



Activity Title and Number: Study Visit on Currency Management and Combating Counterfeit Currencies; A196-C1

Beneficiary: People's Bank of China (PBOC)

Location and Date: Germany, Sweden, UK;
22 October – 02 November, 2012

Stakeholders: MS Central Banks, Coordination Office of the State Council's Joint Conference on Combating Currency Counterfeits, Legislative Affairs Commission of NPC; National Development and Reform Commission (NDRC); Ministry of Finance; Ministry of Public Security; Ministry of Foreign Affairs; Ministry of Commerce (MOFCOM); China Banking Regulatory Commission (CBRC)

Brief Activity Report

Relevance and Impact

China has the highest total number of banknotes in circulation in the world, which presents an increasing challenge to the People's Bank of China (PBOC) in issues of improving currency management and curbing counterfeit currencies. To address these issues, China is currently in the process of improving its regulatory framework on currency management and enforcing its systems for combating currency counterfeiting. The Currency, Gold and Silver Bureau of PBOC (also functioning as the Coordination Office of the State Council's Joint Conference on Combating Currency Counterfeits) is responsible for related tasks such as drafting administrative rules for currency issues; managing Renminbi banknotes and combating counterfeit currency; planning for the production, storage, transportation, renewal and disposal of banknotes and coins; etc.

To support the improvement of the regulatory framework on currency management, a study visit to Europe was organised for delegates from the PBOC to better understand how European countries manage currency using advanced technology and other expertise in this area. The European Union, with deep experience in developing legal and regulatory frameworks for currency management and fighting against counterfeit currencies, could offer pertinent examples for current and future reference.

Activity Description

15 delegates, led by Mr. Zhang Shuangxiang, Deputy Director General of the Currency, Gold and Silver Bureau of PBOC, participated in the study tour which ran from 22 October to 2 November, 2012. The attending delegates represented relevant bureaus and divisions within the PBOC and its local branches such as the Currency, Gold and Silver Bureau, the Banknote Processing Center, the Currency Administration Division and the Foreign Affairs Division. Delegates visited the European Central Bank (ECB) and the Deutsche Bundesbank in Germany, the Sveriges Riksbank and Crane Currency in Sweden, and the Bank of England (BOE), Vaultex UK and De La Rue in the UK.

Topics discussed during the study visit included:

- 1) Renminbi circulation and counterfeits in the Euro area and in the UK
- 2) Currency design, printing and management
- 3) Banknote production and processing equipment
- 4) Anti-counterfeiting

Results and Dissemination

As a result of the study tour:

- ✓ A follow-up activity is under discussin for 2013 to further explore information exchange and cooperation in this area
- ✓ Delegates gained a better understanding of the relevant European legal and regulatory frameworks that could provide reference for the improvement of currency management and combating of counterfeit currencies.