

Incidence of counterfeits in the second half of 2006

Fewer counterfeit banknotes recorded

In the second half of 2006, the Bundesbank detected 21,039 counterfeit euro banknotes in German payment transactions, leading to losses of €1.5 million. The incidence of counterfeit banknotes detected during the reporting period was therefore 16% down from the first half of the year. The distribution of counterfeits across the denominations was as follows:

Banknotes	€5	€10	€20	€50	€100	€200	€500	Total
Number	302	701	3,978	8,692	5,371	1,657	338	21,039
%	1.5	3.3	18.9	41.3	25.5	7.9	1.6	100.0

Despite a significant decline in the past few months, the €50 banknote is still the most frequently counterfeited banknote in Germany. By contrast, the incidence of counterfeit €100 banknotes increased sharply. With an overall annual incidence of approximately five counterfeit banknotes per 10,000 inhabitants, Germany is still well below the euro-area average.

A total of approximately 46,000 counterfeit banknotes valued at €3.2 million were detained in German payments in 2006. In 2005 the incidence of counterfeit euro banknotes amounted to 74,000 items, representing a loss of €4.9 million.

This welcome development is due largely to successful national and international police investigations. In 2006, for instance, several counterfeit print shops were raided and distribution rings broken up. The counterfeit prevention measures taken by the Bundesbank are also likely to have played a part in reducing the number of counterfeits.

Recognising counterfeit banknotes

Despite the current decline in numbers, there are no grounds to become complacent. Banknotes should still be checked carefully at all times; otherwise there is a risk – especially for cashiers – of being deceived by counterfeit money. As is generally known, counterfeit money is not eligible for replacement.

Several security features should always be checked as it is only through a combination of these various features that the authenticity of the banknotes can be verified. The simple “feel, look and tilt” test is helpful when checking the authenticity of banknotes.

- For example, embossed parts of the printed image on the front of the banknotes (“BCE ECB EZB EKT EKP” on the top edge) can be identified by touch.
- The watermark can be recognised in the unprinted area by holding the banknote up to the light.
- The hologram image changes when the banknote is tilted.
- On the back of the banknote the pearly lustre stripe (denominations up to €20) or the shifting colours of the right-hand denomination value (denominations from €50 upwards) can be checked by tilting the banknote.

Counterfeits which cannot be recognised as such in this way are not yet known. It is advisable when checking a suspect banknote to compare it with one that is known to be genuine.

...

Checking banknotes with magnifying glasses, counterfeit detector markers and ultraviolet lamps does not always produce a clear test result.

Year-on-year increase in counterfeit coins

In the second half of 2006, the Bundesbank detected 37,866 counterfeit euro coins in German payments. The distribution of counterfeits across the denominations was as follows:

Coins	50 cent	€1	€2	Total
Number	429	1,386	36,051	37,866
%	1.1	3.7	95.2	100.0

Although this represents a 3% decline on the previous six months, approximately 77,000 counterfeit coins were identified in 2006 as a whole. This is the highest single-year incidence of counterfeit coins since the introduction of the euro. In the previous year 46,300 counterfeit coins were detected.

Check coins for authenticity

Counterfeit euro coins can usually be distinguished from genuine coins only after a very thorough visual check. The following pointers can make it easier to identify genuine coins.

- On genuine euro coins, the motif clearly stands out from the background of the coin. By contrast, the image on counterfeit coins often appears blurred, and the surface of the coins is uneven.

...

- Counterfeits generally have a slightly different colour from genuine coins.
- The edge inscriptions of genuine €2 coins are sharp while those on counterfeit coins are frequently incomplete or irregular.
- Genuine €1 and €2 coins are only slightly magnetic and remain attracted to the magnet but can be removed again with a minimum of effort. Counterfeit coins, on the other hand, are usually either non-magnetic or are strongly attracted to the magnet.

Counterfeit prevention

The Bundesbank offers training courses to the banking industry, retail traders and any other interested parties free of charge. Approximately 11,000 people attended about 550 such courses nationwide last year. More than 150,000 visitors sought advice on guarding against counterfeits at trade fairs and other events.

Information in the form of brochures, CD-ROMs and posters can be obtained from Bundesbank. The Bundesbank (http://www.bundesbank.de/bargeld/bargeld_falschgeld.en.php) and the European Central Bank (<http://www.ecb.int/bc/banknotes/security/html/index.en.html>) regularly update the relevant information on their websites.

Should you come into contact with any counterfeit banknotes or coins, the Bundesbank advises you to notify the police and hand the counterfeits in immediately.