Prevention Measures

March, 2004 -- The world’s major central banks confirmed Tuesday that they collaborated with leading hardware and software companies to keep personal computers from being used to make counterfeit money.

Work begun nearly four years ago by the so-called Group of Ten central banks resulted in the "counterfeit deterrence system," according to the statement from the Bank for International Settlements in Basel.

"Several leading personal computer hardware and software manufacturers have voluntarily adopted the system in recognition of the harm that counterfeit currency can cause their customers and the general public," said BIS, known as "the central bankers' central bank."

The BIS agreement became a source of public debate earlier this year when software maker Adobe admitted altering its Photoshop program to discourage counterfeiters. The issue has angered computer users who worry it will lead to censorship and future restrictions on other types of images, such as copyrighted or adult material.

An official familiar with the development of the technology said the system is based on special coding on bank notes, which currently is included only on major currencies.

Printer "drivers"—the software that makes printers work with PCs—recognize the code and refuse to print the complete image of a bill. That driver is included in almost 90 percent of the printers available today, said the official, who spoke on condition of anonymity.

Adobe, maker of the widely used graphics program Photoshop, acknowledged in January that it quietly added the technology to the software at the request of government regulators and international bankers.

Photoshop now refuses to display images of coded currency and advises the user to consult rules against copying bank notes, the official added.

A third step that will be added later this year is software that will make scanners refuse to scan images of currency, the official said.

The bank statement said no one could use the technology to track the use of a personal computer or digital imaging tool.

"Consumers will not notice any difference in the performance or effectiveness of products equipped with this technology," it said.

The Group of 10 banks represent the world’s largest economies. There are actually 11 countries in the group: the United States, Japan, Germany, Britain, France, Canada and Italy plus Switzerland, Sweden, Belgium and the Netherlands.

Altogether 27 central banks and note-printing authorities joined in the Central Bank Counterfeit Deterrence Group, the working group that developed the system, the BIS statement said.