

2011 No. 2944

BANKS AND BANKING

FINANCIAL SERVICES

**The Protection of the Euro against Counterfeiting (Amendment)
Regulations 2011**

<i>Made</i>	- - - -	<i>8th December 2011</i>
<i>Laid before Parliament</i>		<i>9th December 2011</i>
<i>Coming into force</i>	- -	<i>31st December 2011</i>

The Treasury are a government department designated(a) for the purposes of section 2(2) of the European Communities Act 1972(b) in relation to measures relating to the protection of the euro against counterfeiting.

The Treasury, in exercise of the powers conferred on them by section 2(2) of the European Communities Act 1972, make the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Protection of the Euro against Counterfeiting (Amendment) Regulations 2011 and come into force on 31st December 2011.

Amendment of the Protection of the Euro against Counterfeiting Regulations 2001

2.—(1) The Protection of the Euro against Counterfeiting Regulations 2001(c) are amended as follows.

(2) In regulation 1(2)(a), after “counterfeiting” insert “as amended by Council Regulation (EC) No. 44/2009 of 18 December 2008”(d).

(3) In regulations 2 and 3(1), for “A credit institution, or other institution or establishment within” substitute “An institution or economic agent referred to in”.

(4) After regulation 3 insert—

“**3A.**—(1) An institution or economic agent referred to in Article 6(1) of the Community Regulation, which fails to ensure that euro notes and euro coins which it has received and

(a) S.I. 2001/961.

(b) 1972 c.68. Section 2(2) was amended by section 27(1)(a) of the Legislative and Regulatory Reform Act 2006 (c.51) and the European Union (Amendment) Act 2008 (c.7), Schedule, Part 1.

(c) S.I. 2001/3948.

(d) O.J. No. L 17, 22.1.09, p.1. Council Regulation (EC) No. 45/2009 (OJ No. L 17 22.1.2009, p.4) amends Council Regulation (EC) No. 1339/2001 (OJ No. L 181 4.7.2001, p. 11) so that the amendments to Council Regulation (EC) No. 1338/2001 (OJ No. L 181 4.7.2001, p. 6) made by Council Regulation 44/2009 also apply in Member States which have not adopted the euro as their single currency.

which it intends to put back into circulation are checked for authenticity by trained personnel or by a machine authorised for that purpose by the European Central Bank, in the case of banknotes, or the European Commission, in the case of coins, shall be guilty of an offence and liable—

- (a) on summary conviction, to a fine not exceeding the statutory maximum; or
- (b) on conviction on indictment, to a fine.”.

Review

3.—(1) The Treasury must from time to time—

- (a) carry out a review of regulation 2,
- (b) set out the conclusions of the review in a report, and
- (c) publish the report.

(2) In carrying out the review the Treasury must, so far as is reasonable, have regard to how Council Regulation (EC) No. 1339/2001, as amended by Council Regulation (EC) No. 44/2009, is implemented in other member states.

(3) The report must in particular—

- (a) set out the objectives intended to be achieved by regulation 2,
- (b) assess the extent to which those objectives are achieved, and
- (c) assess whether those objectives remain appropriate and, if so, the extent to which they could be achieved with an alternative system.

(4) The first report under this regulation must be published before the end of the period of five years beginning with the day on which these Regulations come into force.

(5) Reports under this regulation are afterwards to be published at intervals not exceeding five years.

*Brooks Newmark
Angela Watkinson*

8th December 2011

Two of the Lords Commissioners of Her Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision relating to the enforcement of Council Regulation (EC) No. 1338/2001, as amended by Council Regulation (EC) No. 44/2009.

These Regulations amend the Protection of the Euro against Counterfeiting Regulations 2001 (“the 2001 Regulations”), so that it is a criminal offence for banks and certain other financial institutions to fail to comply with the requirement in Article 6(1) of Council Regulation (EC) No. 1338/2001, as amended, to ensure that euro notes and coins are checked for authenticity.

The Regulations also amend the category of persons who commit an offence under the 2001 Regulations if they fail to comply with the other requirements of Council Regulation (EC) No. 1338/2001, reflecting amendments made to that Regulation by Council Regulation (EC) No. 44/2009.

The Regulations set out the maximum penalties which can be imposed on persons convicted of those offences.

Regulation 3 requires the Treasury to review the operation and effect of these Regulations and publish a report within five years after they come into force and within every five years after that. Following a review it will fall to the Treasury to consider whether the Regulations should remain

as they are, or be revoked or be amended. A further instrument would be needed to revoke the Regulations or to amend them.

An Impact Assessment of the effect that these Regulations will have on the costs of business and the voluntary sector is available on the Treasury's website (hm-treasury.gov.uk) and is published with the Explanatory Memorandum alongside these Regulations on the legislation.gov.uk website.

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STATUTORY INSTRUMENTS

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