-3 staff/days, with an average of 8.4 staff/days (weighted average)²⁰⁰. Beyond the different sample sizes analysed²⁰¹, the longer application process is likely the result of a longer period needed to sign the grant agreement, which applicants count as part of the

²⁰⁰ Mid-term evaluation of Pericles 2020

²⁰¹ The sample size of the Pericles 2020 evaluation was lower, with full data available for set of nine actions.

preparation process. Additionally, while the process was moved online, the reporting requirements have, de facto, not changed. Thus, a simplification was expected, and has been achieved, mostly in limiting the time spent on exchanges and communication via email, which would contribute to a more systematic storing of information via the eGrants system and save time for DG ECFIN on coordination activities, which can instead be directed to supporting the implementation of actions. Furthermore, while in the previous Programme all invoice had to be submitted, currently supporting documents (such as invoices) have to be provided only upon request.

The annual costs (for 2023, latest data available) for the management of the Programme at the level of the EC is around EUR 205 000, i.e. 1.46 Full Time Equivalent (FTEs), the same as reported in the previous year.²⁰² To put these numbers in perspective, in 2023, the total annual budget was EUR 667 060 for 2023 (in addition to EUR 200 000 as a support budget line), while in 2022, the total envisaged grants and EC actions amounted to EUR 850 169. **Thus, the Programme management costs were 23.6% of the programmed actions for 2023, which remains on the high side.**

Additionally, it should be noted that the management costs would have been lower had the financial envelope for the Pericles IV Programme not been cut. Nevertheless, there is a drop in required FTE's spent on management activities when compared to previous Programmes, which points towards efficiency gains. The final evaluation of the Pericles 2020 Programme found that annual costs for the management of the Programme at the level of the EC (for 2020) are around EUR 224,000, i.e. 1.7 FTEs, which in turn showed that management costs were 23.8% of the Programmed actions for 2020.²⁰³ The Mid-term evaluation of Pericles 2020 found that in 2015 the management of Pericles 2020 required a total of 1.9 FTE staff and estimated the total overhead costs at about € 262,000.²⁰⁴ In the same year, Programme commitments were about € 968,000, which implies an incidence of overheads of about 27%.

When compared to management costs associated to other similar Programmes (with all caveats of making such comparisons given the difference in the scope of activities and level of participation of Commission staff in said activities), Pericles IV management costs are on the higher end. For instance, the cost of administering the Fiscalis 2020 Programme as a proportion of its spending was assessed at 4.1% by its Mid-Term evaluation.²⁰⁵ The cost of administering the Customs 2020 Programme was assessed by its Mid-Term evaluation at about 2.4%.²⁰⁶

²⁰² DG ECFIN, Annual Activity Report 2023. Annexes. Available at [Link](#)

²⁰³ Final evaluation of Pericles 2020, Final report, 2021.

²⁰⁴ Mid-Term Evaluation of the Pericles 2020 Programme, Final report, 2017.

²⁰⁵ Mid-Term evaluation of the Fiscalis 2020 Programme. Final Report. 2018. Available at: [Link](#)

²⁰⁶ Mid-term evaluation of the Customs 2020 programme. Final report, 2019. Available at: [Link](#)

There are several drivers affecting the management cost structure of Pericles IV. Firstly, the responsible unit managing Pericles IV is also an active business unit, which is involved in the implementation of the Pericles actions carried out by Member States authorities. This ensures Member State buy-in and also serves as a control mechanism through on the spot monitoring of action implementation. DG ECFIN staff participate in all events often chairing, delivering presentations, leading workshops, co-drafting conclusions and consequent use of the outputs. Additionally, they chair and moderate the ECEG meeting which takes place three times per year.

The DG ECFIN 2022 Annual Report provides further justification, highlighting that Pericles IV operates with a relatively small budget, whose implementation and controls are not proportional to the relative low grants awarded, in a similar vein, due to its low budget, the Programme cannot benefit from economies of scale²⁰⁷. While management costs of the Pericles IV Programme remain higher when compared to average management costs of similar Programmes, the evolution of cost over time points towards declining costs, which implies efficiency gains, likely to be attributed to the digitalisation of the application process.

Lastly, the Pericles Programme is subject to two independent evaluations per programming cycle. Given the size of the Programme and the fact that the Programme is an evolutionary iteration of previous Programmes and ensures continuity, the question of proportionality of monitoring requirements versus the overall budget could be put forward.

In addition to the management of the Programme, a proportion of the funds are allocated for the maintenance and usage of the eGrants platform. In 2022, EUR 27 350 were committed for the yearly eGrants fee, while in 2021, the yearly fee was 20 432. In 2021, EUR 157 975 were committed for the final evaluation of the Pericles 2020 Programme.

Key to the coordination and management of the Programme are also the Euro Counterfeiting Experts Group (ECEG) meetings, which take place three times per year. These meetings are a discussion forum on counterfeiting of the euro currency for issues such as legislation, national and EU law as well as more operational aspects related to running the Pericles IV Programme. The ECEG meeting gathers representatives from various countries who come together to share their practices, discuss emerging threats, and address common issues related to counterfeit prevention. Stakeholders interviewed deem the ECEG meetings as very useful for their work. Nevertheless, they did provide suggestions for future ECEG meeting. The first relates to the duration of the ECEG meetings. As these gather participants three times a year, the agenda often contains a long list of items, not all of which can be discussed to the proper level of detail due to time limitations. Participants consider the

²⁰⁷ DG ECFIN, Annual Activity Report 2020. Annexes. Available at [Link](#)

discussions valuable and would prefer **extending the meeting to 2 days rather than cutting discussions short to fit into the one day meeting timeframe** in order to have more thorough and detailed discussions especially about the connect and organisation of future actions, as the current focus is predominantly on logistics. With more time, discussions on the agenda of specific actions can provide clearer insights into the topics to be covered, helping participants to make more informed decisions about the relevant actions for them to attend. It is worth noting that this extension would likely impact the costs by requiring additional time and resources. Secondly, suggestions were made in relation to the eligible participants to ECEG meetings. Particularly, a plea was made to involve judiciary authorities and allow participation to future ECEG meetings²⁰⁸. Their participation should be encouraged due to the significant role that they play in counterfeiting prevention through legal actions (i.e., treatment of “altered design” notes should judicial authorities treat as counterfeits and subsequent handling of perpetrators)

The Pericles IV Programme applies a multiple cut-off deadline model for the application process, with several months falling between the two deadlines (on average at least 3 months), leaving ample time for authorities to prepare applications in time for the second cut-off date in case of remaining funds. Each year, the planned applications are discussed during the ECEG meetings, which gather all authorities eligible for Pericles IV funding. An open dialogue amongst members of the ECEG meeting allows participants as well as the European Commission to gauge the interest in applications and to estimate the number of applications that will arrive for a given call. Through such an open dialogue, the participants manage to gain information on Pericles IV actions that other authorities are planning, which allows them to avoid duplication, encourages authorities to team up or reconsider their plans for application of an action.

Such discussions on the multi-annual strategy at the meetings of the ECEG contribute to a high level of budgetary commitment - 97.41% of the overall budget in 2022²⁰⁹ and 100% of the overall budget in 2021²¹⁰. Ultimately, such coordination results in an extremely low rejection rate (to date only 2 applications rejected due to noncompliance with eligibility criteria), and therefore contributes to an efficient use of resources on both the side of the Commission and Member States authorities. Nevertheless, possibilities for improvement exist. Some interviewed stakeholders highlighted that, even though planned actions are discussed during ECEG meetings, the content of the action (seminar, conference, staff exchange) is often unclear (i.e., what the scope of the action will be) and it is, therefore, difficult to assess if it will be relevant to attend an action. As for some Member State authorities the decision to attend an action is difficult and carefully considered due to capacity issues, more clarity

²⁰⁸ ECEG meeting, 12 March 2024 and contribution to open ended question in online survey.

²⁰⁹ COM(2023) 468 final

²¹⁰ COM(2022) 318 final

in advance would be beneficial²¹¹. A possibility would be to include more information on planned actions in the reporting on the content of the ECEG meeting (i.e., minutes of the meeting).

In the same vein, stakeholders interviewed thus far implied that more efficient participation in actions could be achieved if the action agendas were communicated early in the process rather than after the registration for an action/event closes. Interviewees pointed towards an example where they were not able to send the most appropriate person to a seminar because the content of the seminar became available shortly before the event (i.e., other colleagues from within the organisation would have been sent).

2.2 To what extent are the actions and outputs of the Programme delivered at a reasonable cost?

Answer to the evaluation question in short

The Pericles IV Programme shows adequate programming and allocation of available resources, indicated by high levels of commitments. Overall, there is a relative balance amongst the different type of implementation actions, important to address the nature of counterfeiting, albeit technical trainings tend to have a larger share. The outputs of the actions continue to be delivered at a lower cost than what was envisaged, which suggests efficiency of the Programme. The main challenge for participants in organisation of actions are related to the unit costs of subsistence. Due to inflation, these costs present a challenge for organisers.

The Programme has so far achieved a very high percentage of allocation as compared to the reference budgets – more than 97% on average, which shows **adequate programming and allocation of the available resources**.

Specifically, the commitments amounted to 97.41% of the overall budget in 2022²¹² and 100% of the overall budget in 2021.²¹³ In both years, more than 50% of committed budget was allocated to grants – 54% in 2021 and 59% in 2022. The latest figures for 2023 show a commitment of 99.88% of the total budget.²¹⁴

In 2021, the majority of the funds provided by the Pericles IV Programme for the nine actions went to the provision of technical trainings (60%). Smaller amounts went to the organisation of seminars (10%), staff exchanges (9%), and the remaining administrative duties referred to before (21%). There were five

²¹¹ Interview with MS managing authority

²¹² COM(2023) 468 final

²¹³ COM(2022) 318 final

²¹⁴ Report from the commission to the European Parliament, the council and the European Central Bank concerning the implementation and the results of the Pericles IV programme for the protection of the euro against counterfeiting in 2023; shared with Ecorys by DG ECFIN

recipients of in total five provided grants (BKA, BDP, CCAFM, BDE and BIBE)). In 2022, funding was allocated to eight grants (actions) in total. These consisted of five grants awarded from applications originating from the competent authorities of the Member States and three Commission actions. Grants were approved for one seminar/conference, one technical training course, and three staff exchanges, all scheduled to take place in 2023. The remaining three Commission actions were committed using existing framework contracts. In contrast to 2021, the funds allocated by the Programme in 2022 awarded a balanced distribution across various categories of actions: technical trainings (29%), staff exchanges (24%), seminars (22%) and a study (21%). A small portion of the budget was dedicated to administrative functions (3%). In 2023, funds were committed for 10 actions: 2 seminars (20%), 3 technical trainings (30%), 5 staff exchanges (50%). Additionally, funds were allocated for the yearly e-Grants fee and this study supporting the Mid-Term evaluation of the Pericles IV Programme.²¹⁵ This shows a relative balance amongst the different type of implementation actions, albeit technical trainings dominate. Maintaining a balance of actions is essential to address the multifaceted nature of counterfeiting allowing the Programme to remain relevant, adaptable and flexible, ready to respond to new challenges and trends. In addition, the different actions often involve different stakeholders and address various aspects of counterfeiting with different outcomes and results. A balanced approach ensures that all necessary skills and knowledge areas are covered, providing a more comprehensive development for the participants. Diversification of actions can also help optimising the available resources and employing different methodologies for the different needs. Last, different actions can complement each other, enhancing the overall effectiveness and sustainability of the actions. Interviewees²¹⁶ highlighted that maintaining a balance amongst different action types can be challenging given that Member States decide on their own accord which type of action would be organised. They called for more coordination in this regard, which would favour organisation of actions based on needs rather than proactivity of organisers.

In terms of participants, 599 participants taking part in Pericles IV actions came from 51 countries.²¹⁷ The majority of participants (78%) were from Europe: 65% came from euro-area Member States, while non-euro-area Member States represented 13% and non-EU countries in Europe represented 6%. 11% of participants were from Latin America, 3% represented the European Institutions, 2% came from Africa and the Middle East and 1% from other regions. Most participants are members of police forces, representing 53% of the total participants. Other categories of participants accounted for 47% of the total, with experts from national central banks representing 33%. There was also relevant participation of members of the judiciary (5%), mints (2%), the

²¹⁵ Next to the operational budget line, EUR 200 000 was made available on budget line 06.0102005 for supporting measures such as the mid-term evaluation of the Programme and covering the annual eGrants fee.

²¹⁶ Non applicant Member States.

²¹⁷ Data extracted from Programme statements, European Commission, website accessible through the [link](#).

coin-processing industry (2%), customs (<1%) and other categories (2%), along with European institutions (3%), reflecting the wide range of professional backgrounds of the participants. This shows that the Programme is reaching its target audience, albeit efforts could be placed into further increasing participation of underrepresented stakeholder groups, which are relevant to the ultimate performance of the Programme (e.g., judiciary authorities).

The 'absorption' by the grant beneficiaries deviates from the high level of allocation. Aggregated data for 8 grant beneficiaries (based on actions reviewed as part of the case study research) show that **the difference between the planned and actual grants is on average -11%** (more than EUR 170 thousand in total). The deviation ranges from 0% (for four projects) to -27%. The large variation is driven by one action "*COPE (COUNTERFEIT - OSINT - POST - ENQUIRIES) - Internet/darknet investigation - protection of the euro*". In about a third of the actions the discrepancy between the planned and the actual budget was lower than 10%. By looking further at the cost elements - i.e., examination of travel, subsistence and hotel costs, staff costs and the costs for equipment and subcontracting - the drivers behind the differences can be seen (Table 15). The variation stemming from the COPE project is related to the change of equipment cost. Namely, while 11 laptops were supposed to be acquired for the realisation and implementation of the simulation game, due to an extensive procurement of IT equipment in the context of the COVID19 pandemic, the institution was able to pivot and use existing equipment making the procurement unnecessary.

Table 15 – Overview of planned versus materialised cost elements

Title of the action	Difference between actual and planned budget	% difference from the planned budget	Difference between actual and planned staff costs	% difference from the planned budget	Difference between actual and planned subcontracting and equipment costs	% difference from the planned budget	Difference between actual and planned travel costs	% difference from the planned budget	Difference between actual and planned subsistence and hotel costs	% difference from the planned budget
Staff Exchange on Investigation Techniques against Currency Counterfeiting (SEITACC)	-12.049,47	-12%	-376,00	-1%	0,00	0%	-7376,35	-40%	-1298,00	-4%
Staff Exchange on Investigation Techniques against Currency Counterfeiting (SEITACC 2)	-14.360,05	-10%	-206,65	-1%	0,00	0%	-3137,29	-8%	-4934,37	-12%
Staff Exchange Euro Counterfeit (SEEC)	4.776,49	12%	308,70	8%	0,00	0%	4754,92	72%	-599,61	-2%
5th Balkan Network for Euro Protection (BNEP)	- 0,39	0%	200,58	2%	0,00	0%	5742,52	16%	-610,94	-1%

Mid-term evaluation of the Pericles IV Programme

Title of the action	Difference between actual and planned budget	% difference from the planned budget	Difference between actual and planned staff costs	% difference from the planned budget	Difference between actual and planned subcontracting and equipment costs	% difference from the planned budget	Difference between actual and planned travel costs	% difference from the planned budget	Difference between actual and planned subsistence and hotel costs	% difference from the planned budget
COPE (Counterfeit - OSINT - POST - ENQUIRIES), Internet /Darknet investigation	- 60.031,00	-27%	1.366,50	5%	-11.779,65	-95%	-51200,00	-100%	-55174,97	-52%
Curso Bogota: 2023 training course on currency counterfeiting for experts from Latin American countries	-40.543,89	-19%	-1622,30	-5%	-4153,91	-31%	7180,09	13%	-33957,51	-42%
Curso Lima: 2022 training course on currency counterfeiting for experts from Latin American countries	-49.647,16	-21%	-5094,75	-16%	-5691,40	-34%	8234,98	16%	-42450,04	-41%

Source: Action level documentation – Final technical reports and action proposals.

O a While all exchanges are registered within the Commission internal system, for clearer audit trail, such information – to be completed by the applicants – should clearly appear in each application form – based on a template – in a systematic manner. Having a clearer overview of intended participants would make it easier to compare the impact and outreach of the action.

2.3 To what extent is the co-financing rate appropriate?

Answer to the evaluation question in short

Overall, the current co-financing setup (up to 75% standard rate, and 90% in duly justified cases) is appropriate. The average co-financing rate for 19 Pericles IV financed actions is 81%, which is relatively close to the standard co-financing rate of 75%. While some non-implementers stressed that limited financial resources restrain them from organising actions and full coverage of financial costs by the Programme would enable them to act as organisers, it is still questionable whether they would have sufficient administrative capacity to do so.

The Pericles IV Programme is implemented through co-financed actions (grants) originating from the competent authorities of the Member States and through "Commission actions", organised directly by the Commission. As per Article 8 of Regulation (EU) 2021/840, the co-financing rate for grants awarded under the Pericles IV Programme shall not exceed 75 % of the eligible costs, except in the case of exceptional and duly justified cases, defined in the annual work Programmes referred to in Article 10, where the co-financing rate shall not exceed 90 % of the eligible costs. Overall, this is acceptable to applicants and implementers as not all actions are responding to strategic priorities²¹⁸.

Grants are provided on the basis of Calls for Proposals (CfPs), while direct actions were implemented via procurement contracts. The costs for co-financed actions (grants) are reimbursed at the funding rate fixed in the Grant Agreement (75%). Generally, stakeholders interviewed consider the co-financing rate as appropriate and necessary in the financing of actions (i.e., they would not have been able to fully finance the implementation of actions without the Programme). Interviews with non-applicants revealed that financial resources, understaffing and capacity remain the main culprits for the limited involvement of these countries. Even if the relevant authority would receive funding from Pericles IV, internal procedures often pose a challenge in ensuring the remainder financial resources to supplement the co-financed amount. For some non-applicant countries, euro counterfeiting is not seen as high level priority given the low amounts of detected counterfeits in circulation.

²¹⁸ Interview with successful applicant Member States.

The average co-financing rate per Pericles IV grant reviewed within the scope of the case studies is 80%, which is close to the standard threshold of 75%. Most case study grants were within this threshold (4 out of 7), while 3 projects required a co-financing rate above 75%.

The average co-financing rate for 19 Pericles IV financed actions is 81%, which is relatively close to the standard co-financing rate of 75%. In total, 11 projects (58%) applied for a 75% co-financing rate, while 8 projects used the higher co-financing rate of 90%. This indicates that most actions performed at the envisaged threshold level, albeit the number of actions seeking higher co-financing rates have risen in comparison with Pericles 2020 (where 13 projects out of 59 requested a 90% co-financing rate). The reasons for a relatively large number of actions benefitting from higher co-financing rates lies in their scope. These actions tend to be held outside the EU as they target staff from third countries, require substantial acquisition of equipment or target new priorities of the Pericles strategy. Given that Pericles IV faces a lower budget in comparison to the previous period, the higher number of actions co-financed at a rate of 90% limits the budget for future Pericles IV actions. The combined grants of the 17 actions with a justified increase of the co-financing rate is EUR 976.255,11. In a hypothetical situation where their co-financing rate was 75%, this would have amounted to EUR 813.545,93. Thus, the difference between a 75% and a higher co-financing was about EUR 162.709,19. Considering that the average grant size is around EUR 95 thousand, the increased co-financing rate resulted in about 1,5 grants less than in a counterfactual situation with no increased co-financing rate.

A higher co-financing rate would also mean in reality less Pericles actions, which is why an increase in the co-financing rate without an increase in the overall budget of the Programme is undesirable. However, it can be concluded that, overall, the current co-financing setup (up to 75% standard rate, and 90% in duly justified cases) is appropriate.

2.4. To what extent is the budget allocated to the Programme appropriate?

Answer to the evaluation question in short

While the Pericles IV budget is currently considered appropriate in the sense that it allows the Programme to meet its objective. Nevertheless, the reduced budget (As compared to the previous programming period) had an impact on the number of implemented actions as well as their scope. The number of participants in Pericles IV has decreased by almost a hundred compared to the Pericles 2020 Programme. Further decreases of the budget would likely have a detrimental impact on the scope of the Programme. With the issue of counterfeiting being of continued relevance and, in addition, in considering the future threats, the Pericles Programme would benefit from sustaining the current envelope or, ideally, see an increase thereof.

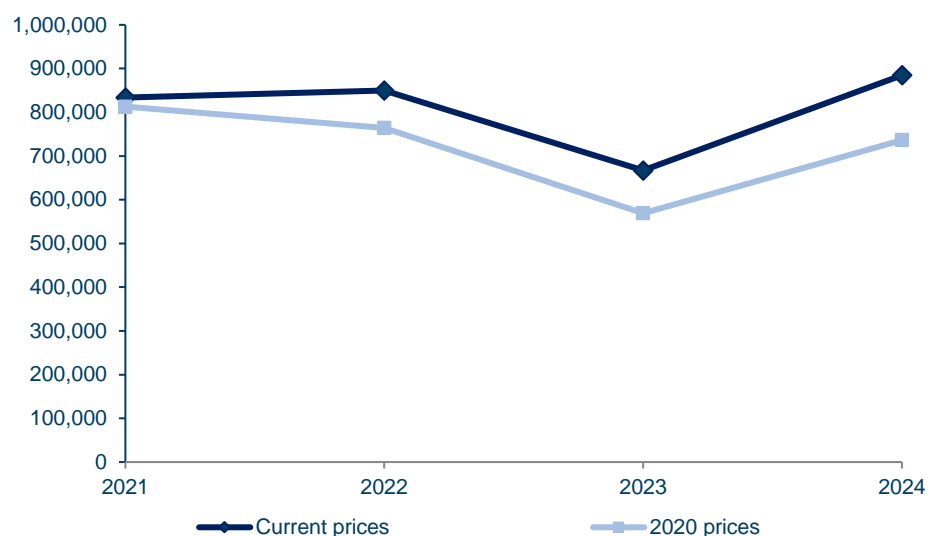
While the budget of Pericles IV can be considered overall appropriate to allow the Programme to fulfil its objectives, any further decreases of the budget (following the budget cut faced in the current programming period) would have a detrimental impact on the scope of the Programme's actions. This is already reflected in the decreased number of implemented actions and number of action participants when compared to the previous Pericles Programme. With the issue of counterfeiting being of continued relevance and, in addition, in considering the future threats, the Pericles Programme would benefit from sustaining the current envelope as a minimum or, ideally, see an increase thereof.

When compared to the previous Pericles 2020 Programme, Pericles IV shows a decrease in the number of commitments. During its first and second year of implementation, Pericles 2020 Programme funded 10 and 12 actions, respectively (six grants and four procured actions in 2014; nine grants and three procured actions in 2015). Pericles IV, a total of 10 actions were financed in the first two implementation years, five in 2021 and five in 2022. This presents more than a 50% drop when compared to the previous programming period. Furthermore, the number of participants in Pericles IV has decreased by almost a hundred compared to the Pericles 2020 Programme, which can likely be explained by the decreased budget of the Programme, and also by the very reduced participation in the period of the pandemic, 2020-2021. According to the Programme statement prepared by the European Commission, this decrease can be attributed to the lower budget in the current multiannual financial framework and the increase in inflation rates²¹⁹.

In recent years, the Pericles Programme has witnessed a decrease in its funding envelope. The Pericles IV budget has been lowered when compared to the previous programming period, which in addition to inflationary pressures has had a detrimental effect with regards to the scope of the implemented actions. While the funded actions are still allowing the Programme to meet its objectives, the number of participants has decreased as a result of the budgetary cuts. Indeed, when comparing the relative average annual budget allocation of Pericles IV to the one of Pericles 2020 (in constant prices) a relative decrease of more than 20% can be observed. The evolution of the Pericles IV budget expressed in 2020 constant prices shows that, due to inflationary pressures, the real budget decrease in real terms was even larger, standing at 32% (see Figure 27).

²¹⁹ Data extracted from Programme statements, European Commission, website accessible through the [link](#).

Figure 27 - Evolution of Pericles 2020 budget expressed in current and 2020 constant prices



Source: Ecorys elaboration based on Pericles Annual Reports

Implementers of Pericles IV actions were largely of the opinion that the budget is not sufficient and that it results in a more limited set of implemented actions as organizers have to choose between different action types. Several third country beneficiaries claimed that a having a 1 day longer training as part of the Curso Bogota and Curso Lima actions would have allowed for a more comprehensive training Programme. Survey responses pointed out that an increase of the Pericles Programme budget would be beneficial for eligible participants as it would allow them to implement more actions. As far as interviewed action participants are concerned, the quality of the actions has remained the same, but further decreases to the budget would risk limiting the Programmes results, impacts and, therefore, the level of protection of the euro.

6.2.4. EU added value

The assessment of EU Added Value (EQ #4.1) of the Pericles Programme is addressed from three perspective, namely, (i) the added value resulting from the intervention(s) compared to what could be achieved by Member States at a national level, (ii) the most likely consequences of stopping or withdrawing the Programme and (iii) the extent to which the needs addressed by the intervention continue to require action at EU level. This line of investigation draws on the findings regarding the continued relevance of the Programme (EQ #1.1, EQ #1.2) with particular focus on the role and relevance of the Programme in creating and fostering a transnational network and promoting cross-border cooperation.

4.1 To what extent does the Programme provide EU added value?

Answer to the evaluation question in short

The Pericles IV Programme provides significant EU added value through facilitation of cross-border contacts, strengthening of relationships with third countries, provision of crucial insights into legislative frameworks, consolidation of knowledge on emerging trends, and allocation of essential funding. Discontinuation of the Programme would not only disrupt collaborative efforts but also create a gap in addressing evolving threats, especially those posed by the Internet and altered design banknotes.

The assessment of EU Added Value looks at the extent to which the Programme provides EU added value and answers the abovementioned question. This question is addressed from three perspectives:

- The added value resulting from the intervention(s) compared to what could be achieved by Member States at a national level;
- The most likely consequences of stopping or withdrawing the Programme;
- The extent to which the needs addressed by the intervention continue to require action at EU level.

Four distinct elements have been identified regarding the value that Pericles IV adds to what can be done on the national level.²²⁰ First, stakeholders consulted across the board confirm that the Pericles IV Programme facilitates contacts between counterparts across different Member States. The links between the NCOs, NACs, and CNACs in different Member States are fostered through various actions funded by the Pericles Programme as well as through activities adjacent to the Programme, such as the regular ECEG meetings. These regular meetings provide a platform for open dialogue, sharing best practices, and keeping up to date on emerging threats and trends in euro counterfeiting. Stakeholders (NCO's and NAC's) confirm that, thanks to the Pericles Programme, they know their counterparts across the border and can easily contact them. This has positively impacted operational work (i.e. investigations) repeatedly.

In addition, consulted stakeholders²²¹ underline that the Pericles Programme creates opportunities to develop and / or strengthen relationships with third countries. These connections are relevant and necessary since the production and distribution of counterfeit euros are not confined to the European Union. The Pericles Programme facilitates links between Member States and third

²²⁰ See for more information on the effectiveness of these elements section 3.2

²²¹ Interviews with successful applicant Member States and interviews with non-applicant Member States.

countries, in particular where such ties have not been established yet. Such cross-border ties are essential in the fight against crime, and in particular when fighting criminal networks, as their activities often extend beyond Member State borders and beyond the borders of the European Union.²²² For example, some authorities particularly expressed the value and need of establishing collaboration channels with Chinese and Turkish authorities, which is difficult to do only at the level of Member States.

From the perspective of third countries, most consulted stakeholders highlight the Pericles Programme's role in developing and strengthening relationships with Member States. For instance, for third countries that may join the EU in the future, the Pericles Programme provides a valuable way to be included into the EU systems and become familiar with its legal frameworks and procedures. Furthermore, the Programme is particularly appreciated by third countries for improving relationships with neighbouring countries. However, for third countries not geographically close to Member States, collaboration with other Member States is considered less important than maintaining existing partnerships.

Secondly, stakeholders (NCO's and NAC's) value the Pericles Programme as it aids Member States to become more familiar with the processes, procedures and legislation in other Member States (with whom they cooperate). Through participation in the ECEG meetings and (for some stakeholders) the organisation of actions or the attendance thereof, NCO's, NAC's and the staff involved in operational cooperation understand better what the legislative framework in Member States other than their own looks like, how procedures are shaped, why this is the case and how this impacts cooperation in practice. Understanding the working reality in another Member State, subsequently, improves collaboration and information exchange.

Example during the active observation of the OCRFM action

One of the activities during the OCRFM action was a training session focused specifically on house searches related to euro counterfeiting. Participants indicated that this was in particular interesting as it helped them to understand how counterparts work and how they should interpret information they would receive from them.

Thirdly, Pericles IV is appreciated for taking the initiative to consolidate information and knowledge on trends and developments. The study dedicated to movie money is an example of this. Stakeholders consulted (amongst which

²²² Europol, Decoding the EU's most threatening criminal networks, 2024, [link](#).

international organisations) have indicated that the comprehensive study on the threat posed by movie money has helped bring together the currently available information, thereby contributing substantially to a clear picture of the threat posed. Such a dedicated study would, likely, not have materialised without Pericles IV, as other stakeholders do not have sufficient funding to initiate such activity, and neither would they have the more high-level, policy-oriented perspective on the issue of euro counterfeiting that is required to request such study.

Finally, stakeholders consulted (NCO's and NAC's) emphasised that their resources (financial or on capacity) on the national level to combat euro counterfeiting is often limited. Limited resources remain available for training, exchange of best practices, strategic development and the cross-border component is often not included in those national actions. However, these components are important and relevant to address the continuous developments in *modus operandi*. Various NCO's, therefore, emphasised that the Pericles IV Programme plays an important role for them as it functions, in a way, as an extension of their (small) teams. In particular, the different actions funded by the Programme are well perceived as they help developing and updating the knowledge basis of these smaller teams. Pericles IV therefore supports and provides opportunities on an EU level, thereby enabling Member States to participate in these beneficial activities.

Example during the active observation of the OCRFM action

One of the activities during the OCRFM action was a training session focused specifically on house searches related to euro counterfeiting. Many participants indicated the added value of this training, noting that similar training does not exist in their own countries. They mentioned that this experience may lead them to look for additional clues during house searches in their respective countries. This activity addressed training gaps that exists at the national level and demonstrated how actions organised under the Pericles Programme can fill these gaps.

The availability of funding through Pericles IV and the fact that resources on the national level are restricted, also ties into the question on what would happen if the Pericles Programme would be stopped or withdrawn. Stakeholders confirmed during interviews that if the Pericles Programme would cease to exist, it would be unlikely that the actions that are currently being organised under the Pericles Programme would continue to be organised as hardly any Member State would have sufficient resources to take on such a role. A halt in the organised Pericles actions (and adjacent ECEG meetings) would impact the transnational cooperation between the Member States as opportunities for interaction and exchange would be reduced and it would be more difficult to

keep contacts up to date. As a result, stakeholders expect that cooperation with Member States with which regular cooperation takes place would continue but the development of new relationships with Member States and, even more so, third countries would be negatively impacted.

With regard to the extent to which the needs addressed by the intervention continue to require action at EU level, stakeholders refer to the increasing threats posed by the Internet (both clear web and dark web) as well as altered design banknotes. The challenges that sales of counterfeit euros (and raw materials) on the clear- and dark web pose require an approach that goes beyond the national level, stakeholders argue. Hence, collaboration on the EU level is necessary and there is a potential for the Pericles Programme to play a more substantial role here.

The threat posed by altered design banknotes is aggravated due to the different legal frameworks and corresponding approaches in the Member States. To address this threat effectively, coordination and continuous exchange between Member States is required in order to reduce legal loopholes. This is, again, an area where the Pericles Programme can be (and has been) of added value.

6.2.5. Coherence

The evaluation of coherence looks at the consistency and complementarity of the Programme and the implemented actions with other relevant EU Programmes and initiatives (EQ #5.1) and/or existing actions implemented at by Member states or by the ECB and Europol (EQ #5.2) seeking to protect the euro against counterfeiting and related fraud. In addition to evidence of coherence, collected from the detailed consideration of similar EU mechanisms, the evaluators looked for signs of incoherence, inconsistency or unnecessary duplication across different interventions.

To enhance readability and clarity, the findings and associated analysis group reflections on the consistency and complementarity of actions implemented by ETSC, Eurojust, Interpol, ECB, and Europol are grouped together

5.1. To what extent have the coordination and cooperation mechanisms in place for the Programme ensured consistency and complementarity with other relevant EU Programmes and activities?

Answer to the evaluation question in short

Besides the Pericles IV Programme, several other Programmes and/or activities could play a role in combating euro counterfeiting, including ISF, TAIEX, and Twinning Instruments. Overall, these Programmes are considered complementary to Pericles IV, with a limited risk of overlap. However, some overlap is identified with TAIEX, particularly in study visits and workshops for third countries in Eastern Europe.

This assessment focuses on evaluating the capacity building initiatives supported by the Commission, specifically Programmes such as ISF (DG HOME), TAIEX and Twinning instruments (DG NEAR). In the sections that follow, these EU Programmes and activities will be comprehensively elaborated upon and examined.

ISF

The current iteration of the Internal Security Fund (ISF)²²³ covers the period 2021-27 and has a budget of EUR 1.93 billion available. The Fund pursues three specific objectives, namely (1) to increase the exchange of information among and within the EU law enforcement, and other competent authorities and relevant EU bodies, as well as with non-EU countries, and international organisations, (2) to intensify cross-border cooperation, including joint operations, among and within the EU law enforcement and other competent authorities, in relation to terrorism and serious and organised crime with a cross-border dimension and (3) to support efforts to strengthen capabilities to combat and prevent crime, terrorism and radicalisation, as well as manage security-related incidents, risks and crises, in particular through increased cooperation between public authorities, civil society and private partners across the Member States.²²⁴

It seeks to achieve those objectives by funding a variety of initiatives, including the purchase/procurement of ICT systems, monitoring of the implementation of EU law and policy objectives in the Member States, operations implementing or facilitating the implementation of the EU Policy Cycle/EMPACT, support to thematic or cross-theme networks of specialised national units and education

²²³ Regulation (EU) 2021/1147 of the European Parliament and of the Council of 7 July 2021 establishing the Asylum, Migration and Integration Fund, [link](#).

²²⁴ European Commission, Internal Security Fund, n.d., [link](#).

and training for relevant law enforcement and judicial authorities and administrative agencies.

Under the ISF banner, the European Commission (DG HOME) launches calls for EU action grants, targeted at specific crime priority areas. An overview of the work Programmes indicates that counterfeiting of the euro has not been identified as a priority crime area by the ISF.²²⁵ Nevertheless, various calls have been focused on areas adjacent to euro counterfeiting, such as:

- Call for Proposals on Organised Crime (ISF-2023-TF2-AG-OC);
- Call for Proposals on Cybercrime and Digital Investigations (ISF-2022-TF1-AG-CYBER);
- Call for Proposals on Digital Investigations (ISF-2024-TF2-AG-DIGITAL);
- Call for Proposals on the Fight against Corruption (ISF-2024-TF2-AG-CORRUPT).

An overview of all grants awarded under ISF between 2021-2024 shows no immediate indication of overlapping projects, contributing to the impression that the two instruments do not represent a duplication of efforts.

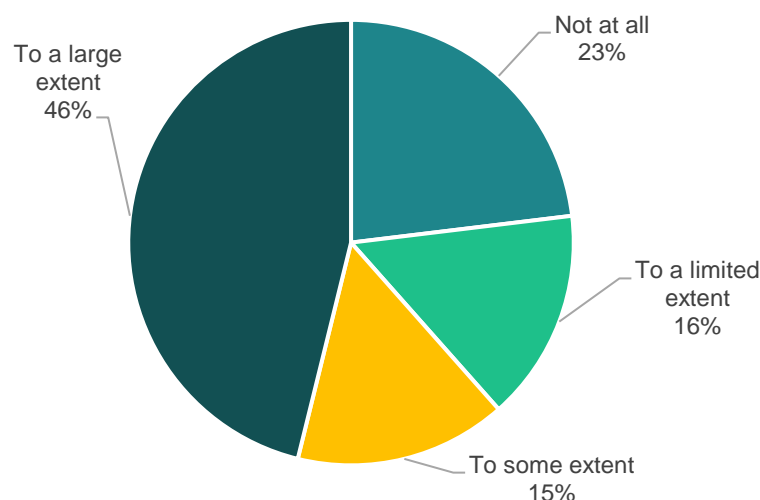
Feedback received through stakeholders in the interviews consolidates this point. The stakeholder survey shows that amongst those respondents who had an opinion²²⁶ on the complementarity between Pericles IV and ISF, the majority of the respondents either think ISF and Pericles IV are to some extent (15%, N=13) or to a large extent (46%, N=13) complementary.²²⁷

²²⁵ European Commission, ISF, work programmes 2021-2022 and 2023-2025, [link](#)

²²⁶ Respondents who indicated 'I don't know' are excluded from this analysis. This approach applies for all survey analysis presented in this section, unless indicated otherwise.

²²⁷ Survey Q22

Figure 28 – Perception of stakeholders on the complementarity of ISF and Pericles IV



Source: Online Survey, N=13

TAIEX (DG NEAR)

The Technical Assistance and Information Exchange instrument of the Commission (TAIEX), managed by the Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR), is an instrument, which supports public administrations, in the framework of Cooperation or Association agreements signed with the EU, with regard to the approximation, application and enforcement of EU legislation as well as facilitating the sharing of EU best practices. It is largely needs-driven and delivers tailor-made expertise to address issues at short notice through workshops, expert missions and study visits.²²⁸ TAIEX beneficiaries include Türkiye, North Macedonia, Montenegro, Serbia, Albania, Bosnia and Herzegovina and Kosovo* (*This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence), Turkish Cypriot community in the northern part of Cyprus, Algeria, Armenia, Azerbaijan, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco, Palestine (This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue), Syria, Tunisia, Ukraine, all countries covered by the Partnership Instrument, the EU Member States in the framework of administrative cooperation with DG for Regional and Urban Policy, DG Environment and DG Structural Reform Support and Partner countries and territories covered by Directorate-General for International Partnerships. TAIEX support can cover a number of policy fields, including in the area of freedom, security and justice. In this area of work, the target groups include civil servants from relevant central

²²⁸ European Commission, TAIEX, n.d., [link](#).

administrations; representatives of the judiciary and law enforcement agencies (LEAs); and also border guards, migration and asylum officials and customs representatives.

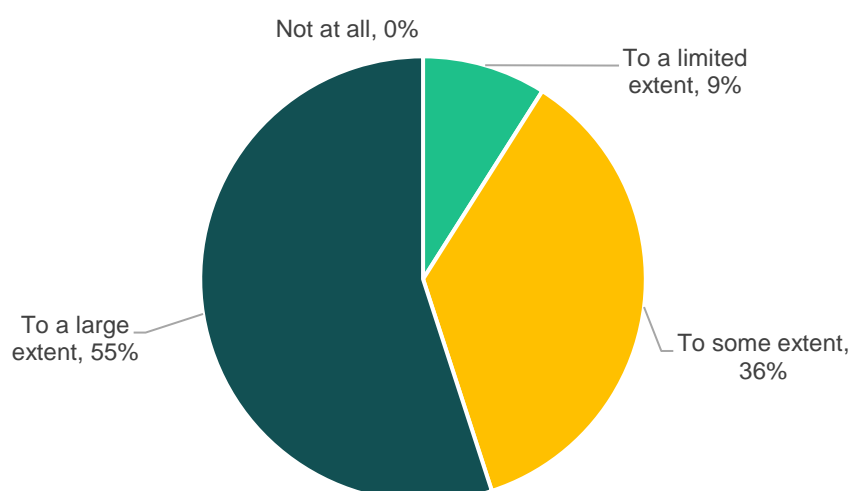
As can be seen in the following Table 16, 6 actions have been organised with a link to counterfeit money. It should be noted, however, that based on the overview of participants and (draft) agendas available, it cannot always be determined how, to what extent and in what depth counterfeit money has been addressed.

Table 16 – Overview of relevant TAIEX actions

	Date	Type of action	Title	Place	Beneficiary/partner
1	October 2022	Study visit	TAIEX TSI Study Visit on Anti-Money Laundering supervision capacity	Paris, France	Estonian, Polish and Slovak Financial Intelligence Units (FIUs), Estonian and Polish supervisors, Estonian Ministry of Finance
2	May 2023	Expert mission	TAIEX Expert Mission on Protection of the euro coins against counterfeiting	Belgrade, Serbia	National Bank of Serbia
3	July 2023	Study visit	TAIEX Study Visit on building administrative capacities against piracy and counterfeiting	Budapest, Hungary	Ministry of Trade, Industry and Entrepreneurship of Kosovo* (* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/199 and the ICJ Opinion on the Kosovo declaration of independence)
4	October 2023	Workshop	TAIEX Workshop on Training processes, Fields of Cooperation, Trends and Opportunities in Combatting Narcotic crimes	Ankara, Türkiye	Ministry of Interior of Türkiye
5	December 2023	Expert mission	TAIEX Expert mission on National coordination mechanisms in the field of protection of financial interests	Video teleconference	State Audit Service of Ukraine
6	February 2024	Study Visit	TAIEX Study Visit on determining the effective model for national system against money counterfeiting in terms of EU legislation and practice	Rome, Italy	The General Police Inspectorate, Republic of Moldova

Although no consulted stakeholder mentioned TAIEX during the interviews, the stakeholder survey shows that amongst those respondents who had an opinion on the complementarity between Pericles IV and TAIEX, the majority found there to be complementarity either to some extent (36%, N=11) or to a large extent (55%, N=11).²²⁹

Figure 29 – Perception of stakeholders on the complementarity of TAIEX and Pericles IV



Source: Online survey, N=11

The underlying objectives of Pericles IV and TAIEX differ significantly, with TAIEX specifically focused on facilitating the approximation, implementation and enforcement of EU legislation by third countries. Consequently, there appears to be overall complementarity with the work carried out by Pericles. Moreover, to prevent overlap, TAIEX consults with ECFIN before approving funding for projects related to combatting euro counterfeiting.²³⁰

Twinning instruments

The twinning instrument supports institutional cooperation between Member States public administrations and beneficiaries. Twinning instrument beneficiaries include Türkiye, North-Macedonia, Montenegro, Serbia, Albania, Bosnia and Herzegovina, Kosovo²³¹, Algeria, Armenia, Azerbaijan, Belarus, Egypt, Georgia, Israel, Jordan, Lebanon, Libya, Moldova, Morocco,

²²⁹ Survey, Q22

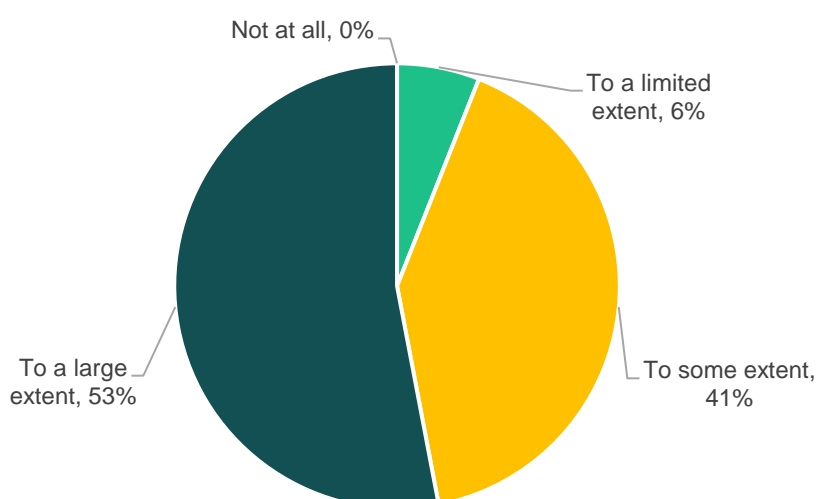
²³⁰ Interview with EU level stakeholder

²³¹ This designation is without prejudice to positions on status, and is in line with UNSCR 1244 and the ICJ Opinion on the Kosovo Declaration of Independence.

Palestine²³², Syria, Tunisia, Ukraine, and partner countries and territories covered by the Directorate-General for International Partnerships (DG INTPA). Twinning activities can include workshops, training sessions, expert missions, study visits, internships and counselling. The twinning activity reports²³³ between 2021-2024 provided no indication of particular activities focused on counterfeiting. Open source research carried out for the purposes of this evaluation also did not identify activities focused on counterfeiting.

As there have been no counterfeiting activities during this period of the Twinning instruments, it can be cautiously assumed that there is (currently) no risk of overlap. The stakeholder survey further supports this view, with the majority of respondents who had an opinion on complementarity indicating that there is complementarity to some extent (41%, N=17) or to a large extent (53%, N=17).²³⁴

Figure 30 – Perception of stakeholders on the complementarity of the Twinning instruments and Pericles IV



Source: Online survey, N=17

²³² This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.

²³³ These reports usually also cover TAIEX activities

²³⁴ Survey, Q22

5.2. To what extent have the coordination and cooperation mechanisms in place for the Programme ensured consistency and complementarity with existing actions implemented by Member States, the ECB and Europol, with the view to achieving the overall objective of protecting the euro against counterfeiting?

Answer to the evaluation question in short

The actions organised under the umbrella of Pericles IV can be considered consistent and complementary with existing actions implemented by Member States, the ECB, Europol, and other Union institutions. DG ECFIN has established agreements with Union institutions to prevent any overlap between their activities. Similarly, the activities conducted by Member States at the national level, if present, tend to complement rather than overlap with those organised by Pericles.

This assessment focuses on evaluating the analytical and technical assistance support provided by entities such as the ECB, CBCDG and ETSC, and operational and tactical assistance provided to law enforcement authorities by EU and international entities such as Europol, Interpol and Eurojust. In the sections below, these actions will be comprehensively elaborated upon and examined.

European Central Bank (ECB)

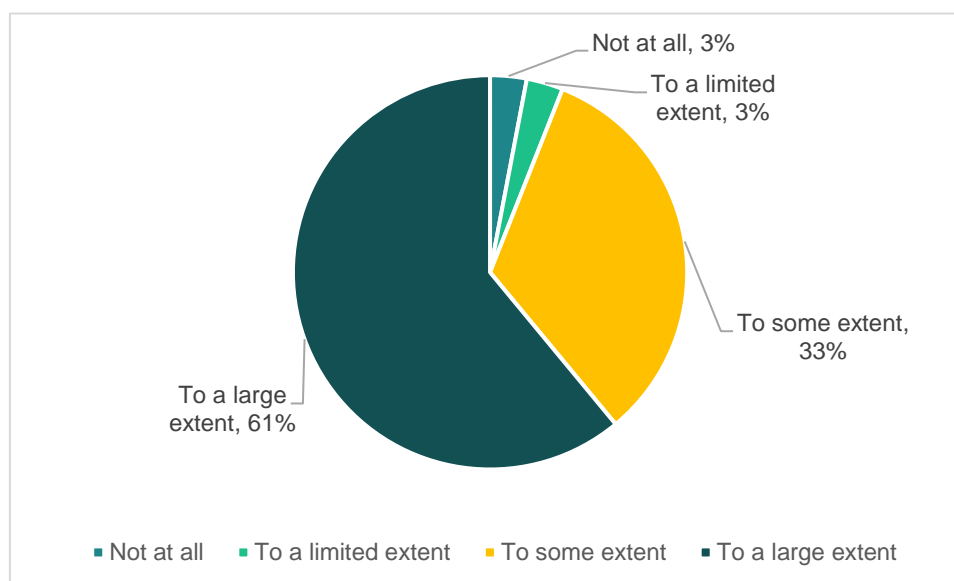
Within the framework of the fight against counterfeit money, the ECB is tasked with monitoring the advances in printing and reproduction technologies and recording the number of counterfeits seized.²³⁵ These tasks are carried out by the ECB's Counterfeit Analysis Centre (CAC). The CAC collects and processes technical and statistical information on counterfeits and shares this information subsequently with national police forces and other bodies involved in combating counterfeiting (i.e., Europol, Interpol, and the European Commission).

The role and responsibility of the ECB in the fight against counterfeiting is complementary to the role that the Pericles Programme plays in this regard. The tasks carried out by the CAC add on to the activities carried out under the Pericles umbrella. This complementarity and coherence is underlined by the stakeholder survey, the majority found the ECB to a large extent complementary to Pericles IV (61%, N=36).²³⁶

²³⁵ <https://www.ecb.europa.eu/euro/banknotes/ac/html/index.en.html>

²³⁶ Survey, Q22

Figure 31 – Perception of stakeholders on the complementarity between the ECB and Pericles IV



Source: Online survey, N=36

In addition, the complementarity and coherence is also confirmed by various NCO's in the interviews. They highlight that the activities provided by ECB are of technical nature and provide new insights in the technical aspects of the production of counterfeits. To this end, the activities by the ECB are mostly relevant to the national central banks. As such the two Programmes seem to successfully complement each other.

Central Bank Counterfeit Deterrence Group (CBCDG)

The Central Bank Counterfeit Deterrence Group is a group of 35 central banks and note printing authorities organised at the request of the Governors of the G10 central banks. The CBCDG seeks to investigate the common emerging threats to the security of banknotes and propose solutions for implementation by issuing authorities.²³⁷ Through its counterfeit deterrence system (CDS), the group deters the use of personal computers, digital imaging equipment, and software in the counterfeiting of banknotes.

The work of the CBCDG is likely complementing the activities employed under the umbrella of the Pericles Programme, thereby, contributing to the realisation of the strategic objectives of the latter. Nevertheless, no insights have been collected on the coherence between the CBCDG and the Pericles IV Programme specifically.

²³⁷ CBCDG, n.d., [link](#).

European Technical and Scientific Centre (ETSC)

The European Technical and Scientific Centre²³⁸ is established within the Commission and is tasked with analysing and classifying every new type of counterfeit coins. It contributes to the fulfilment of the objectives of the Pericles Programme, it assists the Coin National Analysis Centres (CNAC) and it collaborates with law enforcement and other competent authorities in taking action in counterfeit euro coins and the strengthening of euro protection.²³⁹ The ETSC furthermore coordinates the activities of the Counterfeit Coin Experts Group (CCEG), and it participates in other institutional groups with regard to the protection of euro coins against counterfeiting and it provides training under the Pericles IV Programme. ETSC is also part of the ECFIN Unit managing the Pericles Programme.

In recent years, the ETSC has organised three meetings of the Platform 1210 financed by Pericles IV:

- 3rd meeting (online, November 2021);
- 4th meeting (Madrid, 4 and 5 October 2022);
- 5th meeting (Lisbon, 10 and 12 October 2023).

Platform 1210 is a networking instrument for enhancing the implementation of Regulation 1210/2010 with the purpose to maintain close cooperation between the various stakeholders involved (such as coin processing machine companies, cash-in-transit companies, the European Commission, ECB and Member State National Authorities).²⁴⁰

Given the close alignment of role and objective of the ETSC and the Pericles Programme, complementarity and close cooperation is evident.

Europol

Europol is a key operational and tactical assistance provider in the fight against counterfeiting of euros. It acts as the central office for coordinating the protection of the euro, and closely works with the ECB and national law enforcement agencies (LEAs) in counterfeiting investigations. Europol, through Analysis Projects, prioritises resources to the support of EU law enforcement authorities.²⁴¹ This includes activities similar to the Pericles Programme, such as training, but also more operational activities such as analysing information and intelligence, facilitating operational meetings between partners involved in cases; deployment of mobile offices in the field, and support to judicial

²³⁸ European Commission, ETSC, n.d., [Link](#).

²³⁹ DG ECFIN, The protection of euro coins in 2022, 2023, p. 4.

²⁴⁰ DG ECFIN, The protection of euro coins in 2022, 2023, p. 24.

²⁴¹ Europol, Europol Analysis Projects, n.d., [link](#).

cooperation. AP Soya specifically supports the fight against currency counterfeiting by supporting the dismantling of distribution networks and identifying illegal currency print shops. AP Soya also establishes the most 'dangerous' counterfeits and selects and monitors the main indicatives.²⁴² Euro counterfeiting is the prime focus of AP Soya but the AP also deals with counterfeiting of other currencies. AP Soya sits within the European Financial and Economic Crime Centre (EFECC)²⁴³ of Europol.

Europol also drives the European Multidisciplinary Platform Against Criminal Threats (EMPACT), which fosters multidisciplinary and multiagency operational cooperation to fight organised crime at an EU level.²⁴⁴ It calls for robust action to target the most pressing criminal threats facing the European Union. EMPACT identifies the most pressing criminal threats facing the EU on a multi-annual basis and supports actions focusing on these threats. One of the priorities identified in the current cycle (2022 – 2025) is 'Fraud, economic and financial crimes' which covers, amongst others: intellectual property (IP) crime, Counterfeiting of goods and currencies. This area focuses on the combat and disruption of criminal networks and criminal individual entrepreneurs involved in IP crime and in the production, sale or distribution (physical and online) of counterfeit goods or currencies, with a specific focus on goods harmful to consumers' health and safety, to the environment and to the EU economy.²⁴⁵

Under the umbrella of EMPACT, various operations have been carried out with a focus on combatting euro counterfeiting. Relevant examples include the operation MULTIBUY which concerned a cyber patrolling action whereby groups of law enforcement agents were scanning the Internet (the dark web, clear web and Telegram) to identify advertisements and sellers of counterfeit euros. Also, operation DECOY, focused on shipments of parcels (potentially) containing counterfeit banknotes was targeting counterfeiting of the euro. Operation SLEEPING GIANT has also been mentioned as relevant as it focuses on rip deal cases.

Europol's role in the combat of currency counterfeiting is predominantly operational. Both through AP Soya and through EMPACT, Europol facilitates cooperation between law enforcement agencies in different countries. Europol also supports in case work, investigations and analysis. A recent example of Europol's activities was announced early April:

²⁴² Europol Presentation at OCFRM action, March 2024

²⁴³ Europol, EFECC, n.d., [link](#).

²⁴⁴ Europol, EMPACT, n.d., [link](#).

²⁴⁵ Council of the European Union, Council conclusions setting the EU's priorities for the fight against serious and organised crime for EMPACT 2022 – 2025, 2021, p.8.

63 forgers arrested in Naples: Italian Carabinieri seize EUR 200 000 in sophisticated fake banknotes, total damages estimated at over EUR 6 million

Italian Carabinieri, French National Police, and Europol collaborated to arrest 63 counterfeiters involved in producing fake euro banknotes worth over EUR 6 million. The operation primarily targeted an organised criminal group based in Naples, Italy, known as the "Napoli Group." The group distributed high-quality counterfeit banknotes across Europe, with sophisticated security features that mimicked genuine currency. The investigation, initiated in January 2023, focused on dismantling the criminal network, which operated mainly in France, Spain, Germany, Belgium, and the Netherlands. Europol played a crucial role by facilitating information exchange, financing operational activities, and providing analytical support. During the action day, Europol deployed experts to Italy to assist with technical support and verification of operational information.²⁴⁶



© Europol

Images of Europol action

In principle, Europol (in particular through EMPACT) also seeks to provide trainings and contribute to capacity building of law enforcement. As this task overlaps, in part, with the objectives of the Pericles Programme, Europol (EMPACT) and DG ECFIN agreed that the Pericles Programme, given its specialisation and experience, would take the initiative in this regard and allow EMPACT to put its additional brand on most relevant Pericles initiatives, allowing Europol to focus its activities on operational support.²⁴⁷ This (unofficial) agreement was able to materialise and has been effectively put in practice, thereby avoiding overlap between the activities employed by the two actors. In general, as the Pericles Programme adopts a multidisciplinary approach involving a variety of actors, the risk for overlaps between Europol and the Pericles Programme concentrates on the engagement of law enforcement. Finally, coherence between Europol and the Pericles Programme also extends to attending and / or speaking at events that are organised by either party. However, it was mentioned that Europol's attendance is sometimes limited to specific parts of actions due to constraints in capacity and funding.²⁴⁸ Additionally, it should be noted that Europol contributes to the Annual Pericles Strategy, which identifies the priorities and threats.

The coherence and complementarity between Europol and the Pericles IV Programme is also underlined by the stakeholder survey. The survey shows

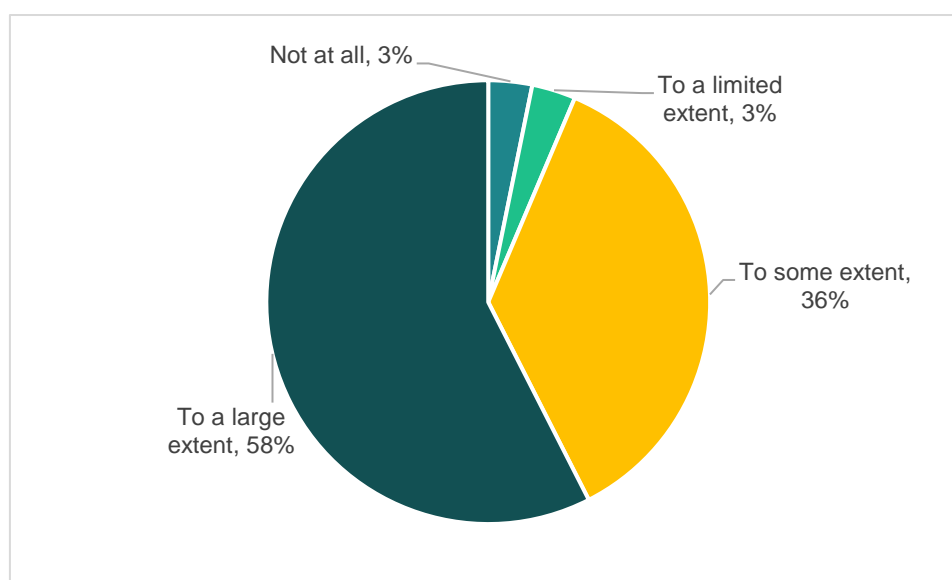
²⁴⁶ <https://www.europol.europa.eu/media-press/newsroom/news/63-forgers-arrested-in-naples>

²⁴⁷ Interview with EMPACT driver, 4 April 2023.

²⁴⁸ Interview with EU Institution

that amongst those respondents who had an opinion on the complementarity between Pericles IV and Europol, the majority found them complementary to a large extent (58%, N=31).²⁴⁹

Figure 32 – Perception of stakeholders on the complementarity of Europol and Pericles IV



Source: Online survey, N=31

The coherence between the work of Europol and the Pericles Programme was also confirmed during interviews with representatives of law enforcement agencies. Europol provides operational support whereas the Pericles Programme focuses on providing technical assistance, capacity-building activities and network building.

A particular challenge in the collaboration between Europol and the Pericles Programme that was mentioned during interviews is the situation with regard to sponsoring participation. At the moment the Pericles Programme cannot sponsor Europol participation in events (Europol participants / speakers deal with their own travel and accommodation costs, as the European Commission participants / speakers do. Subsistence costs made for them can be incurred in the budget). This sometimes poses challenges in ensuring Europol participation to Pericles actions.

Interpol

Interpol is one of the oldest international players in the field of combatting currency counterfeiting and its original mandate, enshrined in the 1929 Geneva

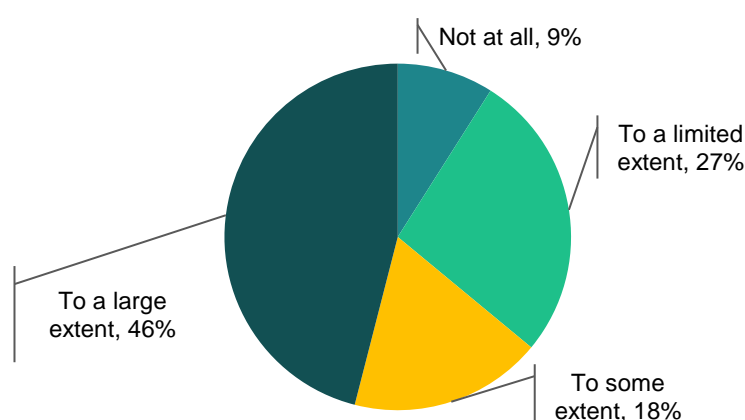
²⁴⁹ Survey Q22

Convention, included the suppression of international currency counterfeiting.²⁵⁰ Interpol hosts the International Central Office for the suppression of Counterfeit Currency. The office does so through providing technical databases, forensic support, training and operational assistance. Through Interpol's secure channels, additional tools and services are available such as counterfeit alerts, counterfeit currency statistics and early warning messages.²⁵¹

In recent years, the focus of Interpol's efforts have been primarily with counterfeit documents. The attention on counterfeit currencies has, as a consequence, been limited.²⁵² Moreover, Interpol's activities are not solely geared towards the euro but also cover other currencies. As a result, content-wise the Pericles Programme and Interpol's activities are naturally complementary to each other. This is particularly the case given the narrow focus of the Pericles Programme on the euro and training and networking activities. Interpol applauds the capacity building activities by the Pericles Programme as they have the potential to create a lasting impact (i.e. sustainable impact) in the participating countries. From the Interpol perspective, it can be considered an asset that the Pericles Programme does not solely focus on European Member States.²⁵³

The coherence and complementarity between the work of Interpol and Pericles IV are recognised in the survey. The stakeholder survey shows that 45% of the respondents (N=22) find that there is complementarity to a large extent.

Figure 33 – Perception of stakeholders on the complementarity of Interpol and Pericles IV



Source: Online survey, N=22

²⁵⁰ Interpol, Counterfeit currency, n.d., [Link](#)

²⁵¹ Interpol, Counterfeit currency fact sheet, 2017.

²⁵² Interview International organisation.

²⁵³ Interview International organisation.

Furthermore, Interpol values the work of the Pericles Programme on consolidating knowledge on new trends and developments, such as altered design banknotes. The study commissioned by the Pericles Programme is well-received by Interpol and allows Interpol to continue its activities in this regard, building upon the knowledge available in the different researched countries and jurisdictions.

Two opportunities for improvement have been identified. One concerns the need for a more coordinated outreach to China. Both Interpol and the Pericles Programme seek to improve cooperation with China. It would enhance the credibility of both parties and, likely, also positively impact the effectiveness of these activities if the two organisations would coordinate more. Secondly, Interpol flagged issues similar to those mentioned by Europol in relation to the financing of Interpol involvement in Pericles actions. With currency counterfeiting being less of a priority for Interpol at the moment, little or no financial support from the Pericles Programme to Interpol means that the latter cannot attend Pericles actions.

Eurojust

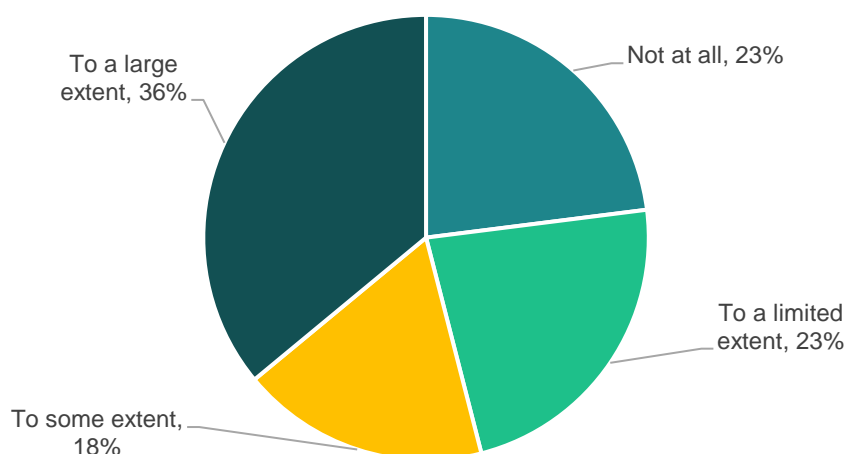
Eurojust, the European Union Agency for Criminal Justice Cooperation, cooperates with law enforcement and judicial authorities in Member States to combat and investigate cross-border crimes in various areas.²⁵⁴ In the field of the fight against counterfeiting currency, the agency complements the work of Pericles IV, which focuses on cross border judicial cooperation between Member States.

The stakeholder survey revealed divided opinions among respondents regarding the complementarity between Pericles IV and Eurojust. Among those who had an opinion, 36% (N=22) believed there is complementarity to a large extent, while 23% (N=22) indicated no complementarity at all.²⁵⁵

²⁵⁴ Eurojust, n.d., [Link](#)

²⁵⁵ Survey Q22

Figure 34 – Perception of stakeholders on the complementarity of Eurojust and Pericles IV



Source: Online survey, N=22

Member States

Initiatives on the Member State level generally concern trainings for law enforcement officers and are of a rather basic nature.²⁵⁶ ²⁵⁷ These trainings are often provided by the central banks and concern, for example, the recognition of counterfeit notes (Italy, training for national police forces and cash handlers), theoretical and practical insights into the techniques and processes for minting coins and printing banknotes (Italy, training for Carabinieri Anti-Counterfeiting Command) and several aspects of handling cash, including one training on security features and the protection of the euro (Spain, training for cash handlers and relevant public authorities).²⁵⁸ Generally speaking, the activities aimed at anti-counterfeiting of the euro on the Member State level remain limited, not least due to the limited priority that is largely allocated to the issue of currency counterfeiting. Hence, the Pericles Programme addresses an element that receives relatively little attention on the national level, thereby naturally being coherent with what is being done already.

Whereas the Member State activities (outlined above) are of a rather basic nature, the actions financed by the Pericles Programme provide more in-depth knowledge and expertise and, above all, foster the network building between the Member States. The Pericles IV action organised by OCRFM in March 2024

²⁵⁶ Ecorys, final evaluation Pericles 2020, 2022.

²⁵⁷ ECFIN acknowledged awareness of trainings on the national level that complement the Pericles Programme in France and Croatia.

²⁵⁸ Ecorys, final evaluation Pericles 2020, 2022, p. 73.

is an excellent example of how a Pericles IV action is coherent with what is being done on the national level because several of the activities part of the OCRFM action (i.e. the house search and the workshop to design your own counterfeit) are, generally, not available on the national level.²⁵⁹ This illustrates the coherence and complementarity of the actions by Pericles IV with those organised on the national level.

No interviewee indicated overlap between the Pericles IV actions and the activities employed on the national level. Non-applicants also did not mention overlaps between the Pericles Programme and their respective national activities as a reason not to apply or participate to Pericles IV actions.

6.2.6. Sustainability

The sustainability criterion assesses the extent to which the outputs and outcomes are likely to endure over time and answers the question “To what extent are the delivered outputs and results achieved (likely to be) sustainable?” (EQ6). Specifically, the criterion aims to investigate the measures and practices adopted by participating Member States and supported third countries’ CNAs to ensure that delivered outputs of the supported Programme’s actions are implemented or otherwise institutionalised after support ends and how such measures have been implemented and performed in practice. Building on the analysis of effectiveness undertaken in section 4.2, the analysis of sustainability starts with the collection of factual information and insight regarding the concrete and tangible ways in which the delivered outputs (i.e., contacts that were developed and/or the knowledge, skills and information acquired through participation in the Programme’s actions) have been put into practice at both the personal and institutional level and stakeholder perceptions regarding the likely sustainability of such practices in the mid-to long-term.

6. To what extent are the delivered outputs and results achieved (likely to be) sustainable?

Answer to the evaluation question in short

The Pericles IV Programme has effectively ensured the sustainability of its outputs and progress towards its objectives. Participants have widely adopted structured knowledge-sharing practices to ensure that knowledge and contacts are disseminated with colleagues and thus used over the longer term. While learning about new methods and trends in counterfeiting and EU contacts are the main identified benefits, networking outside the EU remains limited, indicating a need for more international engagement.

²⁵⁹ Active observation of OCRFM Action

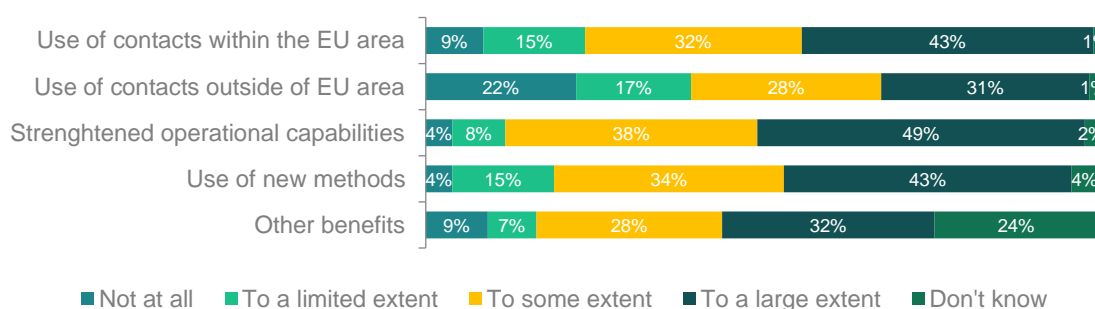
Pericles has positively impacted participants' roles in euro protection, enhancing their skills and institutional capacity. High retention rates and effective onboarding practices ensure sustained benefits despite personnel changes. However, continued success requires addressing resource constraints, especially in third countries. The Pericles Programme remains vital for supporting efforts against euro counterfeiting, though addressing language barriers and ensuring adequate resources will be crucial for future sustainability.

Knowledge sharing

The majority of Programme participants have adopted measures or practices to ensure the sustainability of delivered outputs and progress towards results. In particular, most of the interviewees reported their institutions have implemented structured approaches to knowledge-sharing. These include both formal and informal measures.

The participants' survey (see **Error! Reference source not found.**) showed strengthened operational capacities were most often put in practice after participation in Pericles IV actions, followed by use of new methods and use of contacts within the EU. The use of contacts outside the EU area is somewhat limited (31%), which could point to the need for further networking activities with such countries. It is worth mentioning that the use of contacts is often dependent on the daily activities and responsibilities of the respondents (e.g., some national law enforcement agencies might mostly focus on national criminal offences, in which case the use of contacts outside the EU might be less relevant). Applying new methods or strengthening operational capabilities can be more straightforward than using contacts. Other benefits reported mainly related to learning about trends and currency counterfeiting classification, as well as contacts from other institutions within the same country that are working on activities related to counterfeiting prevention and suppression.

Figure 35 – Adopted measures and practices

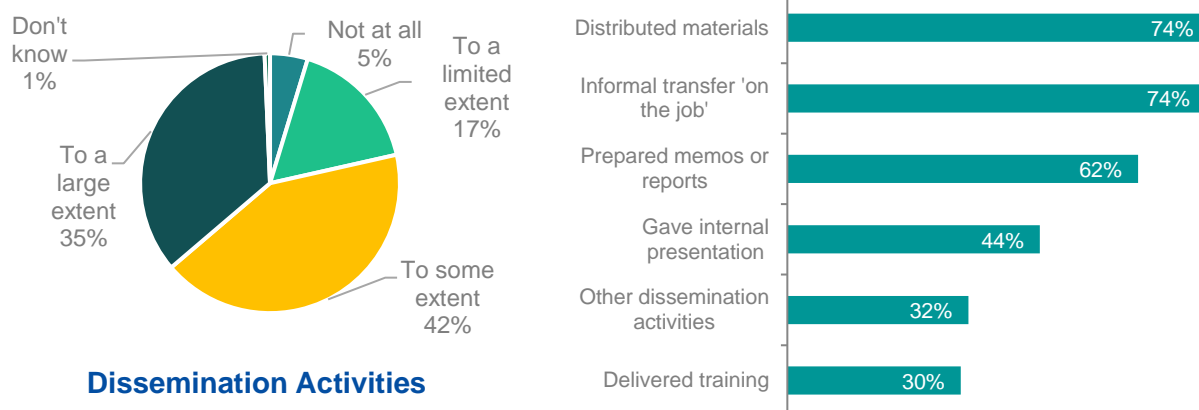


Source: Online survey, N=116

The most common method of sharing information is through the **distribution of materials and presentations used during the action**, which are provided by the organiser and shared either through internal document management systems or databases. Other knowledge-sharing methods vary according to participants' roles, ranging from formal reports prepared by directors for the board of directors, detailed reports and debriefing notes to both formal and informal meetings to discuss the findings and lessons learnt. In addition, sharing knowledge during daily tasks and activities is often mentioned as an effective means of disseminating information. All this ensure that the information is integrated within the institutions.

The survey results confirm a high involvement of participants in dissemination activities (see Figure 36). When it comes to the dissemination of results within the institution, e.g., with colleagues working for the same institution, most respondents reported being able to do so in different ways (78%/N=116). The most frequent dissemination practices included the distribution of (information) materials received (74%) and informal transfer of information during regular operational activities such as during investigations (74%), memos or report for internal circulation (62%) and internal presentations (44%). Less frequent measures include another type of dissemination (such as internal newsletters, articles, e-learning platforms, and posts on the institution's intranet) and delivery of formal training (30%).

Figure 36 – Extent and Nature of



Source: Online survey, N=116

Regarding the number of people benefitting from training sessions and presentation carried out after the participation in Pericles IV actions, stakeholder feedback indicates that the number is quite significant. It ranges from small groups of two people (usually reporting to directors and administrators or the team members) to wider groups of hundreds of people, including commercial banks and retailers.

An interesting aspect to highlight is the **preparation for the action**. An interviewee²⁶⁰ reported holding preparatory meetings within the team to identify specific questions and topics of interest that could be explored during the attendance to the actions and reported back. These preparatory meetings potentially allow the team to focus on key areas relevant for their work, ensuring that they gather the most pertinent information. This targeted approach not only maximises the effectiveness of their participation but facilitates also the sharing of valuable insights and best practices with their colleagues. This preparation helps to ensure that the information shared is directly applicable and beneficial to their institution, enhancing overall operational capacity.

Moreover, knowledge is often disseminated not only with colleagues of the same institution but also with staff from relevant institutions within the country, for example, an interviewee from a law enforcement authority²⁶¹ mentioned sharing the knowledge with colleagues at the Central Bank. **External knowledge sharing is also envisaged**. For example, an interviewee²⁶² mentioned that information is also shared with instructors teaching at law enforcement academies and private schools to enhance their teaching materials by keeping them updated on current trends. Whenever possible, due to the confidentiality and relevance of the information, stakeholders interviewed²⁶³ highlight that broader dissemination with other types of stakeholders is increasingly gaining importance. These include cashiers at supermarkets, retails, airports, post offices and pay tolls as well as the banking sector and the general public. Key elements shared include security features and the Feel – Look – Tilt,²⁶⁴ common methods of counterfeiting distribution and methods to report to relevant authorities. While raising awareness and vigilance is important across all countries, this is particularly relevant for Balkan countries where the euro is not legal tender but is unofficially used and where circulation increases during the tourist season.

Another way to ensure sustainability is the regular organisation **of follow-up actions**. By regularly engaging participants in Pericles actions, **maintenance and update of knowledge can be ensured**. Stakeholders welcome their participation to remain informed about the latest trends and techniques in euro counterfeiting, as well as maintaining contacts. However, the need for repeated training every 2-3 years was emphasised, ensuring that training content remains relevant and up to date with evolving criminal activities, such as the shift from the dark web to social media. This approach helps refresh participants' knowledge and focus on current issues, suggesting the expansion of such workshops to a broader range of countries in future actions. Organised actions such as Staff Exchange for Euro Counterfeiting (SEITACC) or technical

²⁶⁰ Interview with third country.

²⁶¹ Interview with Member State.

²⁶² Interview with third country.

²⁶³ Interviews with third countries and non applicant Member State

²⁶⁴ ECB (2024) Security features, available [here](#)

training organised by BIBE in Latin America represent an initial step in creating continuity and ensuring sustainability is ensured.

In addition, the need to receive **ongoing and follow-up support** has been mentioned²⁶⁵ to ensure that initial training received is maintained and correctly institutionalised. This is the case for the training on the classification of coins where they were introduced to the database, but lack of regular mentoring on obstacles such as the correct use of the database, the accuracy of data entry and the reporting of any technical issues. This support could either come under Commission actions, therefore from the ETSC or within an action organised by a Member State.

Institutional engagement

The majority of participants in Pericles IV actions so far have seen a **positive involvement in their role** since participating in the Programme. Involvement in euro protection activities has increased for more than half of the respondents to the survey, while 45% claim their involvement has remained broadly the same. None of the respondents indicated a decline in their involvement, while only one indicated to be unsure about it. The increased role in euro protection mostly manifests through higher quality of investigations and police operations or the refinements of administrative and technical skills used on a daily basis.

Overall, participants in Pericles IV actions organised so far are still working for the same institution, showing a high retention rate, and contributing thereby to institutional capacity building. 99% of survey respondents indicated that they still work for the same institution. The remaining 1% that has since changed institutions mostly remained in the same field – switching from one law enforcement authority to another. This has been confirmed by stakeholders interviewed who report low staff turnover. A recurring challenge is rather the onboarding of new colleagues to replace retiring staff. However, this is often managed by granting new employees access to existing materials and providing necessary training, thus maintain the effectiveness of teams despite changes in personnel. Albeit more challenging, maintaining international contacts is generally manageable too, as outgoing personnel often facilitate connections with their successors.

Institutional commitment and obstacles to sustainability

There is a relatively high level of strategic and institutional commitment to the continuation of euro protection activities linked to Programme activities. Stakeholders did not point to any major factors limiting the continued future utilisation of the contacts developed or the information, knowledge and skills

²⁶⁵ Interviews with third countries.

acquired through the participation in the Pericles IV actions. Nevertheless, perceptions regarding the availability and allocation of financial and human resources to sustain the outputs and results achieved to date differ. Some stakeholders, especially from third countries, stressed a lack of human and financial resources dedicated to euro counterfeiting, which might limit the capacity of Pericles IV beneficiaries to implement practices acquired through the Programme after the events. Lack of human resources at an institution dealing with euro counterfeiting makes the institution more vulnerable to potential staff changes if proper knowledge transfer mechanisms are not ensured. In this regard, Pericles IV actions (and the related results from participation) proved to be rather important for stakeholders where the teams dedicated to the protection of the euro were smaller. In addition, this underlines the importance and relevance of the Pericles Programme as it often represents the only regular initiative to support countries' capacities in the fight against euro counterfeiting.

As regards obstacles to sustainability, no external factors have been mentioned as potentially affecting sustainability. An aspect worth mentioning is **language barriers** which have occasionally posed challenges for participants to the actions. These were specifically encountered during more practical training sessions and networking moments of the actions, hindering effective communication and engagement.

7. Annex III. Overview of benefits and costs and, where relevant, table on simplification and burden reduction

Annex III presents the estimates of costs and benefits related to the Pericles IV Programme. All identified costs and benefits are presented in the table below by affected stakeholder group (European Commission, beneficiaries, private entities and citizens). The quantification of several costs and benefits of the Pericles IV Programme was not feasible due to the capacity building nature of the initiative. The main benefits of the Pericles IV Programme include enhanced knowledge and technical capacity, increased cooperation and strengthened institutional frameworks, all aspects which do not have a direct monetary value and which tend to evolve over a longer time period. Thus, where monetisation of costs and benefits was not feasible, a qualitative assessment has been provided. In addition to desk research, the information in this annex draws on responses to the targeted consultation activities provided by Member States (implementers of Pericles IV actions), beneficiaries and the European Commission.

Table 17 – Overview of benefit and costs

Type of cost/benefit	European Commission	Beneficiaries (national administrations, central banks, law enforcement offices and other relevant agencies)	Private entities	Citizens
Costs				
Direct costs:				
Administrative costs:	Estimated average number of days spent per call for proposal: 0.123 FTE	16 staff/days (weighted average) ²⁶⁸	NA	NA
- Preparation of calls for proposals ²⁶⁶	Evaluation of applications: 0.438 FTE			
- Evaluation of applications ²⁶⁷				
- Implementation of actions ²⁶⁹	Implementation of actions: 0.33 FTE; The follow-up of the implementation: 0.569 FTE	Not possible to provide a realistic estimate of time spend on implementation because most employees in charge of action implementation also hold other duties in addition to those related to Pericles	NA	NA
Programme/project management	EUR 205 000, i.e. 1.46 Full Time Equivalents (FTEs)		NA	NA
Indirect costs:				
Adjustment costs (simplification of the application process and changes of procedures resulting from learning experiences and the previous evaluation of the Programme)	Simplified evaluation of applications and data management	Simplified application procedure for implementers of Pericles IV actions. No challenges reported in shift to use of eGrants system	NA	NA
Benefits				
Direct benefits:				
1. Strengthening the trust of citizens and business in the genuineness of these banknotes and coins (improved market efficiency)	Trust in currency stability ultimately supports enhanced investment and growth, which adds to securing the sustainability of public finances.			
2. Improved cooperation between national authorities in the field of euro counterfeiting	NA	Improved cooperation among authorities can be linked to more effective crime prevention and detection	Enhanced security due to effective crime prevention and detection	

²⁶⁶ Estimates provided by DG ECFIN, unit C.5

²⁶⁷ Estimates provided by DG ECFIN, unit C.5

²⁶⁸ Source: Targeted online survey, Q6 *Could you provide an estimate of the average time spent for the preparation of an action proposal (number of hours that one full time employee spent on preparing the action)?*; N=21

²⁶⁹ Estimates provided by DG ECFIN, unit C.5

Type of cost/benefit	European Commission	Beneficiaries (national administrations, central banks, law enforcement offices and other relevant agencies)	Private entities	Citizens
3. Promotion of knowledge sharing and an improved understanding of the issues amongst CNAs to deliver increased operational capacity	NA	Enhanced capabilities and knowledge of Member States' institutions in fighting counterfeiting of the euro through better detection of the manufacturing and distribution of counterfeit euro banknotes and coins	Enhanced operational capacities of commercial banks and other stakeholders relevant for detection of counterfeit euros	Stable currency which functions effectively, enhancing the competitiveness of the EU economy and contributing to securing the sustainability of public finances
Indirect benefits: 1. Reduced expenditure for law enforcement activities due to lowered levels of illicit acts	Benefits resulting from "freed" budget due to reduced expenditure on law enforcement activities, which can be allocated to other priorities			

8. Annex IV. Stakeholders consultation – synopsis report

The Synopsis report has been prepared as a summary of the stakeholder consultations activities conducted as part of the “Mid-Term evaluation of the Pericles IV Programme”. The study started on 12 December and was implemented by Ecorys. The Pericles IV Programme has been evaluated in light of six evaluation criteria, namely: relevance, effectiveness, efficiency, EU added value, coherence and sustainability. This annex summarises all stakeholder consultation activities undertaken for the evaluation at hand (as per Better Regulation Tool #54).

8.1. Consultation activities undertaken

The stakeholder consultations involved a targeted survey, interviews, active observation and a focus group. In the following table, a short description per consultation activity is provided.

Table 18 – Overview of stakeholder consultation activities undertaken

Activities	Stakeholders targeted	Timing, Stakeholder Engagement
Survey	Participants to and organisers of Pericles IV actions	Survey open for 4 weeks (5th March-2nd April). Sent to 515 recipients with 169 responses (response rate 32%).
Interviews	Interviews were conducted with the following groups of stakeholders: 1) EU-level stakeholder 2) International organisation 3) Successful applicant Member State 4) Non applicant Member State 5) Third country	Between February and June 2024. In total 48 interviews were conducted.
Active observation	Participants to the OCRFM Action	March 25 – 29, 2024, interviews with all participants to the action (approximately 40)
Focus group	Participants to the ECEG meeting	March 12, 2024, consultation of all participants (approximately 30)

At the end of each consultation activity, the team collected, cleaned and analysed the inputs and data received in line with the Better Regulations Guidelines and Toolbox (#54).

8.2. Stakeholder groups consulted

The following paragraphs outline the different stakeholder groups consulted as part of this mid-term evaluation.

EU-level stakeholders

This group of stakeholders covers the EU institutions, organisations and initiative active on the European level. It includes DG ECFIN, Eurojust, EMPACT and CEPOL. They have been consulted through interviews (in total 7 interviews, including 4 scoping interviews).

International organisations

One interview has been conducted with an international organisation, namely Interpol.

National stakeholders

The group of national stakeholders can be split into different groups as it covers the stakeholders that successfully applied to Pericles IV funding (and have implemented an action) as well as those stakeholders that did not apply (successfully) to Pericles IV funding. The latter category consists of a mix of stakeholders that did recently participate in Pericles IV actions, those that organised actions in the past and those that are only engaged very minimally in the Programme.

These stakeholders have been consulted primarily through interviews. In total 23 interviews (including four scoping interviews) have been conducted with this group of stakeholders. In addition, some stakeholders which are part of this group have been consulted as part of the focus group conducted during the ECEG meeting on 12 March 2024. Moreover, a small share of this group (about 5 stakeholders) also attended the OCRFM Action in March 2024 and were also consulted through this avenue.

Third-country stakeholders

Representatives of third countries that have been part of actions funded by the Pericles IV Programme were consulted as part of the interviews. This primarily concerns counterfeit experts in the respective third country that were involved in actions funded by the Pericles IV Programme. In total nine interviews were conducted with this group.

Participants to Pericles IV actions

Participants to actions funded by the Pericles IV Programme have been consulted through a targeted survey. The survey was sent to a list of 515 stakeholders, including EU institutions, Member States authorities, third country authorities and private sectors. The responses received were 169, indicating a 32% response rate.

The majority of the stakeholders that were targeted have been reached. Where difficulties were experienced, DG ECFIN provided support in providing alternative contact details and / or sent reminders to contacts. In 4 instances, interviews have not been conducted with the originally foreseen stakeholder. In these cases, DG ECFIN provided alternative stakeholders, either from the same country or institution, or from a different country, for the project team to reach out to. Ultimately, in only two instances was it not possible to find suitable replacements.

8.3. Data processing tools and methodologies

Several data processing tools and methodologies were applied throughout the study at hand. The survey was Programmed in EUSurvey, an open-source software solution funded by the European Commission for creating surveys and questionnaires. This software also facilitates swift, accurate and efficient analysis of the survey responses.

The qualitative information gathered through the interviews, active observation and focus groups has been documented in minutes and / or summary reports. These reports have been reviewed by at least two colleagues and, subsequently, stored centrally. The reports have been structured in such a format that their contents can be easily extracted and blended into the analysis of specific evaluation criteria.

8.4. Results of the consultation activities

The following paragraphs summarise the results of each of the consultation activities. No ad hoc contributions have been received outside the formal consultation context.

Survey

As part of the stakeholder consultation strategy underpinning this evaluation, an online survey has been launched targeting participants in the activities of Pericles IV carried out from 2021 to March 2024. These include both

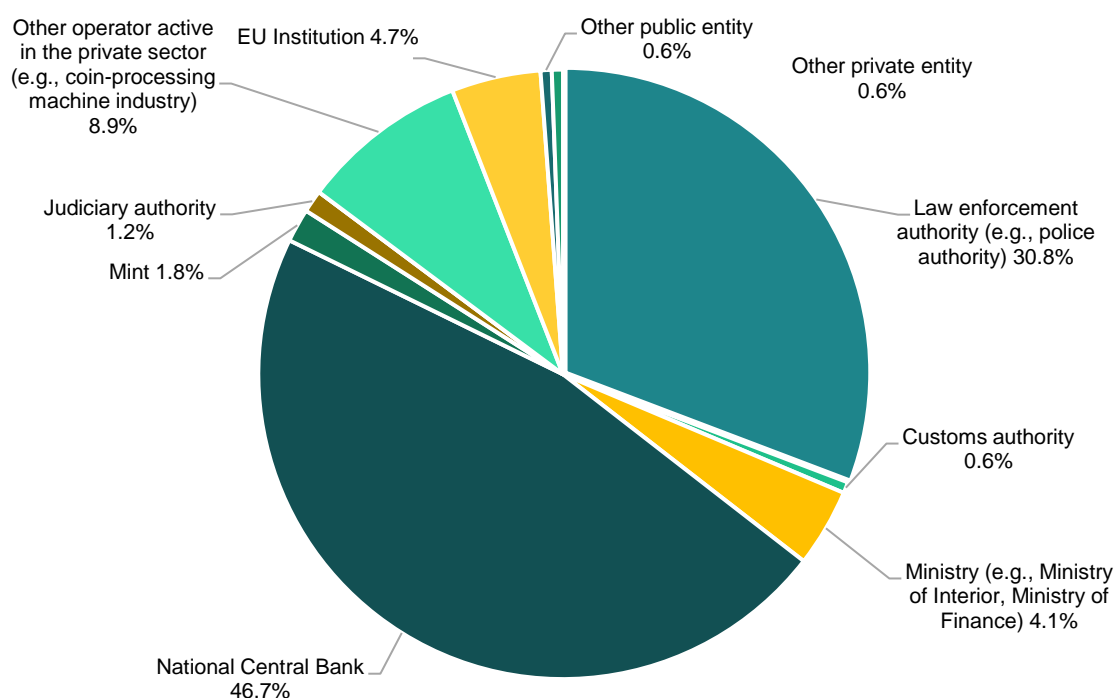
attendees/trainees as well as keynote speakers/trainers, with different sets of questions designed to address the specific needs of each stakeholder group.

In the evaluation phase between the Inception report and the Interim report, the project team compiled a comprehensive list of survey recipients based on the action-level documentation provided by DG ECFIN. Upon validation of the list, the survey was launched on 5th March to 515 recipients, including representatives of EU Member States, third countries and EU institutions. The survey was disseminated in English, Italian, German, Spanish and French. It has been open for 4 weeks until April 2nd, with a reminder sent to participants two weeks before the deadline (March 19th). A total of 169 responses were gathered (response rate 32%). The survey questionnaire was uploaded on EUSurvey, an open-source software solution funded by the EC for creating surveys and questionnaires.

The questionnaire was structured into five sections, with an initial section on “Basic information” about the respondents’ profile, their country of origin, the stakeholders they represented during the participation in Pericles IV action(s) and whether this has changed since. The section also asked stakeholders whether they had organised an action and how the process went in terms of efficiency and communication with DG ECFIN. A multiple-choice question on the type of action attended is allowed to route into the following sections: section “Participants - Results”, “Trainers and Keynote speakers – Involvement in Pericles IV actions”, and “Participants – Dissemination”. The latter was aimed exclusively at participants to enquire about the **sustainability** of actions through dissemination. Section on results aimed to investigate about the **effectiveness** of the Programme in achieving its specific objectives, while the section for trainers and speakers aimed to collect participants’ perceptions about the **effectiveness**, the **relevance** and **coherence** of the Programme. A final section contributed to gathering an overall assessment of the Programme, interest in future participation as well as open questions for comments and suggestions to maintain the relevance of the actions.

74% of the respondents are authorities from an EU Member State, while the remaining 26% from a third country, mainly from Southeastern European countries, followed by Latin American, Türkiye, the United Kingdom, and Japan.

As regards the distribution of respondents across institutions, almost half of the respondents are from National Central Banks (47%), followed by Law enforcement authorities (30%) and other operators active in the private sector (e.g., coin-processing machine industry) (9%) provides a breakdown of respondents per institution.

Figure 37 – Break down of respondents by institutions

Source: Online survey, N=169

Regarding the organisation of an action in the period 2021-2014, 21% of the respondents responded affirmatively, 71% no, and 8% did not know. The total number of respondents to this question was N=123, based on the previous question on whether the authority represented is a competing authority as per Article(2) of Council Regulation (EC) No 1338/2001.

The type of participations was responded as follows: 73% as participant/trainee, keynote speaker 14% and trainer 13%. While for the type of action attended, Most respondents (72%) participated in seminars, conferences, and technical training of the Pericles IV Programme. 22% of the respondents were part of a staff exchange and 6% were part of studies. The original analysis took into account also responses (N=6) reporting the purchase of technical equipment. During the Inception phase, DG ECFIN clarified that no equipment had been purchased under Pericles IV, rather through the actions organised under Pericles 2020. Thus, in accordance with DG ECFIN during the interim meeting, it was agreed to exclude such answers to this question, but to keep the full contribution for the other questions as their insight is reflective of the continuity of the Pericles Programme.

There is overall high satisfaction with participation in the Programme, with 98% of current respondents rating the Programme as either 'very positive (67%) or

‘positive’ (31%). In addition, a majority (96%) of the respondents would be interested in participating in future Pericles initiatives.

The exchange of best practices has been the most highly appreciated aspect by respondents, and staff exchanges between Member States authorities and third-country nationals are rated as highly useful.

No main limitations were encountered. The only point worth mentioning, as stated above, regards the potential confusion of participants about which Programme under which actions are organised due to the backlog of actions for Pericles 2020. In the open-ended questions and during interviews as well, participants tend to refer to the “Pericles Programme” in general. The share of respondents as participants/trainees (73%) is more inclined to this behaviour, while for the speakers and trainers, the chances of this happening are less likely. However, this requires careful consideration.

Interviews

A total of 48 interviews were conducted between January and June 2024. The aim of the interviews was to collect the views and perspectives based on the mid-term evaluation questions and in line with the criteria of relevance, effectiveness, efficiency, EU added value, coherence and sustainability. This paragraph provides a summative overview of key insights collected through the interviews.

Relevance

Overall, interviewees agree that there is **a continued need for action to address counterfeiting of the euro** and that, therefore, the Pericles IV Programme remains relevant. EU level stakeholders, successful applicants and non-applicants shared reflections with regards to the **(un)fitness of indicators** such as the number of counterfeit banknotes, printshops and mints detected to measure the scale of the issue of counterfeiting of the euro. They also indicated during interviews that the (sense of a) decline in the use of cash does not serve as a suitable indicator to measure this scale either. Rather, interviewees indicated that the need for attention for euro counterfeiting continues to be necessary because **counterfeiting remains a threat as long as cash is being used**. Furthermore, they highlight **various current and future threats** that merit attention. Examples include the increased quality of counterfeits, the use of altered design banknotes and the fact that both counterfeits and altered design banknotes are easily available online these days.

Interviewees agree that the Pericles IV Programme is particularly relevant and fits their needs as it provides opportunities for network building and exchanging contacts within and beyond the EU. Furthermore, the actions organised by the Programme help interviewees to update their knowledge on current

developments and trends. This is deemed specifically relevant by Member States who have limited resources dedicated to the fight against euro counterfeiting on the national level.

Furthermore, interviewees highlighted during interviews that the relevance of the Pericles IV Programme could be enhanced if the **target audience of the Programme would be enhanced** (at least in some areas) to also include the judiciary authorities, customs and postal services. These stakeholder groups were frequently mentioned in light of the threat posed by altered design banknotes.

Effectiveness

Overall, stakeholders indicated during interviews that the Pericles IV Programme **effectively contributes to achieving the specific objectives that the Programme has set**. In this light, representatives of international organisations and EU-level stakeholders point out the caveat that the effectiveness of the Pericles IV Programme cannot necessarily be assessed based on the number of counterfeits detected or illegal workshops identified (see also relevance), in part because the Programme is not aimed at directly improving identification or detection of counterfeits but rather on improving cooperation among EU Member States and with third countries.

In interviews with successful applicant and non-applicant Member States, stakeholders indicated that the Pericles IV Programme has **been particularly effective in the facilitation of the development of contacts with counterparts in other Member States and third countries**. Through the actions funded by Pericles IV, these stakeholders have successfully developed and grown their networks which has, in various instances, also been of use in investigations on counterfeit-related cases. In addition, successful applicant and non-applicant Member States emphasise during interviews that they (or colleagues) have benefited from the Pericles IV actions in the sense that it **provided an opportunity to update their knowledge on trends and developments** in the counterfeiting sphere (i.e. in relation to modus operandi). Such information has proven to be useful, not in the last place in light of the detection and investigation of cases.

Some successful applicant do indicate that the effectiveness of Pericles IV actions could be enhanced when actions (and the content thereof) is **adequately targeted to the participants to an action**. In some instances, the audience might be rather well aware of, for example, current threats and developments, allowing for a more in-depth discussion. In other instances, the audience might be less familiar and a more high-level type of information sharing is more appropriate. Parallel to tweaking the content of actions to the audience, these stakeholders also suggest to pay more attention to ensure the right audience is invited to attend actions.

Non-successful applicants pointed out during interviews that, as a consequence of having limited resources available on the national level for the fight against counterfeiting of the euro, they cannot engage with the Pericles IV Programme as actively as Member States with more resources can. As a result, the **benefits of the Pericles IV Programme seem to be unequally distributed among the Member States**. The non-successful applicants note, however, that this is mostly a topic to be addressed on the national level.

Efficiency

In light of efficiency, the interviews with successful applicant Member States and non-applicant Member States proved to be particularly insightful, especially in light of the analysis of the burden of organising and attending Pericles IV actions.

Stakeholders representing successful applicant Member States shared during interviews that the **new online application process has made the application for funding easier**. While the process is not entirely straightforward and many applicants still require support from ECFIN, they do see improvements compared to the previous application process. Another point raised by the successful applicants are the **resources required for the organisation of the actions**. Unanimously, stakeholders organising Pericles IV actions indicated that this required substantial efforts and that the organisation of the action is a team effort and cannot be done by a single individual. The organisation of an action does not only consist of the more content-related preparation but also includes logistics and travel arrangements. These tasks were perceived as particularly complex for those who have no experience with them. Also related to the organisation of the actions, some stakeholders indicated that the budgets available to cover direct costs were on the low side, posing restrictions to the organisation of the action.

In relation to the coordination on the actions organised, some stakeholders indicated during interviews that it would be useful if **upcoming actions are communicated earlier**. This would allow stakeholders to make more informed decisions on which actions to attend and which not. It would also allow the organisers of actions to avoid overlap with other (upcoming) actions.

Stakeholders representing non-successful applicant Member States largely echo the above. They indicate that the **prime reason for not applying for Pericles IV funding to organise actions is the resource constraints the experience**, predominantly in light of the size of the teams dealing with euro counterfeiting. At times, these resource constraints also result in Member States not being able to attend actions.

With regards to the **ECEG meeting**, stakeholders vary in opinion. Some (primarily successful applicants) indicated that they would see the benefit of

organising longer ECEG meetings to avoid rushing. Others (primarily non-applicants) indicated that the frequency of ECEG meetings could be reconsidered to avoid too much repetition from one meeting to another.

EU added value

Interviewees generally indicate that the Pericles IV Programme has a **clear added value** compared to the efforts directed at euro counterfeiting on the national level. In the majority of the Member States consulted, no specific attention is dedicated to euro counterfeiting and, therefore, actions funded by the Programme are welcomed by interviewees. The added value of the Pericles IV actions is underlined both in light of the **information and knowledge shared** on trends and developments (for instance, during the ECEG meetings) but also in relation to the **actions that have a more operational character** (i.e. trainings and staff exchanges). Interviewees indicate that, often, bilateral cross-border cooperation exists with neighbouring countries and that through Pericles, countries (Member States) have been supported in **developing relationships** with countries beyond those that lie in close proximity.

Coherence

Given the relatively limited attention for euro counterfeiting on the national level, the Pericles IV Programme is **generally coherent with and complementary to the activities that are employed on the national level**. A substantial share of the interviewees indicate that the Pericles IV actions can be understood as an extension of the basic efforts dedicated to euro counterfeiting on the national level.

Similar reflections were shared in light of the coherence of the Programme with **activities employed by other EU or international organisations**. EMPACT's activities are of more operational nature, ECB has a stronger focus on the operational aspects of printing techniques (and the abuse thereof) and CEPOL predominantly provides trainings in light of document counterfeiting. In some third countries, other actors such as the United States provide trainings on currency counterfeiting, some interviewees indicate. However, these trainings are more of operational nature. During interviews, the **close cooperation between DG ECFIN as manager of the Pericles IV Programme and EMPACT** was mentioned. In theory, there is some overlap in the work of these stakeholders in light of euro counterfeiting. However, thanks to clear communication and division of responsibilities, overlaps have been avoided.

Sustainability

Interviewees indicate they employ **different strategies to ensure lessons taken from Pericles IV actions are disseminated within the organisation (and beyond)**. This includes the distribution of materials and presentations used during the action, presentations for colleagues, the preparation of formal reports prepared by directors for the board of directors, detailed reports and debriefing notes to both formal and informal meetings to discuss the findings and lessons learnt. One interviewee reported holding preparatory meetings within the team to identify specific questions and topics of interest that could be explored during the attendance to the actions and reported back. Moreover, knowledge is sometimes also shared with staff from relevant institutions within the country, instructors teaching at law enforcement academies and private schools. Interviewees also mentioned their perceived need to organise regular follow-up actions, especially training to ensure the build-in of what previously learned. This is both relevant for Member States countries to remain updated to trends and changes in the area, especially relating to the use of Internet for the distribution of counterfeits and related techniques of investigation, but also for third countries who are attempting to carry out regulatory changes and establishing procedures to deal with counterfeiting at national level. Regular support and mentoring is crucial for such changes to happen and be institutionalised.

Active observation

The following paragraphs summarise the impression of the action along the evaluation criteria. These are based on short ad-hoc interviews with participants and organisers of the action.

Relevance

The **training was positively received** by the majority of the participants, especially the practical workshops and house search exercises. The house search training was perceived to be highly relevant, teaching law enforcement agents practical skills for identifying evidence and understanding different practices among Member States, which enhanced inter-agency cooperation. A tour of the Banque de France's banknote manufacturing unit added valuable information on security measures and printing techniques. This yielded new insights for a substantial share of the participants. The surveillance component was deemed less relevant by participants as general surveillance techniques do not significantly differ in counterfeiting investigations.

The training **effectively addressed capacity gaps** and was appreciated for its operational nature and the opportunity to exchange practices and contacts. Despite the training being conducted in English, the overrepresentation of

French speakers occasionally caused language barriers for some participants. The diversity of legal frameworks required extra coordination but was seen as a learning opportunity, the organisers indicated.

Effectiveness

Overall, participants **deemed the training to be effective**. Almost everyone either refreshed their memories or learned new trends in counterfeiting banknotes. Another positive outcome of the training is that participants are better aware of legal procedures in other Member States with regards to investigations (i.e. in particular house searches).

Participants indicated, however, that **the effectiveness of the action could have been improved** if two participants per Member State would have been able to attend the training (i.e. a colleague more involved on the strategic level and an operational expert). Furthermore, the effectiveness of the training could have been improved if a broader array of Member States would have been able to attend. Also, participants indicated that the balance between French local staff and international participants could be improved. This would have enhanced opportunities for exchanges between local staff and international participants.

Efficiency

Participants indicated that they are able to attend **as long as Pericles IV covers the costs** (travelling, accommodation, etc) and attendance to the action is deemed relevant within their hierarchy. For the hierarchy to make such decision rapidly, it would be helpful if information about the content of the action would become available well in advance of the action. Regarding **opportunity costs**, participants have noted that their regular workload remains, leading to a busy week following an action. Furthermore, organisers of the action indicate that the **organisation of an action requires substantial resources**, in particular when the organising team does not necessarily have much experience in organising such actions.

EU added value

The main EU added value noted by participants is the **exchange of knowledge on trends**, developments and work practices. In addition, **strengthening the network** between counterparts across Member States is also deeply valued because this aids collaboration in light of investigations.

Coherence

The training facilities, particularly the house search workshop and the workshop on counterfeiting methods, in France are distinctive. Law enforcement officers from other Member States have not previously had access to similar kinds of facilities. The training provided as part of this action, therefore, **complemented the trainings available on the national level**, participants indicated. Similar remarks were made by participants when discussing the coherence of the action with activities provided by other organisations such as CEPOL, EMPACT or ECB.

Sustainability

Some participants indicated they would actively **share the new knowledge gained during the training**. Generally, participants indicated that it is good to **repeat trainings** such as the one at hand regularly to refresh knowledge and memory. This is particularly the case for the activities such as the house search whereby new modi operandi, trends and developments are discussed.

Focus group

The following paragraphs summarise the outcome of the Focus group held during the 94th meeting of the Euro Counterfeiting Expert Group ECEG meeting. The activity aimed to explore in particular the relevance of the Programme, therefore the paragraph is organised around the main topics discussed.

Relevance

All stakeholders involved consider the Programme extremely relevant. It plays a significant role in enhancing international collaborations and addressing new challenges in counterfeiting. It has facilitated spillover bilateral exchanges and operational collaborations, which have led to faster and more effective investigations. Additionally, the Programme addresses emerging challenges such as the internet-facilitated distribution of counterfeits and the use of cryptocurrencies, highlighting its relevance in adapting to and combating evolving counterfeit threats.

Emerging trends

Recent trends in counterfeiting indicate a significant rise in poor-quality counterfeits, particularly altered designs. Despite their low quality, these counterfeits have exposed weaknesses in legal and regulatory frameworks due to inconsistent judicial application. The role of the open internet is twofold as it allows the purchase of raw materials to produce counterfeits and it also facilitates the distribution of counterfeits, especially through messaging

applications. Additionally, the use of digital printing technology has contributed to the production of higher-quality counterfeits, posing new challenges. From a more operational side, the increasing involvement of cryptocurrencies in counterfeit transactions further complicates investigations, highlighting the need for specialised units to address these sophisticated methods.

Emerging needs

Several emerging needs must be addressed to combat the evolving threat of counterfeiting. First, there is a critical requirement for enhanced legal definitions and clearer regulations at both EU and national levels to uniformly categorise altered design banknotes as counterfeits. Second, stronger international cooperation is necessary, particularly with non-EU countries significantly involved in counterfeit production. Additionally, there is a need for improved training and awareness Programmes for cash-handling staff to better identify counterfeits. Finally, increasing the involvement of customs and prosecutors in anti-counterfeiting efforts as a way to raise awareness and increase detection and recognition of counterfeits before they enter in circulation, also in light of the of the rising use internet to sell counterfeiting, which are then delivered through parcels and mail. As for the judiciary, the lack of a common categorisation of crime across the Member States coupled with the lack of awareness among the judiciary in the Member States often leads to an arbitrary interpretation of the law and few cases involving altered design banknotes being prosecuted as counterfeiting crime.

Third countries

Efforts to strengthen counterfeiting prevention with third countries often face significant hurdles due to a lack of willingness to cooperate, particularly from countries like China and Türkiye where producing fake foils and prop money is not against the law. According to some stakeholders, this reluctance impedes effective international collaboration, making some investments in efforts and resources. While others still acknowledge the challenges with China and Türkiye, they note their limited cooperation despite attempts to establish relationships and capacities.

ECEG Meetings

ECEG meetings serve as crucial forum for coordinating efforts, enhancing communication, and strategizing collective actions against counterfeiting. However, concerns have been raised regarding the current format's efficiency and operability. The large size of the forum sometimes hinders effective discussion and decision-making. To improve efficacy, there is a proposal to establish smaller, multidisciplinary groups where representatives can engage more deeply on specific issues. Extending the duration of ECEG meetings to two days and reducing their frequency to biannual sessions (spring and autumn) are suggested as measures to streamline agendas and allow for more comprehensive problem-solving discussions. These adjustments aim to

maximise the utility of ECEG meetings in addressing the complexities of combating counterfeiting across Member States.

Budget

Budget constraints are a significant obstacle for Member States participating in the Pericles Programme, affecting their ability to conduct effective actions against counterfeiting. The reduced budget clearly impacts Member States' capacity to organise comprehensive actions which include the right number of stakeholders and encompass all relevant needs. In addition, the financial burden of organising actions such as consistent overspending on expenses like per diems, accommodations, and operational costs, has been mentioned as it often discourages Member States from doing it. These challenges underscore the need for increased budgetary support.

9. Annex V. Case study reports

9.1. Case study South Eastern Europe Network

Introduction

The Pericles Programme has always consolidated a regional approach by implementing actions involving regions of the world which are particularly important to the fight against counterfeiting. The Western Balkan region has been identified as one of the areas which is often used by criminal groups as a transitional hub for, inter alia, counterfeit euro banknotes and coins. Law enforcement authorities and other relevant stakeholders thus require continuous support in detection of counterfeit euros the form of capacity and network building.

The aim of this case study is to provide a deeper look into the:

- Needs of Western Balkan countries when it comes to protection against euro counterfeiting;
- Contribution of Pericles IV actions to the enhancement of institutions' capacity to protect the euro against counterfeiting and related fraud.

The latter is done particularly through the field visit component, where the aim is to gather evidence on utilisation of skills and knowledge developed following participation in Pericles actions and other examples of outputs and results of Pericles actions. This case study is particularly relevant in light of our analysis of the effectiveness, efficiency, coherence and sustainability of the Pericles IV Programme. Desk research on action level documentation will allow us to gather data on the effectiveness and efficiency of the Programme, while interviews and a field visit to Montenegro are conducted to gather more feedback from Programme participants and beneficiaries. The case study encompasses the following actions:

1. SEITACC: Staff exchange on investigation techniques against currency counterfeiting;
2. SEITACC 2: Staff exchange on investigation techniques against currency counterfeiting;
3. Staff exchange on procedures, knowledge and experience to support the Croatian and Bulgarian authorities in joining the euro area;
4. BNEP: 5th Conference Balkan Network Euro Protection;
5. SEITACC 3: Staff exchanges on investigation techniques against currency counterfeiting;
6. Pristina-Tirana technical training on coin analysis and classification.

The table below shows the organisations that were interviewed for the purpose of the case study. The project team conducted a field visit as part of this case study. As part of the field visit, the team visited and interviewed the Central Bank of Montenegro and the Ministry of Interior.

Table 19 - Overview of case study interviewees

Interviewee	Date
National Bank of the Republic of North-Macedonia	2 nd April 2024
Bank of Albania	11 th April 2024
Croatian National Bank	15 th April 2024
National Bank of Serbia; Counterfeit monitoring and analysis department	10 th April
Kosovo UNSCR 1244 Agency on forensics Central Bank of Kosovo UNSCR 1244	24 th April 2024
Field visit: Central Bank of Montenegro Ministry of Interior / Police	13 th – 15 th May 2024

Needs analysis

According to the European Financial and Economic Crime Threat Assessment (EFFECTA), the criminal networks involved in currency counterfeiting originate from both EU and non-EU countries²⁷⁰. Several threats are identified in the Western Balkan area. Overall, the Balkan countries are at larger risk of euro counterfeiting due to the prevalent use of euro for large scale purchases²⁷¹. While in many Balkan countries, euro is not the legal tender, it is used for purchases of residences and vehicles. They are a transit route for many criminal activities and the origin of organised crime groups, which increases the risk of crimes related to euro counterfeiting.

Europol reports that organised crime in Bulgaria continues to represent a threat due to its involvement in the production of high quality counterfeit euro banknotes and involvement in criminal networks, operating both domestically and in other countries in the region²⁷². The European Commission highlights the rising number of counterfeit euro coins in circulation. According to the ETSC, a high number of counterfeit euro coins are distributed in or from Kosovo.^{273, 274} Kosovo UNSCR 1244 has been dealing with increasing circulation of counterfeit

²⁷⁰ Europol (2023), European Financial and Economic Crime Threat Assessment 2023 - The Other Side of the Coin: An Analysis of Financial and Economic Crime, Publications Office of the European Union, Luxembourg.

²⁷¹ Boshkov et al (2017), Euroisation in the Western Balkans: The Evidence for Macedonian Economy, Mediterranean Journal of Social Sciences MCSER Publishing, Rome-Italy Vol 8 No 2 March 2017

²⁷² Sun, sea and scams: six arrests for forging money and documents in Bulgaria, [Link](#)

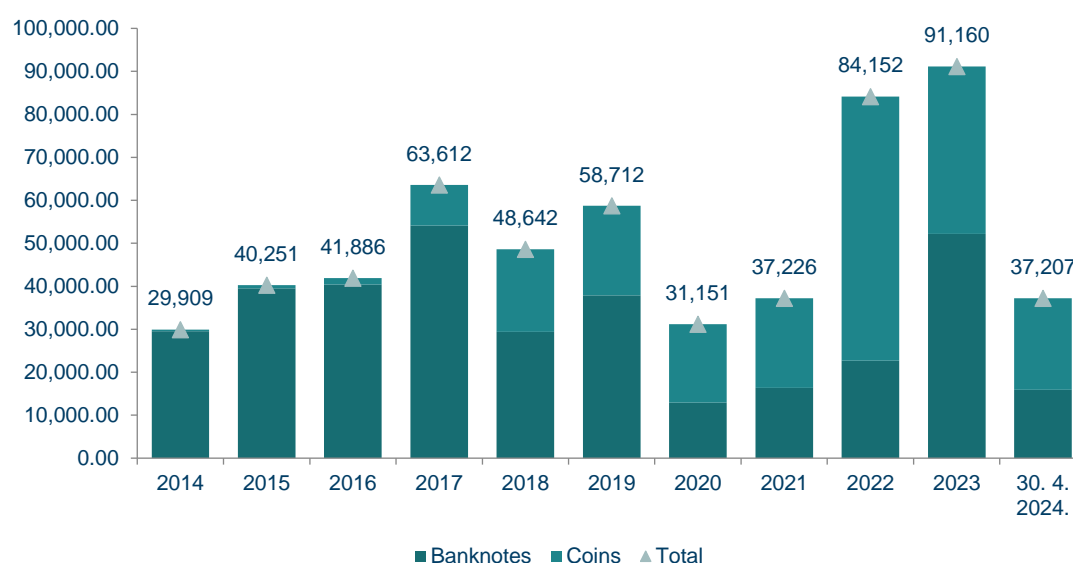
²⁷³ This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence

²⁷⁴ C(2024) 474 final

money in the country, primarily fake 2-euro coins²⁷⁵. The Pristina police forensic laboratory identified 4,451 counterfeit 2-euro coins during the first half of 2022. During the same period in 2023, the laboratory identified more than 30,000 bogus 2-euro coins²⁷⁶. Serbia faces the same issue of larger numbers of counterfeit euro coins being detected. The Serbian Central Bank faces the issue that they have no experience with counterfeiting coins, as counterfeiting Serbian dinar coins is not interesting due to their low nominal value.

In 2022, an increase in counterfeit euro coins has also been noted in Montenegro, especially belonging to a specific common class, namely 2E72²⁷⁷. The value of detected counterfeit euro coins has been growing steadily since 2016, with a sharp increase in 2022, where counterfeit euro coins accounted for more than 70% of the full value of seized euro counterfeits in that year (See Figure 38). The Central Bank of Montenegro stressed that high numbers of detected coins are also linked to high standards of monitoring and control. The Central Bank has a detailed check of all coins that arrive for analysis, unlike in some larger systems where only a sample of 15% is checked. Additionally, the Central Bank of Montenegro is the final recipient of euro coins placed in the Montenegrin system from Serbia.

Figure 38 - Overview detected counterfeit euro banknotes and coins in Montenegro (value in EUR)



Source: Central bank of Montenegro

Euro counterfeiting still poses a significant challenge and is considered a significant issue in Croatia. The situation became even worse after Croatia

²⁷⁵ Text from Euronews Albania (11 November 2023): 'False two-euro coins raise alarm in Kosovo (is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence.)', [Link](#)

²⁷⁶ Counterfeit Money Circulates, [Link](#)

²⁷⁷ ETSC 2022 Annual Report

joined the euro area in January 2023 and the bank observes an increase in number of counterfeit euros in circulation. From the start of 2023, when Croatia adopted the euro, 293 counterfeit euro banknotes have been discovered in the country²⁷⁸. The most common counterfeit denominations were 50 euro bills, almost 200 pieces. In less than two months, more forged notes were discovered than during the whole of last year, when 260 fake euro banknotes were seized, as well as the year before, when 228 were found. Much like Montenegro and Albania, Croatian authorities detect more counterfeits of euros during the summer months when the fluctuation of tourists is high.

While the origin of counterfeits remains unknown, Türkiye is a potential production hub. Efforts should be made to increase collaboration with the Turkish authorities. According to the Turkish police, there is currently little collaboration with the Balkan region, but Türkiye would like to be more involved as they are a transmissional hub. There is a continued need to enhance cooperation with Turkish authorities.

Specific country needs

Most Balkan countries did not specify euro counterfeiting as an outstanding problem, except for the increased euro coin counterfeits. Thus, the main need for these countries remains in strengthening operational and technical capacity in euro coin protection.

North Macedonia mentioned that euro counterfeiting not considered a significant issue, albeit North Macedonia is a small country, which makes it a transit country. They have seen an increase in counterfeit coins, but this is very likely due to the fact that it is a transit country. 99% of counterfeits coins emerge at pay tolls, which seems to present a recurrent problem for other Western Balkan countries as well (see Serbia and Montenegro). North Macedonian authorities would need support on how to use the equipment and classify coins. Additionally, the Central Bank has the need for technical equipment for the analysis of banknotes.

Türkiye stressed the need for more collaboration at practical level and exchange of operational services, including establishing a more official and formal channel of communications. They would benefit from more case studies shown in Pericles actions and more examples of counterfeited money.

The ETSC training provided technical assistance on-the-spot to the Kosovo (This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of

²⁷⁸ Croatia's Entry Into Eurozone Brings Huge Rise in Counterfeit Euros, [Link](#)

independence) Agency on Forensics for classifying backlogs of counterfeit euro coins confirming that the large majority of them belong to common class 2E72. While this training was considered beneficial, further technical assistance is needed to the Kosovo ((This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence) national authorities dealing with currency counterfeiting to increase their detection capacity to identify counterfeit euro coins. Furthermore, the ETSC highlights the need to boost internal coordination among Kosovo ((This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence) institutions to establish an effective legal framework aligned with Euro Area standards. On the investigative side, a prominent coordination role is needed to enhance the efforts of Law Enforcement Agencies operating in the area. The Kosovo ((This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence) Agency for Forensics confirmed this point, stressing that they require further training on how to use the database and how to classify counterfeits. In addition, staff would need further training to learn about coin classification, and to see how other countries manage to trace back the source. From the Forensic Agency's point of view, it is very important to send agency staff to see the euro production process as it is important to understand the manufacturing process from beginning to end, specifically how individual features are incorporated. This would facilitate the classification process and help the Agency's staff when testifying in court. Additionally, further training would be required on the classification procedure, specifically, how to approach the analysis when they receive a large amount of seized money.

This need was confirmed by other authorities. Notably, Albanian authorities stress the need to organise more practical events, mentioning specifically Kosovo((This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence), which needs support in enhancing skills and capacity for technical and tactical skills for euro coins protection – e.g., on the spot training for experts to identify and classify as well as training focused on prevention. The Montenegrin authorities stressed the need visit an illegal mint to learn what tools are used by counterfeiters, how do they use devices, forensics, what are the signs are which indicate that there is potential counterfeit activity (e.g., specific noise, increased electricity bill, etc.).

When it comes to emerging threats, the use of the darknet continues to pose challenges to law enforcement. All stakeholders confirmed this point, with Albanian authorities mentioning two cases of movie money seizure, found in a package which arrived by post from China. The package contained 200 pieces of 10 and 50 nominations.

Case study findings

Relevance

The threat to the euro in South Eastern Europe requires continuous successful police cooperation. The ETSC stresses the added value to ensuring the sustainability of the results in the fight against counterfeiting, through the organisation of actions that build on previous Pericles actions organised by Croatia, Bulgaria, Romania and the Commission. The Pericles IV strategy (2024) clearly highlighted the importance of maintaining an efficient framework for the protection of the euro in South Eastern Europe as this area is one of the most sensitive regions in Europe with respect to euro counterfeiting²⁷⁹. Because of its strategic geographical position close to the euro area, all countries in this region can be considered as both transit areas and potential production sites. The Pericles IV strategy identified several potential implementation actions. The Commission encourages:

- Networking actions aimed at reinforcing regional cooperation among all South Eastern European countries and establishment of a framework for the protection of the euro similar to the one already in place within the EU;
- Support to South Eastern European Member States for developing further activities in the area like multilateral conferences/workshops and staff exchanges, guaranteeing sustainability in the fight against counterfeiting;
- Support to Bulgarian and Croatian authorities to further improve the protection of the euro against counterfeiting.

In an attempt to address the rising threat of euro coin counterfeiting, several actions focused on training in relation to euro coins. The Pericles IV implemented actions included the following activities²⁸⁰ in 2022:

- The ETSC assisted the Albanian and North Macedonian authorities by providing technical information on request on cases of suspect euro coins detected in circulation in their respective countries;
- A 1 day online training on “basic analysis and classification of counterfeit euro coins” was organized for the staff of the National Bank of the Republic of North Macedonia;
- The ETSC assisted the Kosovo ((This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence) authorities, on

²⁷⁹ C(2024) 474 final

²⁸⁰ ETSC 2022 Annual Activity Report

request, in the analysis of suspect euro coins that were detected in circulation and before circulation.

Pericles IV actions implemented until June 2024 have largely contributed to addressing the needs of Western Balkan countries. When it comes to the modality of support, Pericles IV actions in the South East Europe most often took the form of staff exchanges.

Pericles IV actions targeting identified needs

As outlined in the Pericles IV annual reports, the Programme supported several actions focussing on encouraging and maintaining strong cooperation among the competent national authorities in South Eastern Europe since its inception in 2021²⁸¹. This included a staff exchange (SEITACC) organised by the Italian Comando Carabinieri Antifalsificazione Monetaria (CCAFM). Additional Pericles IV actions in 2021 include the organisation of ‘4th Balkan Network Conference’, which brought together participants from national and commercial banks in the region, and supported the functioning and information exchange of an early alert system among the countries involved²⁸². Finally, in 2021 the Commission implemented a digital “Pristina-Tirana” technical training on coin analysis and classification, which targeted law enforcement officials.

Table 20 - Overview of addressed needs

Need	SEITACC	SEITACC 2	SEITACC 3	SEEC	BNEP	Pristina training
Enhancing operational capacities (technical knowledge and skills)	X	X	X			X
Enhancing regional cooperation		X	X		X	
Establishing a network for protection of the euro					X	
Supporting new eurozone MS	X	X		X		
Staying ahead of trends and new modus operandi					X	

²⁸¹ COM/2022/318 final - REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN CENTRAL BANK concerning the implementation and the results of the Pericles IV programme for the protection of the euro against counterfeiting in 2021.

²⁸² Ibid

Pericles IV continued to support stakeholders in the South East Europe throughout 2022 when staff exchanges were organised by the Italian Comando Carabinieri Antifalsificazione Monetaria (CCAFM), the Guardia di Finanza (GDF), as well as a staff exchange organised by the Croatian National Bank, which had as its main goal to share best practices on procedures, knowledge and experience to support the Croatian and Bulgarian authorities in joining the euro area²⁸³. The staff exchange organised by the Italian Comando Carabinieri Antifalsificazione Monetaria (CCAFM) was organised in 2023 and constitutes a follow up action (included two candidate countries, Bosnia and Herzegovina and Türkiye). Other actions were organised in 2023 that aimed at developing operational relations between competent authorities of the participating countries such as the Technical and operational training on the protection of the euro against counterfeiting (included three candidate countries: Albania, Serbia and Türkiye (with three representatives from each country operating in the field of counterfeit currency).

With regard to Croatia and Bulgaria, the Pericles IV strategy identified the need to support these countries and their respective competent authorities in introducing the euro. Croatia joined the euro on 1 January 2023 and Bulgaria has expressed its intention to join the euro in 2025. According to the Croatian National Bank, euro counterfeiting still poses a significant challenge and is considered a significant issue in Croatia even after its accession to the euro area. The situation became worse after Croatia joined the euro area in January 2023 and the bank observed an increase in number of counterfeit euros in circulation. The central bank's analysis shows that the situation in Croatia was worse in this regard than in other EU MS who joined the euro after 2001. Therefore, the Staff Exchange Euro Counterfeit (SEEC), contributed to enhancing technical knowledge - especially on analysis of counterfeit banknotes and coins as well as on administrative practice and investigative techniques in cases requiring international cooperation.

Table 21 - Overview of countries that participated

	Country								
Action	Non EU participant						EU MS		Third country
	Serbia	BiH	Kosovo UNSCR 1244	Montenegro	North Macedonia	Albania	Croatia	Bulgaria	Türkiye
SEITA CC	x							x	
SEITA CC 2				x		x	x		

²⁸³ COM/2023/468 final - REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL AND THE EUROPEAN CENTRAL BANK concerning the implementation and the results of the Pericles IV programme for the protection of the euro against counterfeiting in 2022.

	Country								
SEITA CC 3		x							x
SEEC							x	x	
BNEP	x	x	x	x	x	x	x	x	x
Pristina training			x						

There is a need to further strengthen technical knowledge, especially on identification and classification of coins. Stakeholders called for more practical work in organised actions – e.g., concrete examples of counterfeits and how to distinguish between originals and counterfeits. Staff exchanges are viewed as the most useful type of action in this regard.

Relevant target groups

Overall, Pericles IV targets the right stakeholder groups, however, higher inclusion of judiciary authorities should be encouraged. While judiciary authorities are included as a target group, stakeholders pointed out the need to involve judges more proactively due to their pivotal role in prosecution of perpetrators. In some countries collaboration with the judiciary is not as smooth as with police and customs authorities. In the case of Croatia, the problem is mainly linked to turnover of staff, a high number of judges and the superficial understanding of counterfeiting (i.e., the 5 scale classification system for counterfeits) and processing of such fraud.

For many years, the Croatian National Bank has been implementing a national training program to educate people who handle cash on a daily basis, which primarily includes euro banknotes and coins, but also the general public. From 2021, the training is conducted online through the National Training Program application²⁸⁴, which contains textual, pictorial and video information about the basic characteristics of banknotes and coins, as well as how to determine authenticity.

The Central Bank of North Macedonia mentions that people ignore security features, so it is important to teach the public how to detect counterfeits. This includes people that are the first point of contact with euro banknotes and coins, be it workers in money exchange offices, the post or at stores. While the Central Bank organises training for bank employees, there are other target groups, including cashiers at supermarkets (already working on it), retailers, big shopping centres, airports, casinos, etc., that need to be aware of counterfeiting. While not directly in the scope of the Pericles IV Programme, this target group is

²⁸⁴ How to identify counterfeit kuna and euro banknotes and coins, [Link](#)

affected by its outcomes, given that the Central Bank transfers knowledge to this group. Both the Serbian Central Bank and Kosovo ((This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence) Agency for Forensics concur that there is a need for training of cashiers in supermarkets, gas stations, and other points of first contact. While these are not (and should not be) the target groups for advanced training, there is a need to train them as the first point of contact for identification. If they are able to identify counterfeits early on, it could help bringing down the demand for counterfeited money.

Effectiveness

Achieved outputs and outcomes of Pericles IV actions

Overall, Pericles IV activities contributed to the enhancement of the capacity to protect the euro among relevant institutions in Balkan countries. The specific types of Pericles IV outcomes are grouped based on outcome type; these are discussed in the following sections.

Enhanced knowledge and operational capacity of staff

Pericles IV actions are useful for acquiring knowledge on techniques, tools and methods needed to successfully combat counterfeiting of the euro. Additionally, actions contribute to participants awareness of new modus operandi. In addition to training, participants point towards staff exchanges (SEITACC and SECC) as having the biggest benefit in transmitting operational knowledge (e.g., use of equipment, best practices, investigative techniques related to the dismantling of printshops). Most Balkan countries still require a lot of practical training, which would contribute to improving such operational knowledge. Additionally, these actions result in sharing of best practices on investigative matters.

Practical training and enhancing operational capacities contribute to the prevention and combatting of euro counterfeiting. The Central Bank of Montenegro mentioned how this is done through fast reaction. When counterfeits of 500 EUR appeared in circulation, which were detected by currently used counting machines, the Central Bank reacted quickly and notified commercial banks about the issue to stop the dissemination of counterfeit banknotes. The Central Bank of Montenegro regularly updates a list of tested machines on the website²⁸⁵.

²⁸⁵

CBCG, [Link](#)

The Croatian National Bank used the staff exchange “Staff exchange on procedures, knowledge and experience to support the Croatian and Bulgarian authorities in joining the euro area” as an opportunity to educate technical experts that had joined the bank one year prior to the introduction of the euro. Four colleagues participated in the staff exchange and went to Portugal and Spain, where they had the chance to enhance their knowledge, meet colleagues and establish contacts, and learn best practices.

The Central Bank of North Macedonia highlighted that the BNEP conference informed them about new *modus operandi*, i.e., the use of the internet and the possibility of buying counterfeits on the internet as well as the availability of raw materials, which makes it easier to produce counterfeit.

The Croatian National Bank stressed the need to enhance third country capacities when it comes to actions preventing euro counterfeiting. As the most recent member of the EU, Croatia recalls the usefulness of exchanging experiences with their EU counterparts, specifically in relation to setting up legal frameworks and procedures. According to the Croatian National Bank, cooperation with Western Balkan countries is working well so far. Through Pericles IV financed staff exchanges, the Croatian National Bank was able to share best practices and experiences with third countries, specifically explaining the challenges they faced in preparations for accession to the EU (from things to watch out for to how to build internal procedures). While the set up of the institutional framework is in place in most Western Balkan countries, efforts need to be made to arrive to the stage where the countries will be ready for their full implementation. Precisely for this reason, the Croatian national bank continues its efforts to support knowledge sharing in these countries and has planned staff exchanges for the end of 2024 and beginning of 2025. The staff exchanges will focus on providing a training on technical analysis.

Beyond training staff on the classification of euro coins, the Pristina – Tirana training resulted in the establishment of a classification procedure established by the Kosovo ((This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence) Agency for Forensics. The Albanian Central Bank stressed that this training resulted in enhanced knowledge on coin analysis and classification.

Results of previous Pericles Programmes

It is important to highlight Pericles results that have long lasting impacts. As part of the Pericles 2020 Programme (Pericles IV predecessor), 4 digital microscopes were purchased by the Italian Central Anti-Currency Counterfeiting Office (UCIFM) for the Montenegrin authorities. The equipment was delivered in September 2018 and a practical training was provided with the aim of teaching the technical skills required to use the equipment.

The equipment was distributed between the law enforcement agencies and the Central Bank, with three microscopes being placed at border crossings, where it is used by the border control, while one microscope was given to the Central Bank of Montenegro. By using the equipment, the Montenegrin police get an instant signal from the border control when a suspect is caught trying to enter Montenegro with counterfeit euros. Thus, Pericles enabled the timely response in fighting dissemination of counterfeit euros.

Information sharing and experiences

Pericles IV actions result in greater awareness of threats of euro counterfeiting within relevant institutions. Staff exchanges (SEITACC series and SEEC) and allow participants to exchange views and experiences on best practices. Conferences (BNEP) are very important for meeting colleagues from other countries and exchanging information on challenges and issues they face and how they deal with them. Several countries have stressed the value of receiving advice and hearing about experiences in relation to the use of the best technical equipment. The Central Bank of North Macedonia got advice from Croatian colleagues on the technical specifications of equipment and advise on what to use it for. Hearing experiences from colleagues helps to make processes more efficient.

The greatest benefit for non-EU countries that participate is seen in sharing of information, which provides countries outside the EU an opportunity to learn about the legal framework and get an initial idea of how the system works. This allows them to be better prepared to adapt to changes when joining the EU. For example, the Central Bank of North Macedonia indicated that they will likely change their internal organisational structure. Currently, there is one unit specialised in counterfeiting. Following the experience of other countries, particularly Croatia, the bank would seek to expand to having three unit: one unit for coins, one for banknotes, and one focused on reporting. Thus, Pericles activities allow third countries to gain insight well before accession to the EU and they can commence the adaptation of organisational setting, administrative capacity as well as to update hardware/software and IT applications.

Networking and closer collaboration

Pericles IV actions resulted in closer and more regular institutional cooperation and coordination among Balkan countries (both within the Balkans and with EU Member States). Following the SEITACC 2 staff exchange, the Albanian authorities report enhanced collaboration with their law enforcement counterparts in Italy, namely, the GdF and CCAFM. The same case is reported for the Montenegrin authorities²⁸⁶. The contact with the Italian law enforcement authorities allows them to quickly react and check indicatives of counterfeits originated from Italy and to check whether the counterfeits found in Montenegro were supposed to be on the route to Italy. Establishing a communication line with central banks in the area is important for Montenegro because they do not produce euros on their own.

All stakeholders agreed that the BNEP conference helped them expand their network and create contacts in other countries. Such events are crucial also for maintaining contacts with other authorities. In the case of law enforcement agencies, cooperation and communication happens in relation to operations or identified cases of suspicion. These do not occur in same frequencies, with long periods of time passing between occasions of communication. Pericles activities are important as they allow participants who had not been in touch for a longer period of time to reconnect.

The Central Bank of North Macedonia flagged that the topics evaluated at the conference are more or less faced by everyone, but the benefit is in networking so that in case of other problems that are not discussed during the conference, we know who to contact. The Kosovo UNSCR 1244 Agency for Forensics concurs and says that the biggest benefit of Pericles IV events is networking. They stressed that Pericles (BNEP conference) contributed to closer collaboration with neighbouring countries.

The Serbian Central Bank concurred, stating that the conference contributes to continuous collaboration between Balkan countries. This collaboration enabled Serbian authorities to quickly exchange information with their Croatian counterparts in one case when an illegal printshop was found in Serbia and counterfeit Croatian kunas were confiscated. The Croatian National Bank highlighted the same example when mentioning that gathering contacts and establishing network continues to be one of the biggest benefits of the Pericles Programme. In this joint operation, law enforcement authorities were able to quickly react and counteract circulation of counterfeit dollar and kuna notes. The Serbian police had notified the Croatian National Bank about a printshop that was discovered in January 2021 on Serbian territory, where counterfeit US dollars and Croatian kuna were being produced. The Serbian police rapidly got

²⁸⁶ Montenegro, Italy to boost co-operation in the fight against euro counterfeiting, [Link](#)

in touch with the Croatian National Bank who analysed the counterfeits and notified all neighbouring countries within one week after the notification from the Serbian police.

The Central Bank of North Macedonia highlighted that their participation in the Balkan Network for Euro Protection resulted in a collaboration with the Croatian National Bank as part of a Twinning project, where North Macedonia is a beneficiary. Additionally, a project was initiated with Germany and cooperation with the Croatian and Austrian Central Bank (see under Coherence). As a result of participating in Pericles IV actions, North Macedonia changed decisions in accordance with EU legislation, updated the database to register counterfeits, and worked on public campaigns; in 2024, they will upgrade the database for registering counterfeit banknotes and coins to include the EU classification.

Pericles activities have helped employees of one institution meet their counterparts in the same country. For instance, the Central Bank of Macedonia had the opportunity to establish contact with their Ministry of Interior during the 5th Balkan Network for Euro Protection conference in Croatia and they expanded their training offer towards police and customs officers to teach them how to use information provided by the bank for their investigations. Additionally, the central bank was able to establish contacts with public prosecution office too. The Croatian National Bank established links with the Customs authorities following the 4th edition of the BNEP conference. The two institutions have since signed a bilateral agreement outlining their responsibilities when it comes to euro counterfeiting and agreed on the means of communication used to facilitate future collaboration.

Establishment of administrative cooperation agreements

The Pericles IV predecessor (Pericles 2020) actively contributed to the set-up of bilateral agreements, which facilitated the set-up of institutional frameworks within third countries in relation to fighting euro counterfeiting, which resulted in improved institutional and legal frameworks. To enhance collaboration and have a better understanding on the state of play of euro counterfeiting, several Western Balkan countries have signed Administrative Cooperation Agreements (ACAs) with the European Commission and the European Central Bank. As to date, the Commission has concluded Administrative Cooperation Agreements with Türkiye, Serbia, North Macedonia^{287,288}, Kosovo (This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ opinion on the Kosovo declaration of independence) , Albania and Montenegro in order to foster cooperation²⁸⁹.

²⁸⁷ National Bank of the Republic of North Macedonia, n.d. [Link](#)

²⁸⁸ Ibid

²⁸⁹ C(2024) 474 final

The ACAs signed with the Commission envisage exchange of technical, statistical and administrative information related to counterfeit euro coins detected on the territory of our country. The Arrangement, inter alia, requires from the national central banks to submit to the European Commission quarterly reports with statistics on counterfeit euro coins detected. On the other hand, the European Commission provides technical and administrative assistance to the banks in the form of training for detecting counterfeit euro coins. Cooperation Agreement with the European Central Bank (ECB) in the field of protection of euro banknotes against counterfeiting represent for most Balkan countries another step in fulfilling the recommendations of the European Commission. The agreement obliges central banks to provide technical information on the original euro banknotes in circulation, as well as information on counterfeit euro banknotes. This information is reported to the ECB on a monthly basis via reports.

For several countries, the signing of administrative cooperation agreements resulted from involvement in Pericles actions. For instance, in the case of Albania, where staff of the Central Bank discussed the possibility of such an agreement with ECB and EC colleagues. The importance of ACAs is also reflected in the resulting alignment of the national legislative framework to the EU one.

Some countries have put considerable efforts into strengthening the institutional framework through bilateral and internal agreements. For instance, The National Bank of North Macedonia has implemented, independently and in cooperation with the Ministry of Interior, a number of activities to strengthen the capacities of the system for suppression of money counterfeiting with special emphasis on prevention against counterfeiting euros. Montenegro has signed a protocol on interinstitutional cooperation 2012, which established clear responsibilities between the prosecution, the central bank and the police. Such action at national level can greatly facilitate collaboration and contribute to the effectiveness of any type of activity that is aiming to combat counterfeiting practices.

Continuity of actions and external factors obstructing effectiveness

Overall, there is a need for continuous activities as new problems and types of counterfeits emerge, authorities need to be vigilant and constantly up to date. Countries face the same problems, but they react differently to these problems, so it is good to hear the experiences of others and learn from their examples.

For some beneficiaries and participants in Pericles IV actions, the language barrier presents a challenge in fully exploiting the benefits of participation. For ex-Yugoslavian countries, this issue is mitigated by the proactivity of the Croatian National Bank in organising actions that target specifically the Balkan region. This can be considered a best practice case.

Efficiency

Aggregated data for four grant beneficiaries was done based on actions reviewed as part of the case study. The analysis shows that **the difference between the planned and actual grants is on average -3%** (more than EUR 5 thousand in total), which is negligible. However, when the different elements of unit costs are observed, we see stark differences between the actual and planned travel, subsistence and hotel costs. These range on average from 50 to 70%. Explanations for such stark deviations can be found in the technical reports of the actions. These mostly link to increases in cost of flight tickets due to the rising prices globally, Otherwise, the differences can be found in differing staff costs, which mostly occurs due to different calculation methods - planned staff cost is calculated based on average salary data while the actual costs are calculated according to the actually received salary income during the project implementation.

Table 22 – The overview of countries that participated in these actions is provided below.

Title of the action	Diff. actual and planned budget	% diff	Diff actual and planned staff costs	% diff	Diff actual and planned travel costs	% diff	Diff actual and planned subsistence and hotel costs	% diff
SEITACC	- 12.049,47	-12%	-376,00	-1%	-7376,35	-40%	-1298,00	-4%
SEITACC 2	-14.360,05	-10%	-206,65	-1%	-3137,29	-8%	-4934,37	0%
SEEC	4.776,49	12%	308,70	8%	4754,92	72%	-599,61	0%
BNEP	- 0,39	0%	200,58	2%	5742,52	16%	-610,94	0%

For three out of four reviewed actions, the actual budgets were lower than the planned budgets, although their scope largely remained the same and their objectives were to a large extent achieved, thus indicating efficient use of resources. The implementers face difficulties with rising costs, which cannot be covered by the unit costs and subsistence as determined by the Commission.

When it comes to the organisation of actions, the Croatian National Bank did not mention any challenges in the application process beyond rising costs. The Bank faced an internal restructuring and the creation of a protocol directorate, which now handles all the financial aspects related to Pericles actions and organisation has highly contributed to the efficiency of the application

reparation. The reporting requirements are shared amongst the two directorates now. The Directorate for money has more time to focus on the content of the action they are organising (selection of topics, speakers, etc). This was seen as an improvement and eased admin burden. The protocol directorate is tasked with preparing the financial report, while the directorate for money (which act as NAC) prepares the technical reports.

Overall, there is a need to involve a larger number of people in Pericles actions for which the budget is insufficient. The Montenegrin police has highlighted the need for a higher budget for Pericles IV activities. Enhanced cooperation is established through mutual trust – creating contacts and acquaintances is key to the success of euro counterfeiting activities. It is of importance to have as many participants as possible to Pericles IV actions. As the national financing is not sufficient to perform such activities, the scope of Pericles IV financed activities is crucial.

As regards the co-financing rate, it is considered sufficient. The Croatian National Bank (as the only action organiser in the reviewed sample) was asked whether they would be able to organise the conference without the support of Pericles IV. As the CNB finds this conference extremely useful for contact development, they would likely be inclined to co-finance a larger share if the EU contribution share was reduced. However, it is likely that in this case the conference would not be held on a bi-annual basis, especially because of its growing size.

The Central Bank of Montenegro acted as a co-organiser of the SEITACC 2 actions. They had to select the staff who would participate in the staff exchange, set the agenda for the visit of Italian colleagues and coordinate with the Montenegrin police. The Montenegrin Central Bank had to spend 1 day of preparation as an action co-organiser.

The benefits of actions performed in the South East Europe can be reflected in:

- Stronger cooperation with authorities in other countries, both within and outside the eurozone – Pericles IV activities contribute to the establishment of trust between institutions and people, which allows seamless implementation of daily tasks
- Better knowledge and technical skills in detecting counterfeit euro banknotes and coins
- Improved skills in detecting counterfeits of national currencies

The knowledge on euro counterfeiting also helps the Albanian Central Bank with identifying lek counterfeits as they have tactical and technical knowledge and skills on identification and classification of counterfeits.

Coherence

Pericles IV activities provide a unique service, which is not offered by other institutions (be it private or public) in the analysed countries. The type of expertise training that Pericles IV provides is unique. Western Balkan countries participated in other European initiatives that have shown to be complementary to Pericles IV actions. Stakeholders largely confirmed that the EU institutions (namely ETSC and the ECB) are the primary actors that should provide such type of technical training.

Several projects or activities which refer to euro counterfeiting were identified in the region. North Macedonia benefitted from a EU-funded Twinning Light Project²⁹⁰ in Skopje titled “*Strengthening the capacities of the system for fight against counterfeiting of EUR*”. The project lasted for 8 months and had a budget of 250,000.00 Euros. It was implemented jointly by the National Bank of the Republic of North Macedonia, the Ministry of Interior and the Deutsche Bundesbank. Additionally, the project implementation was supported by experts from the Croatian and Austrian central banks. The project covered an analysis of the functioning of the system of fight against counterfeiting of banknotes and coins, the identification of bottlenecks and recommendations for improvement. The project contributed to strengthening the cooperation with all relevant domestic and foreign institutions involved in the system for fight against the counterfeiting of money. It helped further improve and harmonise the legal framework and methodology of the system for the fight against counterfeiting of the euro, develop administrative capacity of the institutions involved in fight against counterfeiting of the euro and further improvement and integrate the database and IT system used for the fight against counterfeiting of the euro.

North Macedonia has also regularly participated in seminars organised by the German Bundesbank as well as the ASTRA sub-platform for experts. Following the Balkan Network conference and building on the good cooperation with the Croatian National Bank, the Central Bank of North Macedonia applied for a TAIEX mission for technical assistance and chose The Croatian National Bank as supporting partner.

The Turkish police mentioned that only Pericles provided the sort of specialised technical training they required, this type of expertise cannot be found at other service providers.

Several countries benefitted from TAIEX projects, including the Albanian Central Bank, Croatia, and Montenegro. The Albanian Central Bank has also mentioned participation in the Bitmap Programme provided by Interpol on laser and toner printing. Serbia has added participation in staff exchanges via the

²⁹⁰ Final conference of the EU-funded Twinning Light Project in Skopje “Strengthening the capacities of the system for fight against counterfeiting of EUR” [Link](#)

Instrument for Pre-accession Assistance (IPA). Other than that, Europol initiatives are the main other source of activities linked to fighting counterfeiting.

Europol provides technical support and training on tactical and technical issues related to protecting the euro from counterfeiting. For instance, the Montenegrin Police participated in a seminar that presented cases from practice (Spanish investigation). This type of support mainly targets law enforcement authorities. However, some aspects of Europol's work can also involve other stakeholders. For instance, the Albanian Central Bank is part of the Europol Platform for Experts ("EPE"), a space for Law Enforcement experts to share knowledge, best practices and non-personal data on crime.

EU added value

Most of the countries organise trainings at national level to be able to transfer knowledge on use of technical equipment and identification of counterfeits. While in some countries this is limited to certain departments of law enforcement bodies, in others the training is more extensive. Montenegrin authorities organise frequent training sessions at the police academy – such trainings are a result of experiences exchanged with other Pericles Programme participants (in this case, Portugal). The one day seminar primarily targets police officers in charge of border control. The goal is to educate on how to recognise counterfeits, the protocol on how to react and new modus operandi. The session is held jointly by the police, the central bank and the prosecutor's office, with each institution covering aspects within their remit of work (i.e., criminal, technical and legal aspects). The seminar is usually held prior to the summer season due to the higher influx of counterfeits in these months. Such activities being done at national level cannot fully replace what Pericles IV activities provide, as such a training only constitutes sharing of knowledge and best practices. Thus, it primarily speaks to the sustainability of Pericles IV activities.

Phasing out Pericles IV would result in a complete termination of communication between authorities. While theoretically initiatives at national level or bilateral initiatives between countries are appropriate measures to combat euro counterfeiting and could be thought of as replacements, there is no guarantee that Member States and third countries would have the incentive to engage in such initiatives. The lack of proactivity of some Member States in organising Pericles IV actions could support this fear. The Montenegrin police claims that communication on suspected cases would eventually have to go through Europol and Interpol, which would have an impact on the speed of the police work that is considered crucial. Additionally, many law enforcement authorities and central banks would not have sufficient funding to dedicate for maintaining Pericles type of activities. Lastly, Pericles actions bring together other European institutions such as Europol, Eurojust and the ECB with whom it is essential to establish and keep communication.

9.2. Case study Pericles IV actions with a focus on the web

Introduction

The rise of information technology has facilitated the proliferation of counterfeit currency via online platforms, including the dark web and clear web. Criminal activities such as the distribution of counterfeit euro banknotes through online channels have been increasingly reported, posing significant challenges to law enforcement agencies. This case study aims to evaluate the impact of the actions of the Pericles IV Programme, in addressing the threats posed by the web to the circulation of counterfeit euros including the new threat of banknotes with altered design. The focus will be on understanding how these actions mitigate the distribution of counterfeit currency through the internet, assessing their impact on combating this criminal activity and identifying any gaps and opportunities for further action of the Pericles IV Programme in this regard.

Scope and actions

The case study encompasses three key actions funded- and a study procured by the Pericles IV Programme, aiming to target different aspects of combating counterfeit currency through online platforms. Firstly, the COPE pilot project, led by BKA, orchestrated workshops delving into the distribution of counterfeit banknotes via internet media (messenger services, social networks and the dark web). The workshops aimed to edify law-enforcement and stakeholders and evaluate training efficacy. Secondly, training sessions set-up by BIBE in Bogota (Colombia) and Lima (Peru) targeted the police experts from various Ibero-American countries to focus on the role of the (clear & dark) web in counterfeiting. Lastly, the study procured by the Pericles Programme focused on highlighting distribution patterns and detection methods for altered design banknotes as well cross-analyse programming with regards to internet and (dark and clear) web focus.

Already under the previous Pericles 2020 Programme, there were a number of actions addressing internet and (dark and clear) web. These focused on capacity building and expertise while the dark web was highlighted as a new emerging threat to monitor. Pericles IV actions place further emphasis on the fight against web-based euro counterfeiting.

Table 23 – Overview of actions relevant to the case study

Type of action	Title of action	Organiser	Country	Location	Date	Objective
Workshop	Workshops on focused on distribution of counterfeit banknotes through the internet (messenger services like Telegram, Wickr, Signal, social networks), and the darknet and the following delivery by post to the customers.	BKA - Bundeskriminalamt	DE	Germany	2022	Improve operational expertise
Training	Training for counterfeit experts from Ibero American countries	Ministerio del Interior Spain	ES	Peru	2022	Improve operational expertise and foster transnational cooperation
Training	Training for counterfeit experts from Ibero countries	Ministerio del Interior Spain	ES	Colombia	2023	Improve operational expertise and foster international cooperation
Study	Study on movie money, prop copy products and other altered design banknotes	DG ECFIN	N/A	N/A	2023	Enhance knowledge on risk posed by altered design banknotes

Source: Pericles Awarded Grants 2021-2023 provided by DG ECFIN.

Methodology

The case study utilises a mixed approach through document analysis of grant applications, agreements and reports coupled by interviews with key stakeholders and participants of the BKA Germany and BIBE Spain actions. The participants for the training sessions and seminars are Interpol representation who attended the Lima Seminar in 2022, German national police representatives who attended the BKA events in Vienna and Seon and national police participants from a selection of Ibero American countries (Argentina, Dominican republic and from the host countries Peru and Colombia). Insights from interviews, along with cost-effectiveness analysis of actions based on action documents, inform the assessment of the Programme's overall impact on the emerging landscape of the dark web and the illicit activities pertaining to the counterfeiting chain of activities. This annex presents the findings that have been drawn based on the interviews conducted and the initial desk research activities.

Needs analysis

The progress in information technology and communication is providing modern tools for criminals to put counterfeit currency in circulation. According to the European Commission, numerous advertisements have been found on the darknet for both high quality components and materials of euro banknotes and coins, as well as complete euro counterfeits, while Europol reports several cases where large numbers of counterfeit euro banknotes and coins sold over, mainly, the darknet. Law-enforcement indicate that the preferences of criminals are now changing to messaging systems, such as Telegram, are now increasingly used to put counterfeits and parts into circulation.

As an illustration, the Portuguese Judicial Police, supported by Europol, dismantled a digital print shop, in 2019, where the criminal group produced fake banknotes and distributed them mainly via darknet, throughout Europe. That successful operation led to a string of law-enforcement operations, in seven EU Member States, resulting in 11 arrests and the confiscation of fake euro banknotes and other counterfeits.

While law-enforcement disrupt internet trade of counterfeits by dismantling the relevant websites, they also intercept illegal shipments during transportation. To effectively do so, the authorities rely critically on information provided by customs authorities, postal services and, importantly, parcel delivery companies. It is these players that detect suspect packages and inform the authorities accordingly. The connection between the dark web and postal services also illustrates the hidden system in which illegal transactions are enabled. Postal services play a vital role in delivering items bought on the web; dark and clear. However, the secretive and encrypted nature of the dark web makes it difficult for law enforcement to intervene effectively. The relationship between traditional mail systems and digital anonymity helps facilitate the trade of counterfeited items, whether within the European Union or not. The need to address web distribution of counterfeits is felt beyond the borders of the EU as well. This is particularly the case in Latin American countries where, according to interviews, there is a developing demand for training in this “completely new form of investigation”.

An increasingly important, more recent threat, facilitated by the use of internet, stems from the circulation of banknotes with altered design. These are 1:1 reproductions of banknotes on commercial paper, with design, dimensions and colour similar to genuine banknotes. The European Central Bank distinguishes three main classes of altered design banknotes: ones that show the words ‘movie money’; those that show a disclaimer, like ‘prop copy’, in inconspicuous coloured lettering; and other altered design banknotes, which show a disclaimer different from the previous two. Such altered design banknotes are claimed to be used, among others, in cinema / TV productions, in wedding ceremonies or for training cashiers. While they bear inscriptions “movie money”, “prop copy” or disclaimers, these banknotes are unlawful. Generally, altered design banknotes

are of poor quality and easy to detect if sufficient attention is paid; however, they are frequently deceptive and easily enter into circulation. Altered design banknotes are increasing particularly rapidly and represent currently about 30% of all counterfeit euro banknotes found in circulation. Altered design banknotes originate in China and Türkiye, and to a lesser extent, in Russia. Hundreds of websites, hosted in many countries, selling those products have been detected by EU authorities; end-users seem to access altered design banknotes directly from online marketplaces.

To tackle the issue of altered design banknotes, authorities rely on traditional methods of counterfeit investigation, but also on checks on imports, identifying and taking down online offerings, international cooperation, as well as specific trainings. However, expertise on altered design banknotes is concentrated in a small number of individuals in each Member State, the lack of awareness is a challenge and cooperation with customs is limited. The core problem on the EU and the Member States is, however, how to counter this phenomenon. Legislations differ among Member States, while prosecutors and judges are challenged by legal ambiguities related to the disclaimers, the poor quality of these banknotes and the fact that they are freely available on internet.

Law-enforcement indicate that both types of counterfeiting are likely to continue rising in the foreseeable future, particularly the altered design type. Consequently, further action is necessary:

1. On increasing the awareness among law enforcement agencies (LEAs) regarding the identification of altered design bank notes is crucial for maintaining financial security and public trust. To effectively combat the proliferation of counterfeit currency, LEAs must be equipped with specialised training that enables officers to recognise the subtle differences between genuine and fraudulent notes. This training should encompass the latest techniques used by counterfeiters, the unique security features of authentic currency, and practical, hands-on sessions for real-world application. Enhanced inter-agency communication and collaboration, as well as continuous education and updates on emerging threats, are also vital. Through these measures, LEAs can not only detect and intercept counterfeit currency more effectively but also strengthen their overall capability to protect the integrity of the financial system.
2. Regarding internet-based counterfeiting, cooperation with the customs / postal services and parcel delivery companies needs to be intensified in two domains: (i) familiarisation with the phenomenon and emphasis on the need to carry out the necessary checks and inform the authorities in a timely way; and (ii) technical information on suspect packaging and types of checks to be performed.
3. As regarding altered design banknotes, necessary action includes technical training, awareness raising among stakeholders, and international cooperation, but mainly, discussion with judges and

prosecutors with a view to harmonising approaches and, possibly, legal frameworks. In relation to the web, the key needs are the effective and efficient detection of (points of) sales of the altered design banknotes.

Case study findings

The case study specific findings will be divided into the evaluation criteria covered by this mid-term evaluation: relevance, effectiveness, efficiency, EU added value, coherence and sustainability based on the interviews and desk research.

Relevance

With regard to relevance, the in-depth analysis of the actions linked to the web considers whether these Pericles IV trainings actually address the threats identified above that follow from both the clear- and dark web. This case study also offers an opportunity to assess the Pericles IV Programme's responsiveness to emerging risks, particularly in light of the rising importance of newly identified threat of altered design banknotes, highlighted by the procured actions and in the study.

The findings show that the web-related activities of the Pericles Programme are highly relevant. During the interviews conducted, the study commissioned by the European Commission has been repeatedly mentioned as highly relevant, providing a comprehensive overview of the current situation with regard to altered design banknotes.

As to the seminars, the participants consider these as highly relevant and suffice to the expectations in addressing trends. The evaluation forms gathered of the three seminars considered, rate relevance at a 4.9 out of 5. However, it was noted that the agendas of the Ibero-American seminars covered more broadly protection against counterfeiting, with a relatively smaller coverage of web-based and altered design counterfeiting.

Three opportunities for improvement were identified. First, the involvement of and focus on external vendor parties such as postal services/packaging services could be further enhanced. These are used as a vehicle for the distribution of counterfeit euros bought online and, therefore, can play a significant role assisting the detection of such counterfeits. The interviews carried out confirm that the relevance of the Pericles IV actions could be enhanced by devoting more attention in strengthening the role of these private actors and / or by actually involving these parties in Pericles IV actions.

Secondly, given the key role that customs plays in the international shipment of parcels (in particular those coming from outside the EU), the enhanced involvement of this stakeholder could potentially enhance the relevance of the

Pericles IV actions. In this regard, inviting customs representatives in Pericles IV actions, or organising dedicated actions, could be considered. Involvement of customs in Pericles IV actions would not only create opportunities for improving cooperation between law enforcement and customs, but it would also serve as an opportunity to enhance awareness of euro counterfeiting among customs officials.

In further feedback, the level of technical knowledge required and shared with regards to clear and dark web during the sessions was high. As indicated by the participants of the Bogota action, the threat of internet, whether on the clear or dark web is not currently present in the region, thus a constant refresher of basic terminology and technicalities would be advised preceding future in-depth knowledge and training sessions. In the COPE action events, the participants shared that there was a perfect balance between technical investigation techniques and tools and gaining a global understanding of the dark web. The participants included during the COPE events were varied in expertise as well; some having OSINT²⁹¹ knowledge and others with operational activities in the field.

In further assessment of the interviews pertaining to the overall evaluation of the Pericles IV Programme, several law enforcement and bank officials reiterate the importance of having their cooperation partners involved more. As the seminars, trainings and other actions often include solely individuals with technical expertise in counterfeiting, the operational actors (such as investigative officers, operational bank administrators and custom officers) would also serve as a valued asset in the myriad activities and initiatives. This would stimulate more awareness amongst all partners and strengthen partnerships.

Effectiveness

Examining the effectiveness of the selected actions involves considering the extent to which these web-related actions contributed to addressing the need / objective of protecting the euro against web-based threats; analysis is based on the views of the participants, including on the degree to which lessons drawn from the attendance to the actions were actually applied in practice. The aggregate evaluation forms of the selected actions indicate unambiguously the strong effectiveness of the seminars, as the satisfaction of the participants rates well above 90%. Similarly, the responses of participants in previous events indicate clearly the positive impact of previous trainings: 79%, 88% and 100%.

Significant, in that respect, is the statement, made by the organiser of the Bogota action, that the need for training exceeded the allocated time, thus the

²⁹¹ Open Source Intelligence (OSINT) entails the collection and analysis of data gathered from open sources to produce actionable intelligence.

agenda had to be reduced, compared to the needs. This indicates that, despite the high degree of effectiveness of this type of actions, there is a need to extend their coverage.

It is noted, however, that the seminars organised in Colombia and Peru concerned the fight against euro counterfeiting in general, with a lesser reference to web-based and altered design counterfeiting. While participants were very positive on the effectiveness of these seminars, they stated that these new trends surrounding counterfeits are practically unknown in Latin America; so the knowledge obtained in the seminars is more of a preparatory nature, for a threat that will likely affect the region in the future.

Additionally, regardless of the fact that the primary focus of the Ibero-American law enforcement officials is on the combatting of counterfeiting the United States dollar and that the threat of the internet is not as prevalent as it is in Europe, all information is actively shared with other departments and colleagues outside of law enforcement as well.

With regards to the COPE actions, the participants all echo the effectiveness of handling and understanding dark web investigative techniques in correspondence to protecting the euro. The participants also, aside from the technical expertise gained, also stress the importance and value of having the network building aspect of these events as transnational colleagues within the same expertise attend.

While the selected training actions achieved a high degree of effectiveness, there seems to be a need for Pericles to further strengthen the protection of the euro against the new threats by broadening the scope of the actions within the EU. Specifically, the interviews confirmed that, currently, the rising threat comes from the altered design banknotes, meaning that more emphasis needs to be put on this aspect. In turn, this translates into the need to enhance the Pericles training in this direction and to involve in the training the above-mentioned groups, namely customs services and parcel-delivering companies.

It is noted, in this respect, that all three seminars considered were designed almost exclusively for police staff. It is understandable that, substance-wise, it is difficult to involve non-police participants in a seminar focused on police investigations. Dedicated action may then be considered as a means to increase the effectiveness of the Pericles action in this respect.

A further issue underlined in the interviews concerns the difficulty in judicial action pertaining to altered design banknotes. With legislation and practices differing among Member States, cooperation is difficult within the EU, while achieving a conviction is frequently problematic due to the lack of clarity and coherence of national legislation. The COPE participants reiterate the extensiveness of investigation on the dark web also differed per Member State at the action events, these limitations were due to differing legislation. It was pointed out there is a need for harmonisation, preferable based on EU rules.

This ties in explicitly well with the objective stated in the study on altered design banknotes, in which the national legal frameworks of the Member States might have strengths and weaknesses which could be utilised further and together. As well the need for an adopting a more effective countering of counterfeiting through EU legislation.

Finally, the need was mentioned for further increasing international cooperation, particularly with China and Türkiye. Action in this domain is expected from the European Commission. Especially relating to legislation and prosecution of counterfeit alternatives and production supplies. A standardised approach towards these cases would foster an uniform and grounded basis for tackling the supply chain of counterfeiting the euro.

Efficiency

The analysis of the efficiency of the actions funded by the Pericles IV Programme was done by building a database with action-related information (see table below). The information captured in this database illustrates the budget allocation and whether this was distributed well in relation to thematic focus.

Currently, the Table 24 below tells us what type of costs were made by each action organiser. The conclusion which can be made is that each organisation has overspent their allocated budget but compensated it with their own contribution. A lot of expenditure was related to equipment costs and travel costs for the COPE action and the Curso Lima action which caused the significant difference between actual and planned budget. In both cases, the host country of the action was able to compensate with their own contribution.

The overall coordination, management, and administrative structures have been assessed positively by the stakeholders. Furthermore, Programme beneficiaries did not report any significant efficiency-related issues in the implementation stage of the events. The attendance was at capacity for both events but also still managed to accommodate attendees travelling for other (nearby) countries.

A plea was made to involve judiciary authorities and allow participation to future ECEG meetings. Their participation should be encouraged due to the significant role that they play in counterfeiting prevention through legal actions (i.e., treatment of “altered design” notes should judicial authorities treat as counterfeits and subsequent handling of perpetrators).

Table 24 – Overview of action expenditure with the Internet action

Title of the action	Difference between actual and planned budget	% difference from the planned budget	Difference between actual and planned staff costs	% difference from the planned budget	Difference between actual and planned subcontracting and equipment costs	% difference from the planned budget	Difference between actual and planned travel costs	% difference from the planned budget	Difference between actual and planned subsistence and hotel costs	% difference from the planned budget
COPE (Counterfeit - OSINT - POST - ENQUIRIES), Internet /Darknet investigation	-60.031,00	-27%	1366,50	5%	-11779,65	-95%	-51200,00	-100%	-55174,97	-52%
Curso Bogota: 2023 training course on currency counterfeiting for experts from Latin American countries	-40.543,89	-19%	-1622,30	-5%	-4153,91	-31%	7180,09	13%	-33957,51	-42%
Curso Lima: 2022 training course on currency counterfeiting for experts from Latin American countries	-49.647,16	-21%	-5094,75	-16%	-5691,40	-34%	8234,98	16%	-42450,04	-41%

EU added value

The examination of the EU added value criterion will primarily aim to identify the advantages brought about by the Pericles IV Programme, in contrast to a scenario where Member States address euro counterfeiting on the web independently.

Based on the interviews conducted, it seems that the actions funded are adding to what Member States are (or could have) organised on a national level. Specific trainings on the national level on counterfeiting of the euro and the threats that the web poses in this regard are very limited. Several stakeholders have indicated that activities on the national level (if any) generally focus on enhancing technical ability and understanding of law enforcement to identify counterfeit euros, to run investigations, to seize evidence, etc. Simultaneously, knowledge related to the web (dark and clear) is, on the national level, often concentrated in a particular unit within the law enforcement agency (i.e. cyberunit). When investigating counterfeit cases with a strong link to the web, law enforcement officers from the counterfeit units must collaborate with their colleagues at the cyberunit. The Pericles IV actions provide a bridge in this regard as they facilitate counterfeit experts to become more acquainted with investigation techniques linked to the web.

Furthermore, the analysis also shows that the Pericles IV funded actions bring in an international angle to the issue, something that most Member States cannot do (to this extent) without support from the Pericles Programme. With regard to the actions relevant to the case study, this international angle covers both the collaboration between Member States (as by the COPE action) as well as cooperation with third countries (as with the seminars in Bogota and Lima). Throughout the interview with the Curso Bogota participants and the COPE participants the added value of cooperation and knowledge sharing was reiterated. Focus and appreciation was shared on the (informal) networks established across borders between Member States and third countries. Many law enforcement participants have been able to continue sharing methods and techniques due to the networking and expertise sessions held at the actions. Additionally, regardless of the fact that the phenomenon of altered (euro) design banknotes through internet means, was not a prevalent issue in the Ibero American countries. Understanding the threat landscape within the European Union was seen as a valuable case study for the participants of the action.

The EU added value in light of the transnational cooperation was further explored during interviews with participants indicating the need for continuing leadership of the Commission, particularly in the cooperation with China and Türkiye.

Coherence

Findings on the coherence of the Pericles IV actions with Programmes and activities by other actors in the field are positive. Interviews indicate that actions are closely coordinated at the Euro Counterfeiting Experts Group (ECEG), also discussed with Europol and the European Multidisciplinary Platform Against Criminal Threats (EMPACT), while organisers make additional contacts of their own to ensure that overlaps are avoided. The actions funded by Pericles IV with a focus on the web were aimed at exchanging information and expertise on a higher, methodological level, while the activities by Europol (mainly through EMPACT) are of a much more operational nature. The operations by EMPACT concentrate on actual investigations linked to counterfeit currencies. For example, the EMPACT operations MULTIBUY had a specific focus on the web as law enforcement officers were jointly cyber patrolling different sales platforms. The identified points of sales of counterfeit banknotes could, potentially, serve as starting points for further investigation. The EMPACT operations are, thus, more operationally oriented and the Pericles IV actions complement this with an additional layer.

The ECB's activities are predominantly focused on the technical aspects of the printing process and generally do not touch upon the web-related aspects of euro counterfeiting. Therefore, no overlaps between the Pericles IV actions and the activities of the ECB have been identified. Furthermore, Interpol has identified the web (clear and dark) as a growing threat but focuses resources, in relation to this, on document fraud rather than on currency counterfeiting. Therefore, thus far, no overlaps between the Pericles IV actions and the activities of Interpol have been identified.

The COPE participants also recognised the coherence and added value of the Pericles BKA organised actions and the Europol organised actions in which the dark web investigation techniques are also shared amongst the technical colleagues working on the topic at a more operational level.

Consequently, the Pericles IV actions are seen to be coherent with and complementary to the activities organised by other actors. Based on available information the Pericles IV Programme is unique in providing the transnational trainings and seminars in relation to the web and as such, it is deemed complementary and coherent with the activities employed by other stakeholders.

Sustainability

The sustainability of the Pericles IV actions with a focus on the web was discussed with the organisers and participants of the selected actions, as well as with participants. During these interviews, specific questions were posed on how the lessons learned during the actions are used by participants for a

sustained period of time and if more can or should be done to ensure the sustainability of the actions to remain relevant and adaptable. In particular given the fact that the web-based threats develop rapidly but also the development of newer trends. The views that emerged from the interviews are clear, confirming that refresher courses are necessary every 2-3 years, as the web-based counterfeit criminality, and relevant technology, are developing rapidly. This is particularly the case of altered design banknotes, which was identified as a rapidly rising threat. The third countries involved in the interviews of the case study also highlight the positive effects of focussing on novel topics such as the dark and clear web. Due to the consistency of the organisation committee individuals remaining involved in the various actions and iterations, the development of the content and initiatives is sustained and built upon. This same conclusion can be drawn for participants. Based on the evaluation forms of the seminars the attendance to these events is constant in which the participants are repeat attendees, whom in these cases are able to continuously build upon their acquired knowledge. The participants which were interviewed also shared that they actively disseminated the lessons learnt from the actions forwards towards their respective partners, whether these were the Central Banks, other law enforcement agencies or other relevant partners (i.e. customs, schools, training institutions.)

Many respondents who participated in the COPE events shared that they continued to use these techniques and tools learnt in their daily operations. Several participants shared that they are able to use these investigative techniques for other types of cases as well, not solely for combating counterfeiting of banknotes and coins. Thus, they continue to also share the lessons learnt with colleagues and other departments.

10 Annex VI. Bibliography

- Boshkov et al (2017), *Euroisation in the Western Balkans: The Evidence for Macedonian Economy*, Mediterranean Journal of Social Sciences MCSER Publishing, Rome-Italy Vol 8 No 2 March 2017
- European Central Bank (2022). Study on the payment attitudes of consumers in the euro area (SPACE). Available at: [Link](#)
- European Central Bank (2024). Number of counterfeit euro banknotes remains low in 2023. [Press release]. Last accessed on 5 June 2024 at: [Link](#)
- European Commission (2017). Commission Staff working document. Communication from the Commission to the Council and the European Parliament on the mid-term evaluation of the Programme for exchange, assistance and training for the protection of the euro against counterfeiting ('Pericles 2020' Programme).
- European Commission (2017). Communication from the Commission to the Council and the European Parliament on the mid-term evaluation of the Programme for exchange, assistance and training for the protection of the euro against counterfeiting ('Pericles 2020' Programme).
- European Commission (2017). *Mid-term evaluation of the Pericles IV Programme*. Economisti Associati.
- European Commission (2018). Commission Staff working document. Proposal for a Regulation of the European 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').
- European Commission (2021). *Annual activity report 2020*. DG ECFIN.
- European Commission (2021). Commission Decision of 28.4.2021 on the financing of the z and the adoption of the annual work Programme for 2021.
- European Commission (2022). Commission Decision of 28.1.2022 on the financing of the Pericles IV Programme and the adoption of the annual work Programme for 2022.
- European Commission (2022). *Final evaluation of Pericles 2020*. Ecorys.
- European Commission (2022). Report from the Commission to the European Parliament, the Council, and the European Central Bank concerning the implementation and the results of the Pericles IV

Programme for the protection of the euro against counterfeiting 2021. DG ECFIN.

European Commission (2022). The protection of euro coins in 2021. Situation as regards euro coin counterfeiting and the activities of the European Technical & Scientific Centre (ETSC). DG ECFIN.

European Commission (2023). Annual activity report 2022. DG ECFIN.

European Commission (2023). Commission Decision of 8.2.2023 on the financing of the Pericles IV Programme and the adoption of the annual work Programme for 2023.

European Commission (2023). Report from the Commission to the European Parliament, the Council and the European Central Bank concerning the implementation and the results of the Pericles IV Programme for the protection of the euro against counterfeiting in 2022. DG ECFIN.

European Commission (2023). The protection of euro coins in 2022. Situation as regards euro counterfeiting and the activities of the European Technical & Scientific Centre (ETSC). DG ECFIN.

European Commission (2024). Commission Decision of 30.1.2024 on the financing of the Pericles IV Programme and the adoption of the annual work Programme for 2024.

European Commission (2024). Internal Security Fund (2021-2027). Last Accessed on 5 June 2024 at: [Link](#)

European Commission (2024). Report from the Commission to the European Parliament, the Council and the European Central Bank concerning the implementation and the results of the Pericles IV Programme for the protection of the euro against counterfeiting in 2023. DG ECFIN. [Draft]

European Commission (n.d.). *Pericles IV – Programme*. Last accessed on 5 June 2024 at: [Link](#)

European Commission (n.d.). *The European Technical and Scientific Centre (ETSC)*. Last accessed on 5 June 2024 at: [Link](#)

Europol (2021). European Union Serious and Organised Crime Threat Assessment 2021 (SOCTA). A corrupting influence: the infiltration and undermining of Europe's economy and society by organised crime.

Europol (2021). Internet Organised Crime Threat Assessment 2021 (IOCTA).

Europol (2023). European Financial and Economic Crime Threat Assessment 2023 - The Other Side of the Coin: An Analysis of Financial and Economic Crime

Europol (2023). *Europol Analysis Projects*. Last accessed on 5 June 2024 at [Link](#)

Europol (2023). Internet Organised Crime Threat Assessment 2023 (IOCTA).

Europol (2024). 63 forgers arrested in Napels. Italian Carabinieri seize EUR 200.000 in sophisticated fake banknotes, total damages estimated at over EUR 6 million. Last accessed 5 June 2024 at [Link](#)

Europol (2024). Decoding the EU's most threatening criminal networks.

Europol (n.d.). *EU Policy Cycle – EMPACT*. Last accessed on 5 June 2024 at [Link](#)

Interpol (2017). *Counterfeit currency Factsheet*. Available at: [Link](#)

RAND Europe (2023). Study on movie money, prop copy products and other altered design banknotes.

Viles, N, Rush, A., & Rohling, T. (2015). *The social costs of currency counterfeiting*. Reserve Bank of Australia. Available at: [Link](#)

Getting in touch with the EU

In person

All over the European Union there are hundreds of Europe Direct centres. You can find the address of the centre nearest you online (european-union.europa.eu/contact-eu/meet-us_en).

On the phone or in writing

Europe Direct is a service that answers your questions about the European Union. You can contact this service:

- by freephone: 00 800 6 7 8 9 10 11 (certain operators may charge for these calls),
- at the following standard number: +32 22999696,
- via the following form: european-union.europa.eu/contact-eu/write-us_en.

Finding information about the EU

Online

Information about the European Union in all the official languages of the EU is available on the Europa website (european-union.europa.eu).

EU publications

You can view or order EU publications at op.europa.eu/en/publications. Multiple copies of free publications can be obtained by contacting Europe Direct or your local documentation centre (european-union.europa.eu/contact-eu/meet-us_en).

EU law and related documents

For access to legal information from the EU, including all EU law since 1951 in all the official language versions, go to EUR-Lex (eur-lex.europa.eu).

EU open data

The portal data.europa.eu provides access to open datasets from the EU institutions, bodies and agencies. These can be downloaded and reused for free, for both commercial and non-commercial purposes. The portal also provides access to a wealth of datasets from European countries.

