

# News in Brief

## Largest Ever Seizure of US Counterfeit Currency in Peru

The US Secret Service and Peruvian agents have seized \$30 million in counterfeit US dollars, the largest haul in the history of the Secret Service agency. The global investigation, called Operation Sunset, culminated in pre-dawn raids in Lima on 15 November by the Peruvian government and Secret Service agents. Over 1,500 Peruvian National Police officers were involved and a total of 54 search warrants were conducted, resulting in the arrest of 48 people.

An additional 50,000 euro banknotes were also seized, along with eight counterfeit manufacturing presses and over 1,800 printing plates. Negatives of varying denominations were found and six counterfeit plants were suppressed.

## Introduction of Bond Notes in Zimbabwe

The Reserve Bank of Zimbabwe has now introduced its controversial bond notes in an effort to relieve the shortage of cash within the country.

Since the collapse of the Zimbabwean dollar in 2009 due to hyperinflation, the US dollar has been used as the main currency within the country, but there is currently a chronic cash shortage of the currency, resulting in a liquidity crisis.

The Reserve Bank first announced the move to use bond notes as a cash substitute in May earlier this year. It will be considered legal tender within Zimbabwe but not outside of the country, which the government hopes will halt the flow of US dollars going overseas.

However, use of the bond notes has brought a lot of criticism from those in the country fearing a return to the Zimbabwean dollar which will not keep parity with the US dollar – resulting in a repeat of hyperinflation last experienced in 2009.

That said, the bond notes in both two and five dollar denominations began circulating in late November and have so far maintained their 1:1 parity with the US dollar. Initially, around \$10 million bond notes were issued, followed by another \$7 million in early December.

## WBS – Shaping Payment Scenarios

With just over two months until its doors open in Basel, Switzerland, the World Banknote Summit 2017 is fully delivering against promises, says conference organiser Beat Attinger, with a unique and versatile conference programme which includes experts from inside and outside the banknote industry to share their knowledge and views.

‘We wanted to create a high-quality event, and that is what we have,’ he commented to *Currency News*™.

The line-up of speakers include not only central banks and printing works, but representatives from mobile payment solution providers, crypto-currency companies, a major supermarket chain, and the association of the visually impaired and blind amongst others, to provide insights on both current and future payment scenarios.

This new approach and the use of new discussion formats and technology will, says Beat, provide delegates with a solid and holistic understanding of the driving forces that are shaping the current and the future payment landscape, within an event framework that is ‘small enough to talk, large enough to learn’.

The World Banknote Summit takes place from 27 February-1 March. Further information can be found at [www.worldbanknotesummit.com](http://www.worldbanknotesummit.com).

## Large Increase in ATM Attacks in Europe

There has been a surge in the number of explosive attacks on ATMs, an increase of 80% compared with the same period in 2015.

A recently published report from the European ATM Security Team (EAST) looking at ATM attacks in Europe during the first half of 2016 confirms that a total of 492 explosive attacks on ATMs were reported, up from 273 recorded during the previous period. The vast majority, 85%, were from explosive gas attacks, with the remainder caused by solid explosive attacks.

Overall, the number of physical attacks on ATMs rose by 30% to a total of 1,604 incidents, causing losses of €27 million. Excluding the cost of collateral damage to equipment or buildings, the estimated average cash losses for either ram raids or burglary attacks is estimated at €17,327, per explosive attack is €18,631, and robbery is €20,017.

The number of ATM fraud attacks has also increased to 10,830, an increase of 28% compared with the same period in 2015, resulting in losses of €174 million. According to EAST, this was largely driven by a 281% increase in Transaction Reversed Fraud (TRF) to 4,840 incidents.

TRF is where an error condition is created at the ATM which makes it appear that cash will not be dispensed, forcing a re-credit of the amount withdrawn back to the account when in fact the criminal gets the cash through either the insertion of a device such as a claw, or the manipulation of the ATM dispense mechanism by hand.

## Crane Breaks Ground in Malta

A ground-breaking ceremony has taken place for Crane Currency's new banknote printing plant in Malta, which is due to be up and running in the second quarter of 2018.

The \$100 million facility, announced in September, will in due course employ some 500 people and has already recruited some 30 Maltese who are undergoing training abroad.

According to Crane Currency CEO Stephen DeFalco, ‘Crane Currency Malta will be the most modern facility in our industry. It provides Crane with additional banknote printing capability to support our growth.

‘It has been designed from the ground up to be a showcase customer experience centre. Central bank customers from all over the world will be visiting Crane here in support of designing their next generation of currency.’



Pictured at the ground-breaking ceremony at Crane Currency Malta are, from left to right, Annemarie Watson (President of Crane Currency International), US Ambassador to Malta Kathleen Hill, Prime Minister Joseph Muscat and Stephen DeFalco (Crane Currency CEO).