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COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMISSION STAFF WORKING DOCUMENT

**Annex to the
REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL
Protection of the financial interests of the Communities – Fight against fraud – Annual
report 2008
Implementation of Article 280 of the Treaty by the Member States in 2008**

**{COM(2009) 372}
{SEC(2009) 1003}**

INTRODUCTION

The protection of the European Communities' financial interests and the fight against fraud is an area of shared responsibility between the Community and the Member States.

Consequently, each year the Commission draws up a report in cooperation with the Member States on the measures taken to implement this obligation, according to article 280 of the EC Treaty. This report is addressed to the European Parliament and the Council and it is published.

The Commission report is drafted on the basis of the Member States' replies to the "Article 280" questionnaire. The present questionnaire covers the period from 1 January to 31 December 2008.

This document lists all the answers of Member States to the 2008 questionnaire.

Over the time the report had become more and more voluminous. Both the Council and the European Parliament were concerned that its size was increasing and that its being annual, horizontal and multisectoral hampered a detailed assessment of all the aspects of the protection of the Communities' financial interests by the Member States. Since 2003, the Commission has therefore applied a new approach. After the traditional question asking Members States to report on new measures taken in 2008, the questionnaire focuses on a few major themes. The aim is to gather information on topics which go beyond the measures taken in the course of a calendar year, thereby allowing a more detailed analysis of these topics. The topics change from year to year.

As in previous years, the **first part of this document** presents the **main measures that give effect to Article 280**, i.e. measures adopted by the Member States to combat fraud and all illegal activities affecting the financial interests of the Communities. In order to make the answers more concise and useful for the stakeholders, and at the request of several Member States, this part is structured differently than in the previous years. Member States have been invited to describe two or three "key" measures taken in the year 2008 in order to implement Article 280 of the Treaty, and not to list all measures in all sectors anymore.

The **second part** concerns the **competent national authorities in the field of fight against fraud and designated for the cooperation with OLAF**. European legislation requires that on-the-spot checks be conducted by the Commission in close cooperation with the competent authorities of the Member State concerned. From this point of view, prior identification of the competent national authority is essential for the success of on-the-spot checks.

The **third part of the questionnaire addressed to the Member States** refers to another specific subject, namely the **reporting of irregularities**. In the fields where the Member States implement the budget and for the collection of the Community's own resources, Community legislation requires the Member States to report suspicions of fraud and other irregularities. Member States have been required to answer a series of questions in order to allow the Commission a correct and in-depth analysis of the changing trends and patterns related to irregularities in the European Union.

1. DESCRIPTION OF KEY DEVELOPMENTS CONCERNING THE IMPLEMENTATION OF ARTICLE 280 OF THE EC TREATY

Maximum three most important legislative or administrative measures taken in the course of 2008 for the protection of the European Community's financial interests and the fight against fraud. These should be measures adopted at Member State's own initiative and not measures which simply transpose Community legislation.

In particular, Member States are asked to indicate:

- Type of measure (law, regulation, etc.) and references (number, date of adoption and/or publication, name of programme, etc.)
- Its scope (horizontal, specific field)
- Why it was needed
- Improvements made to the existing system.

BE

Royal Decree of 29 April 2008 (M. B. 8 May 2008)

To set up a body, organised on collegiate lines, to combat fraud, including tax fraud. This body is tasked with drawing up a draft annual action plan, with making sure that the implementation of this plan - approved by the Ministerial Committee for combating fraud, including tax fraud - is properly coordinated and with ensuring that the legislation is applied uniformly throughout the country.

Royal Decree of 12 June 2008

A new measure has been taken on the model of the mandatory deposit of periodic declarations taking account of the improvements to the tools used by the administration and operators in their work, namely the electronic submission of the annual list of taxable clients and of the list of exempted intra-Community deliveries. This measure not only makes it easier for the administration and companies to deal with such declarations but, above all, enables the supplier lists used for the checks made on taxable persons to be drawn up more quickly and more efficiently and helps speed up exchanges of information with the other Member States.

The Royal decree gradually obliges taxable persons who are required to submit the aforesaid documents and who have the necessary IT resources available to them to submit the documents electronically, that is to say as from 1 July 2008 in the case of those taxable persons who submit periodic VAT declarations on a monthly basis and as from 1 July 2009 in the case of taxable persons who submit such declarations on a quarterly basis.

Programme Law of 22 December 2008, (M. B. 29 December 2008)

Introduced measures that made for greater efficiency in collecting VAT receipts and were designed to improve the collection of taxes and of excise, customs and other duties and such like. In particular, Article 191 replaces Article 81b) of the VAT Code with a view to extending by two years the limitation period for engaging in proceedings for recovering the tax, interest and fines imposed by taxation authorities when the offence referred to in Articles 70 or 71 of this Code was committed with the intention of defrauding or for malicious purposes. This limitation shall from now on become effective at the end of the seventh calendar year following that in which

	<p>the collectability clause comes into force.</p> <p>Articles 194 and 195 are about assigning the sums to be refunded or paid to those persons liable for payment and this with a view to improving the collection of sums payable by the latter in the form of tax credits and excise and other duties.</p> <p>Law of 19 September 2008, (M. B., 22 October 2008)</p> <p>Approving the Protocol and Joint Declaration, signed in Brussels on 17 April 2007, amending the additional Protocol on taxes annexed to the Convention concerning administrative and judicial cooperation in the field of regulations relating to achieving the objectives of the Benelux Economic Union, signed in The Hague on 29 April 1969, provided for recognition by the other two countries of the system of joint and several liability in force in the country in which the VAT is due in order to make the resources needed for collecting this tax available to the administrations of the three countries.</p>
<p>BG</p>	<p>Law amending the Law on Public Financial Inspections, (SG, 14.11.2008)</p> <p>The Law was amended in order to allow for improved collaboration and cooperation with the supervisory bodies of the European Commission. It lays down the procedures for enforcement action in case an economic operator refuses to cooperate voluntarily with supervisory authorities, including with the controllers of the European Commission. Financial inspectors are given the legal right to perform searches and seize documents from inspected organisations and persons, subject to the sanction of the court, in cooperation with the authorities of the Ministry of the Interior. The regulation governing the implementation of the Law lays down detailed rules for on-the-spot checks performed by the financial controllers of the European Commission. Procedure is established for the implementation of Recitals 14 and 15 of Council Regulation (EURATOM, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission.</p> <p>Law on the conflict of interest (in force as from 1 January 2009)</p> <p>The Law lays down provisions on the definition and identification of a conflict of interest, its prevention, its legal consequences and related legal disputes, the incompatibility between public service and private interests, as well as the protection of whistle-blowers who have submitted information on conflict of interest.</p> <p>Law amending the Law on public procurement (in force as from 1 January 2009)</p> <p>It lays down procurement principles, conditions and procedures aimed to guarantee effectiveness in spending budgetary and non-budgetary resources. A database will be established for participants in procurement procedures for whom there is evidence of fraud or irregularities involving EU funds.</p> <p>Council of Ministers Decree No 119 of 30 May 2008</p> <p>Laying down the conditions, procedures and mechanism for recovery of undue payments and overpayments, and resources unlawfully received or implemented by budget and state enterprises from pre-accession instruments, EU funds, as well as national co-financing or pre-financing. The procedure for recovery of debt is therefore simplified and shortened. It is envisaged that debt will be recovered through deduction of amounts from subsequent payments from the national budget</p>

	<p>to the relevant agency.</p> <p>Council of Ministers Decree No 18 of 2003 establishing an Anti-Fraud Coordination Service</p> <p>Has been amended to extend its composition and to allow for timely reporting of irregularities and for collaboration among the institutions fighting fraud and irregularities.</p>
CZ	<p>National Strategy for the protection of the European Community's financial interests (Government resolution No 535/2008 of 14 May 2008)</p> <p>Action plan</p> <p>to implement the priorities of the objectives of the National Strategy for the protection of the European Community's financial interests (Government resolution No 1275 of 15 October 2008)</p> <p>Act No 140/1961 Coll., the Criminal Act</p> <p>Was amended to introduce the paragraph 129a: "damaging the European Community's financial interests". The amendment entered force on 1 July 2008.</p>
DK	/
DE	/
EE	<p>Government of the Republic Regulation No 125 of 7 August 2008</p> <p>Amends the conditions and procedure for recovering and repaying aid and for providing information on irregularities arising during the granting and use of aid. The amendment enables aid to be recovered on the basis of a percentage rate in cases where it is impossible to ascertain the sum involved in the irregularity or where the cost of this would be prohibitive.</p> <p>Instructions of 7 August 2008 for dealing with irregularities</p> <p>The aim of the instructions is to identify situations where the requirements relating to the use of the aid are not fulfilled and to provide implementers with guidelines for recovering amounts in part or in full or for abandoning recovery.</p> <p>Instructions concerning the minimum requirements for the supervision of structural instruments</p> <p>Updated at the beginning of 2008. These instructions lay down in detail those aspects of projects which are to be inspected as an absolute minimum and the way in which the inspection process is to be organized so as to ensure, inter alia, that duties are sufficiently separated and that there is a sufficient level of quality control. They also lay down more clearly-defined bases (including procedures) for the managing authority to carry out regular inspections of intermediate and implementing bodies. Previously, inspections were organized more in the form of cooperation and the flow of information was less regulated. The measure is necessary to ensure that the managing authority is informed of the procedures and operations of other bodies in a situation where the amount of funds and the number of measures is soaring and it is no longer possible to obtain the necessary information as effectively through less formal forms of cooperation.</p>

IE	<p>Section 134 of the Finance Act, 2008</p> <p>Provides Revenue Officers with the opportunity to question suspects detained in Garda Síochána (Ireland’s National Police Service) custody. The Section refers to offences which Revenue Officers ordinarily investigate; however, it allows Revenue Officers to participate in questioning persons who have been detained by the Garda Síochána.</p>
EL	<p>1) Shared management audit:</p> <p>Decision 2/49837/0004/2.7.2008 (Government Gazette II 1334/8.7.2008) “Powers and special operation issues of the FCC”;</p> <p>Decision 2/49840/0004/2.7.2008 (Government Gazette II 1334/8.7.2008) “Internal organization and distribution of powers among the support services of the FCC”;</p> <p>Decision 567/EDED/2.12.2008 (Government Gazette II 2486/5.12.2008) “Establishment of the Private-Sector Expert Register”*.</p> <p>As a result of and pursuant to Law 3614/2007 entitled “Management, audit and implementation of development interventions for the 2007-13 programming period” (Government Gazette I 267, 3.12.2007), the Minister for Economic Affairs and Finance issued three decisions specifying the powers, structure and operations of the Financial Control Committee. The FCC is the competent body for verifying the operation of the management and audit system for NSRF Operational Programmes (OPs) and the Fisheries Operational Programme; it carries out inspections of all competent management and certification bodies. Among other things, these decisions established the Private-Sector Expert Register, from which private-sector experts are selected to participate as members of the FCC.</p> <p>2) Customs:</p> <p>For the purpose of implementing the Convention on Mutual Assistance and Cooperation between Customs Administrations (which was ratified by Law 2772/1999 (Government Gazette I 282)), the declaration referred to in Article 32(4) of the Convention – regarding the temporary validity of the Convention among the Member States having also submitted said declaration – was submitted in 2008 to the Committee of the Council.</p> <p>Implementation of the FIDE computer system following the vote passing Law 3675/2008 (Government I 137/2008) on the use of IT in the field of customs, as regards the creation of an archive for customs investigation files.</p> <p>3) Financial crime:</p> <p>Law 3691/2008 on the “Prevention and suppression of money laundering and terrorist financing and other provisions” (Government Gazette I 166, 5.8.2008).</p> <p>Apart from incorporating Directives 2005/60/EC (OJ L 309/2005) and 2006/70/EC (OJ L 214/2006) and certain recommendations of the FATF team into Greek law, also introduces some new provisions, the main ones of which are:</p> <ul style="list-style-type: none"> • Recommendation of the Strategy and Policy Committee to tackle money laundering and terrorist financing;

	<ul style="list-style-type: none"> • Recommendation of the Private-Sector Consultation Body; • Greater powers for authorities responsible for combating money laundering and terrorist financing; • Tackling the risks posed by individuals, transaction and activities prone to money laundering and terrorist financing; • Laying down proportionate, effective and dissuasive administrative sanctions and streamlining existing penalties.
ES	<p>Law 1/2008 of 4 December for the enforcement in the EU of decisions that impose financial penalties (BOE (Official Gazette) 293, 05.12.2008)</p> <ul style="list-style-type: none"> • It governs the way in which the Spanish judicial authorities will recognize and enforce a decision requiring the payment of a financial penalty issued by the competent authority of another Member State of the European Union. • It applies, for instance, to offences categorised as fraud, including fraud affecting the financial interests of the European Communities. • This law transposes Council Framework Decision 2005/214/JHA of 24 February 2005 into Spanish law. <p>ORGANIC LAW 2/2008 of 4 December amending Organic Law 6/1985 of 1 July 1985 on the judicial system, supplementing the Law for the enforcement in the EU of decisions that impose financial penalties (BOE 293, 05.12.2008)</p> <p>Amends Law 6/1985 as regards the jurisdiction of the courts concerning the enforcement of judgments.</p> <p>Royal Decree 1804/2008 of 3 November implementing Law 36/2006 of 29 November on measures to prevent tax fraud (BOE 278, 18.11.2008)</p> <p>Aims at identifying possible fraudsters and prevent involvement in fraud schemes. The following measures to combat tax fraud are included in this legislation;</p> <ol style="list-style-type: none"> (1) Improves the content of certain notarial deeds relating to immovable property. (2) Improves the procedure for revoking the NIF (tax identification number) by the AEAT (Tax Administration Agency): New cases of revocation and new legal consequences of revocation (removal from the Registers of Intra-Community Operators and Exporters and other economic operators). (3) Introduces the annual requirement for electricity supply companies to communicate contractor details and the land register reference of the property and its location. <p>Royal Decree 2126/2008 of 26 December amending the Regulation on Value Added Tax approved by Royal Decree 1624/1992 of 29 December.</p> <p>Establishes a voluntary monthly VAT refund system and sets up a monthly refund register.</p> <p>Adopts two measures in order to prevent tax fraud: (i) measures to exclude defaulters from the register and (ii) the requirement to present a disclosure statement</p>

	<p>in each assessment period with content of VAT records.</p> <p>Tax Fraud Prevention Plan approved in 2005:</p> <p>Was updated in November 2008. It is a strategic planning instrument that focuses on the design of preventive measures to avoid tax fraud and investigation as the central element of control measures.</p> <p>Law 14/2008 of the Catalonia Parliament of 5 November of the Catalonia Anti-Fraud Office. (DOGC 5256, 12.11.2008)</p> <p>Aiming at preventing and investigating possible specific cases of illegal use or allocation of public funds in the Autonomous Community of Catalonia.</p>
FR	/
IT	<p>Decree Act No. 112 of 25 June 2008, section 83c(5) (O.G. 147/25 June 2008), converted into Act No 133 of 6 August 2008 (O.G. 195/21 August 2008) on the fight against VAT fraud damaging national and Community interests.</p> <p>Improves the coordination of operations conducted by the Guardia di Finanza, the Revenue Service and the Customs Service, to guarantee more effective prevention and prosecution of fraud and to enable investigation reports to be produced and any preventive measures taken in good time.</p> <p>Regional Order (Determinazione Dirigenziale) No. 5813 issued by the Emilia Romagna regional authorities on 22 May 2008, approving a Manual on Procedures for the Managing Authority.</p> <p>The procedures covered by the Manual include "Procedure No 9 – Management of irregularities and recovery," the main objective of which is to rationalize measures for preventing, identifying and correcting irregularities and recovering amounts unduly transferred. Moreover, the procedure should guarantee that irregularities discovered during checks on measures co-financed under the ROP 2007-2013 for Emilia-Romagna are recorded, reported and notified.</p> <p>Decision of the Calabria Regional Government D.G.R. No 171 of 3 March 2008, amending DGR No. 493/2003</p> <p>Transfers the administrative responsibility regarding irregularities falling under the remit of the Department for National and Community Programming. The Act transfers administrative responsibility for notifying irregularities under Regulation (EC) No 1681/94, as amended, from the Second Level Control Body to the Sector for Monitoring, Controlling and Inspecting Programmes and Projects at the Department for National and Community Programming. The Decision provides for a system of management and supervision to codify procedures regarding information and the monitoring of irregularities and for recovering amounts unduly paid out, thereby ensuring that the appropriate national and EU authorities are informed of any irregularities correctly and in good time.</p>
CY	<p>Law 188(1)2007 on the prevention of and Fight against Money Laundering Act</p> <p>Entered into force on 8 January 2008, replacing all the previous laws from 1996-2004. The main purpose of the Act is to establish and criminalize the laundering of money originating from all serious criminal offences and to provide for the seizure</p>

	<p>and confiscation of said money, depriving criminals of their income. The legal framework in this field generally provides a comprehensive and effective basis for the fight against money laundering, as it contains provisions not just to preventing and combating money laundering but also for locating, freezing and confiscating assets.</p>
<p>LV</p>	<p>Cabinet Regulation No 65 of 5 February 2008 on the procurement procedure and its implementation with regard to projects financed by the contracting authority</p> <p>Lays down rules for the implementation of the procurement procedure, if implementation of the contract, which is not referred to in Article 6 of the Public Procurement Law, is financed by a person who is the contracting authority within the meaning of the Public Procurement Law from his/her own resources, resources provided for under an EU policy instruments, or from co-financing resources. The Regulation applies to any person who, in accordance with a decision taken by the competent authority, receives financing, under an EU policy instrument or from the central or a local government budget for the purpose of implementing a contract, with the exception of financing granted as compensation.</p> <p>Amendments to the Criminal Law</p> <p>Supplement the Law with Article 194(1) - the dissemination of false data or information on the state of the Latvian financial system - entered into force on 12 January, 2008. This Article establishes liability for the dissemination in oral, written or other form of intentionally false data or information on the state of the Latvian financial system. Article 194(2) establishes liability for the activities referred to in Article 194(1), if these activities have been performed repeatedly or by a group of persons on the basis of prior agreement, or if in doing so substantial harm is done to the State or to a person's legitimately protected rights or interests. Article 194(3) establishes liability for the activities referred to in Article 194(1) in cases where they have been performed for material gain. The amendments were drawn up in response to systematic attempts to destabilize the Latvian financial system by spreading false and distorted information.</p> <p>Four sets of guidelines</p> <p>Adopted in order to establish a common understanding among institutions managing EU Structural Funds and the Cohesion Fund in Latvia with regard to eligibility issues, the performance of on-the-spot checks and the surveillance of monitoring indicators, the following guidelines were drawn up for the 2004-06 and 2007-13 programming periods:</p> <p>Set of guidelines</p> <p>on for the performance by the Cohesion Fund Managing Authority of on-the-spot checks in respect of the 2004-06 programming period approved on 16/01/2008;</p> <p>Set of guidelines</p> <p>for the Cohesion Fund Managing Authority in relation to the eligibility of expenditure in respect of Cohesion Fund projects for the 2004-06 programming period, approved on 14 January 2008;</p>

	<p>Set of guidelines</p> <p>laying down the fundamental working principles of the monitoring system, procedures for implementing changes to monitoring indicators and procedures for the surveillance of monitoring indicators during the 2007-13 programming period, approved on 15 July 2008</p> <p>Set of guidelines</p> <p>on determining eligible and ineligible costs for the 2007-13 programming period, approved on 14/08/2008;</p> <p>The method to be used for implementing Cabinet Regulation No 440 of 26 June 2007 „Procedures by which the Managing Authority, the Certifying Authority, the Co-operation Authority or the Responsible Authority Conducts On-the-Spot Verifications of Projects Financed by European Union Structural Funds and the Cohesion Fund”, approved on 30/09/2008.</p>
LT	<p>Government Resolution No 439 of 29 April 2008</p> <p>Improves the rules on the repayment into the Lithuanian national budget of financial assistance disbursed and/or used in contravention of legislation.</p> <p>Government Resolution No 1225 of 12 November 2008</p> <p>Approves the rules for the administration and financing of action plans, laying down procedures for the administration of 2007–2013 EU structural aid and the identification and investigation of infringements.</p>
LU	<p>INTERREG programme: Clarification of responsibilities for the 1st level control.</p> <p>The Directorate-General for Financial Control, the body responsible for monitoring the commitment and authorisation of expenses in all Ministries and for monitoring the liquidation of non-tax revenue (created by the Act of 8 June 1999 on the State Budget, Accounting and Treasury) will be responsible for all the programmes from now on.</p> <p>INTERREG programme: Clarification and formalisation of procedures (Support Committees for Interreg A projects)</p>
HU	<p>Act CXXVII of 2007 on VAT</p> <p>Entered into force on 1 January 2008 and was amended on 1 May 2008; sets stricter requirements for goods imported for resale to qualify for VAT exemption, and therefore provide more guarantees in the fight against VAT-avoidance and VAT-fraud. Goods resold free of VAT which were brought into the European Community must be dispatched from the country within a set period of time, and evidence of shipping must be produced together with the customs (export/import) clearance declaration, and must be proved by presenting the appropriate documents within 15 days of shipping. During the procedure the Customs Authorities establish the Value Added Tax and suspend payment of this. Importers are exempted from paying tax only if, in addition to the above, they prove within 15 days of shipping that the declaration obligation in respect of intra-Community sales has been met. The reverse charge procedure defined in Article 142 of Act CXXVII of 2007 on VAT aims to provide simplicity and transparency, because in this case the person who</p>

	<p>sells or provides the services is not taxable; the customer is responsible for calculating and paying the tax. The reverse charge procedure is applied in two types of transaction: when the party required to meet the obligations has no commercial establishment in Hungary and in transactions between taxable persons in Hungary. The act broadened the range of the domestic transactions with the aim of preventing undue VAT recovery. Under the reverse charge procedure it is no longer possible to apply for undue tax deductions for transactions on the basis of accounts of unclear origin. The provisions implemented increase Hungarian VAT revenue, so they indirectly contribute to the fight against the violation of EU financial interests.</p> <p>Act CLXXXI of 2007 on the transparency of assistance from public funds</p> <p>Came into force on 1 April 2008; aims to provide for transparent operation of the institutional system for deciding on the granting and use of development funds. It regulates questions of conflict of interest in respect of Hungarian and EU-funds through stricter rules and in a clearer, more transparent manner. The Act and the Government Decree on its implementation regulate the rules on conflicts of interest in connection with the evaluation of assistance from public funds, the corresponding reporting obligation and the rules governing the disclosure of data of public interest in connection with assistance. They also include widespread exclusion criteria and lay down reporting and disclosure rules for compliance. The law provides strict sanctions against anyone who obtains subsidies despite a conflict of interest.</p>
<p>MT</p>	<p>National Anti Fraud and Corruption Strategy, presented on 19 November 2008</p> <p>Aims at setting up a normative, institutional and operational framework for the effective and efficient fight against fraud and corruption in Malta, reflecting both local requirements and international obligations. It enables the fight against fraud and corruption to be more pervasive and organised, and allows joint efforts by the actors involved. The main thrusts of the Strategy are prevention, deterrence, detection, investigation and prosecution of fraud and corruption.</p> <p>The Strategy will enable the national actors to work as a group and co-ordinate their initiatives in a strategic manner, thus enabling the mitigation of the highest risks in an effective manner. It has four main objectives, namely: Capacity Building; Communication Strategy; Maximisation of National Co-operation; Maximisation of International Co-operation.</p> <p>Act No. XXI of 2007 (Constitution of Malta (Amendment) (No. 2) Act, 2007), entered into force on 15 January 2008</p> <p>A number of investigative and coercive measures were introduced when the underlying offence was that carrying a punishment of a maximum of one year imprisonment or more. This legislative instrument introduced, inter alia, the said measures in the Criminal Code (Cap. 9) and the Prevention of Money Laundering Act. Moreover, various measures to enhance mutual legal assistance were also catered for through the same legislation. These measures have general application, therefore, covering also fraud affecting the Communities' financial interests.</p> <p>With regard to the Attorney General's power to collect evidence under the Criminal Code, where the Attorney General has reasonable cause to suspect that a person is guilty of a relevant offence, he/she may apply to the Criminal Court for a 'monitoring order' under Article 435AA of the Criminal Code (Cap. 9), requiring a</p>

	<p>bank to monitor for a specific period the banking operations being carried out through one or more accounts of the suspected person.</p> <p>Customs Department – Risk management of Import/Export Declarations</p> <p>A review of the Risk Management structure was carried out to ensure better exchange of information between customs staff dealing with the scrutiny of import / export declarations and officers effecting physical controls.</p> <p>Up to mid-2008, Risk Management regarding import/export declarations was managed by one officer who oversaw the monitoring of declarations in the electronic systems, affected documentary checks and also updated risk profiles.</p> <p>Work in the Risk Management office has since been split in two separate areas. A leader was appointed to take care solely of updating risk profiles while another leader is now responsible for business operations. These improvements aim to ensure more effective targeting of customs declarations and thus enhanced protection of the EU's financial interests.</p>
NL	/
AT	/
PL	<p>A document ("Guidelines") for the calculation of financial corrections for infringements of public procurement law relating to projects co-financed from EU funds</p> <p>Was drawn up at the Ministry of Regional Development. The document was sent, in the form of recommendations, to the managing authorities and intermediary institutions involved in implementing operational programmes. The schedule is applicable to operational programmes implemented with structural funds under the 2004-2006 financial perspective and operational programmes implemented with structural funds and the Cohesion Fund under the 2007-2013 perspective. Its aim is to harmonise the procedure in the event of infringements of public procurement law and to improve the process of making financial corrections in respect of such infringements.</p>
PT	<p>Decree-Law No 60/2008 of 27 March 2008</p> <p>Lays down the organisational arrangements, the powers of the scrutinising and monitoring bodies and the procedures to be complied with by the national entities when implementing Regulation (EC) No 485/08 and which sets out administrative offences in the event of failure to comply with the obligations relating to the registration, keeping and availability of information specified in the Regulation with a view to making them more effective and binding.</p> <p>Council of Ministers Resolution No 2/2008 of 7 January 2008</p> <p>Created the operational structure for the Mainland Rural Development Programme (PRODER) and provides that this management authority is responsible for managing and implementing the PRODER in an efficient and effective manner in accordance with the principles of good financial management. To this end, it states that the regional agricultural and fisheries directors have the technical and administrative support of the respective regional directorates and perform the monitoring and control functions for operations financed by PRODER.</p>

	<p>Council of Ministers Resolution No 79/2008 of 16 May 2008</p> <p>Set up the Management Authority for the Fisheries Operational Programme (PROMAR) and provides that it is responsible for managing and implementing PROMAR in an efficient manner, in accordance with the principles of good financial management.</p>
RO	<p>Own resources sector</p> <p>Law 99/29 April 2008 approving Emergency Government Ordinance No 25/2007 laying down certain measures for the reorganisation of the Government working apparatus (O.J. No. 340/2 May 2008, part 1)</p> <p>Extends the operational powers of the Fight Against Fraud Department (DLAF) to cover the revenue part of the EU budget. As a result, as ascertaining body within the meaning of art 214 of the Code of Criminal Procedure, DLAF carries out administrative investigations to detect irregularities and suspected fraud that damage the financial interests of the European Union in Romania by illegally reducing the own resources of the EU budget.</p> <p>National Strategy for the fight against Intra-Community Organised VAT Fraud</p> <p>Was drawn up under the coordination of the Directorate-General for Tax Inspection of the National Tax Administration Agency (ANAF). The Strategy was deemed necessary in order to strengthen the fight against tax fraud taking into account that, although the Community legal framework has been improved, it is not being sufficiently exploited, and administrative cooperation is insufficient given the scale of intra-Community trade. The strategy has the following objectives: Prevention - checks on access to the Register of Intra-Community Operators, checks on high-risk taxpayers who access the Register of Intra-Community Operators, detection and checks on economic operators "in waiting", that is registered operators with no visible activity or with very low activity, waiting for an opportunity to commit carousel fraud; Detection (rapid detection of fraud and immediate action) - establishing the information available to ANAF and further information needed to eliminate the fraud, development of data-processing instruments, collection of specific information for the detection of fraud, concluding agreements with taxpayers who operate in sectors with a high risk of fraud; Monitoring and inactivating persons who commit fraud - establishing a protocol of combat activities, initiation of legislative proposals, changes to the processing of VAT reimbursement applications; Debt recovery - applying safeguard measures, developing conditions for the application of joint liability, consolidating administrative cooperation in the recovery of taxes.</p>
SI	<p>Criminal Code (Official Gazette of the Republic of Slovenia No 66/08, published on 1.7.2008, entered into force on 1.11.2008)</p> <p>Scope: horizontal</p> <p>Why measure was needed: Fraud against the European Community financial interests was not specifically defined as a criminal offence</p> <p>Improvements: Inclusion of a specific article – Article 229 (Fraud against the European Community):</p>

	<p>Act Amending the Criminal Liability of Legal Entities Act (Official Gazette of the Republic of Slovenia No 65/08, published on 30.6.2008, entered into force on 1.11.2008)</p> <p>Scope: horizontal</p> <p>Why measure was needed: more effective penalties</p> <p>Improvements: introduction of two additional penalties, as follows:</p> <p>According to Article 15a- Ban on participation in public invitations for tender:</p> <p>(1) As an additional penalty for criminal offences under Chapter 24 and for criminal offences under Articles 260, 262, 263 and 264 of Chapter 26 of the Criminal Code, the court may prohibit legal entities from taking part in public invitations to tender for a period of three to ten years.</p> <p>(2) Contracting authorities must exclude from public invitations to tender any candidate or bidder which as a legal entity has received an additional penalty under this Article.</p> <p>Article 15b: Ban on trading in the legal entity's financial instruments on the regulated market: as an additional penalty for criminal offences under Chapter 24 and for criminal offences under Articles 260, 262, 263 and 264 of Chapter 26 of the Criminal Code, the court may prohibit trading in the legal entity's shares, other securities or financial instruments on the regulated market for a period of between one and eight years.</p>
SK	<p>Act No 528/2008 on aid and support granted under EC funds (in force as from 1 January 2009)</p> <p>Prior to the adoption of the Act, this area was governed by legal instruments ranked lower than acts. The Act governs the systems for the management and control of EC funds and lays down the rights and obligations of the entities involved in the implementation of the funds. It also defines the status of the Authority for the Protection of the EC's Financial Interests, the obligations of other entities in the context of the protection of the EC's financial interests and the arrangements for the settlement of financial relations.</p> <p>Guideline No 16/2008-U concerning irregularities in the financial management of the Structural Funds and the Cohesion Fund for the programming period 2004-2006 and 2007-2013</p> <p>Provides instructions for assessment, classification, recording and notification of irregularities, addresses the updating of the related methodological guidelines and procedures for the programming period 2004 – 2006 and lays down the methodology to be applied to irregularities in financial management in the programming period 2007–2013.</p> <p>3. Act No 10/1996 on controls in public administration was amended by Act No 164/2008 (entered into force on 1 June 2008)</p> <p>It lays down detailed provisions on the powers of the OLAF contact point.</p> <p>4. Act No 502/2001 on financial controls and internal audits and amending certain acts was amended by Act No 165/2008 (entered into force on 1 June</p>

	<p>2008)</p> <p>Covers controls to be performed at first-instance and second-instance level. The amendment primarily aimed to harmonise procedures, perform controls in a more efficient way and improve the overall quality of independent verification and assessment.</p>
FI	<p>Financial crime prevention development plan (Document No 28/850/2008)</p> <p>Drawn up at the National Board of Customs' crime prevention unit. The basis for the development plan for the prevention of trade-related financial crime is the National Board of Customs' crime prevention action plan for the years 2009-2012. This details the main changes to the (internal and external) operating environment as regards crime prevention. As stated in the action plan, serious crime targeting Finland is becoming increasingly professionalised. For the activities of the authorities, this entails the need to broaden and deepen professional skill, develop stringent crime prevention methods, build up the resources required for individual crime prevention operations and extend the time frame. The vigorous growth in Russian trade has meant that, for certain aspects, the logistics chain of Russian trade is controlled by the type of parties which the Customs cannot be sure in advance present no risk. In addition, recent phenomena linked to financial crime, such as criminal activity via e-commerce and large-scale criminal activity linked to (transit) transport companies, have made its prevention more challenging than before. In addition to the main changes to the external operating environment described above, the action plan also describes the strategic guidelines for crime prevention for future years as regards the prevention of trade-related criminal activity and serious and organised crime. It attaches priority to improving the prevention of trade-related criminal activity in cooperation with the customs inspectors and to cooperating with the police and the tax administration in accordance with the decision in principle on reduction of the grey economy and financial crime (financial crime prevention programme).</p> <p>The objective under the plan is for the Board of Customs to be, in its own area of activity, a leading player in financial crime prevention, and particularly in the prevention of trade-related crime. According to the Board of Customs' crime prevention action plan, the Board of Customs will prepare, in particular, a development plan for the prevention of trade-related financial crime, which will be put into effect during the period of results planning. With the aid of the development plan, the aim will be to organise the financial crime prevention to be carried out at the customs authorities at operational level into as well-defined a whole as possible and, at the same time, to commit all customs districts to long-term, planned development work.</p>
SE	<p>1. For the 2008 budget year, the Swedish Government will for the first time supply national certification regarding the management of EU funds.</p> <p>This national certification process will take place on an annual basis and will be submitted by the Government to the Riksdag (Parliament), with a copy to the European Commission and the European Court of Auditors. Certification will be part of the Central Government Annual Report and will be submitted for the first time in April 2009 (for the 2008 budget year). The certification will contain an assessment of whether the compilation of EU accounts, including profit/loss statements, balance sheets and cash-based accounting, gives a correct picture in all</p>

	<p>important respects, and will ensure that the Government has a system (internal control framework) in place to secure satisfactory internal control of EU funds.</p> <p>The Government's certification will be based on the certifications and assessments of the authorities responsible, and the opinions and observations of the auditors. Responsibility for ensuring satisfactory internal controls and sound economic management lies with the authority responsible for managing each respective programme.</p> <p>The EU funds covered by the certification are those managed in partnership between Sweden and the Commission and reported under the appropriations and revenue headings of the central government budget. The funds concerned are the European Agricultural Guarantee Fund, the European Agricultural Fund for Rural Development, the European Fisheries Fund, European Regional Development Fund (including European territorial programmes), the European Social Fund and the funds managed within the framework programme on Solidarity and the Management of Migration Flows.</p> <p>National certification is expected to have a positive impact on the financial protection of EU funds in Sweden.</p> <p>2. The mandate of the EU Anti-Fraud Council has been extended at the Economic Crime Authority, which is the national contact point for OLAF in Sweden.</p> <p>The composition of the Council has also been changed to ensure that the authorities responsible for the current programme period are represented. On 1 March 2008, the Council changed its name to the 'Council for the Protection of EU Financial Interests' (the SEFI Council). The Council is tasked with promoting efficient and correct use of EU-related funds and with combating fraud, misuse and other irregular use of such funds in Sweden. The new Council replaces the earlier EU Anti-Fraud Council.</p>
<p>UK</p>	<p>National Fraud Strategic Authority (NFSA)</p> <p>Established on 1 October 2008; it is a non statutory body.</p> <p>Key priorities are:</p> <ul style="list-style-type: none"> • A Criminal Justice system that focuses on the needs of victims by bringing fraudsters to swifter justice, efficiently and effectively; • Stronger deterrence to fraudsters through a tough, multi agency law enforcement and regulatory response and • Greater public confidence in the response to fraud, and greater capability of individuals and organisations to protect themselves. <p>Its role includes working with private, public and third sector organisations to initiate coordinate and communicate counter fraud activity across the UK.</p> <p>The NFSA is also undertaking a research on victim support for fraud victims.</p> <p>Newly established National Lead Police Force on Fraud supports the delivery of NFSA strategy as well as to reinforce the police response to fraud through the provision of essential counter fraud specialist training, best practice and support the</p>

43 Police forces in England and Wales through the recruitment of 50 additional officers and specialists. The lead force will conduct some serious fraud investigations on behalf of other police forces. The intention is not to replace other police forces fraud investigatory unit. The objective will be to persuade/encourage other police forces to bolster their counter fraud investigatory capacity.

National Fraud Reporting Centre (NFRC)

Anticipated to be in operation from late 2009. It is being managed and developed by City Of London Police (COLP). It will inform the NFSA assessment of the fraud threat to UK.

It will provide a telephone and web base reporting service, which will enable individuals and companies to make confirmed reports on fraud and attempted fraud and receive advice and information to protect themselves from future attacks by fraudsters.

They will mainly deal with high volume fraud and attempted fraud confirmed reports. Frauds/attempted frauds requiring an urgent response should still be directed to the local police force.

Crimes reported to NFRC will not automatically be allocated for investigation. Confirmed reports on fraud/attempted fraud will be used for intelligence purposes.

Civil recovery (pursuant to Proceeds of Crime Act 2002)

In cases where it is not possible to initiate criminal proceedings against corporate bodies, steps may be taken in the civil courts against them to recover property resulting from unlawful criminal conduct as well as introduce compliance system conditions which are subject to external monitoring so to avoid a repetition of such conduct again

2. COMPETENT NATIONAL AUTHORITIES

Article 4 of Regulation **2185/96**¹ establishes that “on-the-spot checks and inspections shall be prepared and conducted by the Commission in close cooperation with the competent authorities of the Member State concerned”. The notion of “national authority” is defined by national law. Member States may have a central authority and/or a multitude of authorities dealing with on-the-spot checks. In order to allow OLAF to organise on-the-spot checks in a more efficient way and to update OLAF contact list, this questionnaire asks Member States to provide some information about their national authorities and their areas of competence. The answers will also allow the Commission to compare the powers and organisation of competent national authorities. Since the field of direct expenditures has proven to be rather complex, the questionnaire contains some specific questions related to this field.

¹ OJ L292/15.11.1996.

2.1. CENTRAL COORDINATING AUTHORITY

Member State	2.1.1. Does your Member State have a central coordinating authority responsible for providing operational support to OLAF, that OLAF can contact when conducting on-the-spot checks?	2.1.2. What is the name of the central coordinating authority?
BE	<p>Yes:</p> <p>WALLOON REGION: External Affairs Public Service (concerning the European Structural Funds) – Permanent Representation of Belgium to the EU</p> <p>FRENCH COMMUNITY: /</p> <p>AGENCE FSE (ESF Agency): External Affairs Public Service (concerning the European Structural Funds), Permanent Representation of Belgium to the EU</p> <p>FPS ECONOMY: FPS Economy is unofficially the central coordinating authority and the authority with administrative competences extending to include direct expenditure.</p> <p>No:</p> <p>FPS FINANCE: There is no central coordinating authority for own resources and expenditure. Where, however, own resources are concerned; the Standing Committee to Combat Tax Fraud (CAF) is designated to provide any operational support required by OLAF. This committee is placed under the authority of the General Administrator of Taxes and Tax Collection.</p> <p>FLEMISH COMMUNITY:</p> <ul style="list-style-type: none"> • Leader+ 	

Member State	2.1.1. Does your Member State have a central coordinating authority responsible for providing operational support to OLAF, that OLAF can contact when conducting on-the-spot checks?	2.1.2. What is the name of the central coordinating authority?
	<ul style="list-style-type: none"> • EFRO Vlaanderen • (BEVLGECO) (Flemish Community – Economy, Science and Industry - EFRO) BRUSSELS-CAPITAL REGION: / GERMAN-SPEAKING COMMUNITY: /	
BG	Yes	AFCOS (Anti-Fraud Coordination Service)
CZ	Yes	AFCOS (Anti-Fraud Coordination Service)
DK	Yes	AFCOS (Anti-Fraud Coordination Service) - Public Prosecutor for Special Economic Crime
DE	Yes	Bundesministerium der Finanzen, Referat E A 6
EE	Yes	AFCOS (Anti-Fraud Coordination Service)
IE	No (there is no central coordinating authority, but several authorities can be contacted depending on the type of financial resources being investigated: Office of the Revenue Commissioners, Dept. of Agriculture, Fisheries and Food, Dept. of Finance)	
EL	No (In accordance with the opinion of the Greek Court of Auditors (which we adopt), there is indeed no central coordination authority, as responsibility is shared equally between the Court of Auditors, the competent Public Prosecutor, the Financial Control Committee, the Special Audit Office (formerly the Financial Crime Unit), financial inspectors and inspectors	

Member State	2.1.1. Does your Member State have a central coordinating authority responsible for providing operational support to OLAF, that OLAF can contact when conducting on-the-spot checks?	2.1.2. What is the name of the central coordinating authority?
	from other ministries (e.g. the Ministry of Health.)	
ES	No	
FR		
IT	Yes	COMITATO PER LA LOTTA CONTRO LE FRODI COMUNITARIE (C. O. L. A.F.) at the Prime Minister's Office, Community Policies Department, Community Fraud Office, Guardia di Finanza
CY	Yes	AFCOS (Anti-Fraud Coordination Service)
LV	Yes	AFCOS (Anti-Fraud Coordination Service)
LT	Yes	The Financial Crime Investigation Service under the Ministry of Internal Affairs
LU	No	
HU	Yes	AFCOS (Anti-Fraud Coordination Service)
MT	Yes	AFCOS (Anti-Fraud Coordination Service) - Internal Audit and Investigations Division
NL	Yes (Not a central coordinating authority, but a central	Douane Informatiecentrum – DIC (Customs Information Centre):

Member State	2.1.1. Does your Member State have a central coordinating authority responsible for providing operational support to OLAF, that OLAF can contact when conducting on-the-spot checks?	2.1.2. What is the name of the central coordinating authority?
	coordinating contact point)	Only for funds in shared management
AT	No ²	
PL	Yes	AFCOS (Anti-Fraud Coordination Service) - Department for Protection of EU Financial Interests within the Ministry of Finance
PT	Yes	Inspecção Geral de Finanças
RO	Yes	AFCOS (Anti-Fraud Coordination Service) Fight Against Fraud Department (DLAF)
SI	Yes	AFCOS (Anti-Fraud Coordination Service) - Budget Supervision Office of the Republic of Slovenia
SK	Yes	AFCOS (Anti-Fraud Coordination Service)

² The Anti-fraud department in the Ministry of Finance is the central coordinating authority for own resources inspections under mutual assistance on customs and agricultural levies under the EAGF. The Austrian Ministry of Finance does not, however, have any cross-departmental powers.); NB (Austrian Ministry of Justice): BGBl I 109/2007 set up the Anti-corruption Office (KSTA), which is responsible throughout Austria, in accordance with Article 20a(1) of the Code of Criminal Procedure (STPO), for prosecuting the following criminal offences which do not fall within the jurisdiction of the regional courts: 1.Criminal abuse of office and related criminal activities under Section 22 of the Criminal Code (STGB). 2. Abuse of trust in carrying out official duties (Article 313 of the Criminal Code), acceptance of gifts by authorities or misuse of aid under Articles 153 to 153b of the Criminal Code. 3. Anti-competitive agreements in contract award procedures under Article 168b of the Criminal Code. 4. Acceptance of gifts by officials under Article 168c (2) of the Criminal Code. 5. Money laundering under Article 165 of the Criminal Code where the proceeds originate from a criminal act or activity described in point 1, 2 or 4, a criminal association or organisation under Articles 278 and 278a of the Criminal Code or an association or organisation with a view of committing the crimes or omissions described in points 1, 2 and 4. Under Article 20a (3) of the stop, the KSTA is also responsible for mutual assistance in administrative and criminal matters with the relevant EU institutions and Member State judicial authorities in such cases, and it is the national coordinating authority along with OLAF and Eurojust in the case of proceedings undertaken as a result of crimes under Article 20a(1) of the STOP as well. KSTA carries out the central duties of judicial assistance and cooperation with the relevant EU institutions in such cases.

Member State	2.1.1. Does your Member State have a central coordinating authority responsible for providing operational support to OLAF, that OLAF can contact when conducting on-the-spot checks?	2.1.2. What is the name of the central coordinating authority?
FI	No	
SE	Yes	AFCOS (Anti-Fraud Coordination Service)
UK	Yes: Rural Payments Agency (RPA), HM Revenue & Customs (HMRC), Department for Transport (DFT), Wales & Northern Ireland (NI) No: (Scotland)	DFT for TENS Programme only

Member State	2.1.3. What is the legal basis which empowers the central authority to take action / provide assistance to OLAF?		
	Type of legal instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description:	References of the legal instrument (number/date of publication in Official Gazette):
BE			
BG			
CZ			
DK	Circulars issued by the Director of Public Prosecutions who is the highest prosecuting authority in Denmark.	Notice concerning the inspection scheme for EU fraud cases. A copy of the Notice is enclosed for information.	Director of Public Prosecutions – Notice No 4 of 8 April 1998.
DE	N/A	N/A	N/A

Member State	2.1.3. What is the legal basis which empowers the central authority to take action / provide assistance to OLAF?		
	Type of legal instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description:	References of the legal instrument (number/date of publication in Official Gazette):
EE			
IE	N/A	N/A	N/A
EL	N/A	N/A	N/A
ES	N/A	N/A	N/A
FR			
IT	Act No 142 of 19 February 1992 and Presidential Order No 91 of 14 May 2007	Presidential Order No. 91/2007 renewed the mandate of COLAF, assigning to it new consultancy and steering functions in connection with the coordination of the fight against fraud and other irregularities involving tax, the CAP and the Structural Funds.	Official Gazette No 42 of 20 February 1992- Official Gazette No 159 of 11 July 2007
CY			
LV			
LT	1. Resolution 2. Law	1. Government Resolution No 747 of 24 May 2002 on designation of the body responsible for cooperation with the European Anti-Fraud Office (OLAF) 2. Law No IX-816 of 28 March 2002 on the Financial Crime Investigation Service.	1. Valstybės žinios (Official Gazette) 2002, No 33-1250; 2. Valstybės žinios 2002, No 53-2092
LU	N/A	N/A	N/A

Member State	2.1.3. What is the legal basis which empowers the central authority to take action / provide assistance to OLAF?		
	Type of legal instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description:	References of the legal instrument (number/date of publication in Official Gazette):
HU			
MT	N/A	N/A	N/A
NL	Regulation No 2185/1996 transposed in national legislation in the Douanewet (Customs Act), as far as customs investigations are concerned.	Algemene Douanewet (General Customs Act)	
AT	N/A	N/A	N/A
PL			
PT	DL No 79/2007 of 29 March 2007	Organic Law of the Inspectorate-General of Finance	Official Gazette, Series 1.a, No 63, 29 March 2007
RO			
SI	Government Decision	<p>The Slovenian Government has designated as the responsible authority (AFCOS – Anti Fraud Coordination Service) the Budget Supervision Office attached to the Ministry of Finance.</p> <p>The Slovenian Government has set up an interdepartmental working party for cooperation with OLAF comprising representatives of the following institutions: State Prosecutor's Office, Ministry of Justice, Ministry of the Interior</p>	Government Decision No 245-24/2002-1 of 4.7.2002

Member State	2.1.3. What is the legal basis which empowers the central authority to take action / provide assistance to OLAF?		
	Type of legal instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description:	References of the legal instrument (number/date of publication in Official Gazette):
		(Criminal Police Directorate), Office for Money Laundering Prevention, Customs Administration of the Republic of Slovenia, Tax Administration of the Republic of Slovenia, Corruption Prevention Commission	
SK			
FI	N/A	N/A	N/A
SE			
UK		<p>DFT: Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the Trans-European transport and energy networks.</p> <p>RPA & Wales: The general power under the law of England and Wales is in the Police and Criminal Evidence Act of 1984. Under Section 8, a Justice of the Peace may grant a police constable power to enter and search any premises in connection with the commission of a serious arrestable offence. Where a person is under arrest for an arrestable offence, a constable may enter and search premise</p>	<p>DFT: Official Journal L 162, 22/06/2007 P. 0001 – 0010</p> <p>RPA & Wales: OJ L 270, 21.10.2003, P1</p>

Member State	2.1.3. What is the legal basis which empowers the central authority to take action / provide assistance to OLAF?		
	Type of legal instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description:	References of the legal instrument (number/date of publication in Official Gazette):
		<p>occupied or controlled by the person under arrest in order to obtain evidence relating to that offence. Theft and Fraud are arrestable offences – see Sections 1 and 15A of the Theft Act 1968, for example.</p> <p>The sectoral powers giving domestic force to EU Regulations are in various Statutory Instruments. For the Single Payment Scheme, the powers of entry and search are in the Common Agricultural Policy Single Payment and Support Schemes (Integrated Administration and Control Scheme) Regulations 2005 [SI 218/2005]. In England and Wales, an authorised person may at any reasonable time, on producing the necessary authorisation, enter land other than any building used only as a dwelling, for example, in order to establish whether an offence has been committed under these Regulations. One of the offences specified in these Regulations is the obtaining of a payment by furnishing information known to be false or misleading or recklessly furnishing such information. An authorised person, when entering premises under these powers may take any representative of the European Commission acting for the purpose of Article 27 of the</p>	

Member State	2.1.3. What is the legal basis which empowers the central authority to take action / provide assistance to OLAF?		
	Type of legal instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description:	References of the legal instrument (number/date of publication in Official Gazette):
		Council Regulation. HMRC: EU Council Regulation 515/97. Northern Ireland: as per England	

Member State	2.1.4. Which powers / duties does the central authority have?								
	Communicating irregularities to the Commission	Linking OLAF to the competent investigative authorities	Investigative Powers (according to national procedural rules)						Other
			Interviewing economic operators and witnesses with their consent	Interviewing economics operators and witnesses under caution	Accessing documents / premises	Searching and seizing	Accessing information about ongoing criminal / administrative investigations	Tracing people, telephones and mail	
BE									
BG									
CZ									
DK			X	X	X	X	X	X	
DE	X								
EE									
IE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ES	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Member State	2.1.4. Which powers / duties does the central authority have?								
	Communicating irregularities to the Commission	Linking OLAF to the competent investigative authorities	Investigative Powers (according to national procedural rules)						Other
			Interviewing economic operators and witnesses with their consent	Interviewing economics operators and witnesses under caution	Accessing documents / premises	Searching and seizing	Accessing information about ongoing criminal / administrative investigations	Tracing people, telephones and mail	
FR									
IT	X	X							X ³
CY									
LV									
LT	X	X	X	X	X	X	X	X	
LU	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HU									
MT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NL	X	X							

³ The Committee gives advice and guidance on the coordination of the fight and fraud and other irregularities involving tax, the CAP and the Structural Funds. Notification of the irregularities in their particular sectors is given by the Prime Minister's Office, Community Policies Department, Community Fraud Office, the Guardia di Finanza, the Ministry of Agricultural, Food and Forestry, and by the Customs Service, all of which are represented on the Committee. It should be pointed out that Italy's Court of Auditors assists OLAF under a memorandum of understanding signed in July 2006.

Member State	2.1.4. Which powers / duties does the central authority have?								
	Communicating irregularities to the Commission	Linking OLAF to the competent investigative authorities	Investigative Powers (according to national procedural rules)						Other
			Interviewing economic operators and witnesses with their consent	Interviewing economics operators and witnesses under caution	Accessing documents / premises	Searching and seizing	Accessing information about ongoing criminal / administrative investigations	Tracing people, telephones and mail	
AT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PL									
PT	X	X	X		X	X			
RO									
SI	X	X	X	X	X				X ⁴

⁴ The Budget Supervision Office has the power to perform many tasks, divided among separate internal units. Coordination and harmonisation of public internal financial control (PIFC), in the context of which AFCOS tasks are also carried out, in particular: directing the preparation of a national anti-fraud strategy in connection with the protection of the European Community's financial interests and coordination of the strategy's implementation; detecting possible weaknesses in the system of management and control of Community funds; initiating the necessary legislative or organisational changes to protect the European Community's financial interests more effectively, including proposals for networking with other bodies or institutions involved in protecting the European Community's financial interests, and the establishment of joint structures and mechanisms; informing the bodies and organisations responsible for managing Community funds (both revenue and expenditure) of their obligations and of the procedures they must follow for the purposes of protecting the Community's financial interests; coordinating the assessment of the training needs of bodies and organisations involved in protecting the Community's financial interests; cooperating with OLAF in running special training programmes, including temporary training in other Member States; providing organisational support for training; providing support and advice for other bodies and organisations involved in protecting the Community's financial interests.

- a. Performance of the tasks of an independent audit body for the use of EU funds, which means it has unrestricted access to premises, persons and documents in the performance of its tasks.

Member State	2.1.4. Which powers / duties does the central authority have?								
	Communicating irregularities to the Commission	Linking OLAF to the competent investigative authorities	Investigative Powers (according to national procedural rules)						Other
			Interviewing economic operators and witnesses with their consent	Interviewing economics operators and witnesses under caution	Accessing documents / premises	Searching and seizing	Accessing information about ongoing criminal / administrative investigations	Tracing people, telephones and mail	
SK									
FI	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SE									
UK	X	X	X	X	X	X	X	X	X

Member State	2.1.5. Does the central coordinating authority operate on a basis of annual programming?	2.1.6. Is the Central coordinating authority obliged to draw up a report on the objectives to be pursued in its monitoring activity?	2.1.7. How many people work in the central competent authority full time? (Staff that is effectively in charge of relations with OLAF, excluding supporting personnel (secretariat, archives); figures based on an estimate of manpower in full-time equivalent.)

- b. Budget inspection: the budget inspector carries out his allotted task of independently inspecting the legality of the use of budget funds (funds from the Community budget are an integral part of the national budget), issues reports and decisions under the administrative procedure and decrees other measures for which he is authorised; the budget inspector also examines notifications, appeals, reports and other applications submitted in matters falling under his remit and, on request, informs the applicant of the action taken; to support the Budget Supervision Office in performing AFCOS tasks the Slovenian Government has set up an interdepartmental working party comprising representatives of the following institutions: State Prosecutor's Office, Ministry of Justice, Ministry of the Interior (Criminal Police Directorate), Office for Money Laundering Prevention, Customs Administration of the Republic of Slovenia, Tax Administration of the Republic of Slovenia, Corruption Prevention Commission.

Member State	2.1.5. Does the central coordinating authority operate on a basis of annual programming?	2.1.6. Is the Central coordinating authority obliged to draw up a report on the objectives to be pursued in its monitoring activity?	2.1.7. How many people work in the central competent authority full time? (Staff that is effectively in charge of relations with OLAF, excluding supporting personnel (secretariat, archives); figures based on an estimate of manpower in full-time equivalent.)
BE			
BG			
CZ			
DK	No	No	Approx. 2 annual work units
DE	No	No	ca. 1800
EE			
IE	N/A	N/A	N/A
EL	N/A	N/A	N/A
ES	N/A	N/A	N/A
FR			
IT	No	Yes	
CY			
LV			
LT	No	No	4
LU	N/A	N/A	N/A
HU			

Member State	2.1.5. Does the central coordinating authority operate on a basis of annual programming?	2.1.6. Is the Central coordinating authority obliged to draw up a report on the objectives to be pursued in its monitoring activity?	2.1.7. How many people work in the central competent authority full time? (Staff that is effectively in charge of relations with OLAF, excluding supporting personnel (secretariat, archives); figures based on an estimate of manpower in full-time equivalent.)
MT	N/A	N/A	N/A
NL	Yes	Yes	4
AT	N/A	N/A	N/A
PL			
PT	Yes	Yes	20
RO			
SI	Yes	No	1
SK			
FI	N/A	N/A	N/A
SE			
UK	No	Yes: DFT No: HMRC, RPA, NI	DFT – TEN-T team / 2 people. HMRC & RPA – 3 each NI - 1

2.2. NATIONAL AUTHORITY WITH ADMINISTRATIVE ATTRIBUTIONS EXTENDED TO THE FIELD OF DIRECT EXPENDITURE

"Direct expenditure" means any Community expenditure from funds managed by the Community institutions (e.g. administrative expenditures of the institutions, programmes like Leonardo, Erasmus, the 7th Framework Programme for research and technological development, European Development Fund, etc). According to article 53 of the Financial Regulation⁵, this part of the budget can be implemented on a centralised basis, directly by the Commission services, or by delegating implementing tasks to third countries (decentralised management) or to international organisations (joint management).

The fourth type of management for European funds is shared management with Member States (for structural actions funds, for the agricultural funds), which is **not** included in sections 2.2., 2.3. and 2.4.

It must be underlined that, through this set of questions, it is not intended to identify national authorities responsible for the **management** of direct expenditure, which is a competence of the Commission; instead, it is intended to clarify whether Member States have a single authority that OLAF can contact when conducting on-the-spot checks and whether Member States have an investigation service, as well as a judicial authority (prosecutor's office) with responsibilities extended to the field of direct expenditure.

⁵ Council Regulation (EC, Euratom) No 1605 of 25.06.2002 (OJ L 248, 16.9.2002), as amended by Regulation EC, Euratom) No 1995 of 13.12.2003 (OJ L 390, 30.12.2006).

Member State	<p>2.2.1. Do you have a single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?</p> <p>E.g. Case 1: OLAF has opened an investigation in a case in which an NGO is suspected of having committed a fraud when implementing a humanitarian aid project in a third country. OLAF would like to make an on-the-spot check in the headquarters of the NGO in your Member State.</p> <p>Case 2: OLAF is investigating an European official working at the EU representation in your Member State.</p>	2.2.2. What is the legal basis of the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?		
		Type of Instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description	References of the legal instrument (number/date of publication in Official Gazette)
BE	<p>No: German-speaking community</p> <p>Yes: where EFRO [ERDF] in Flanders is concerned</p>	<p>Flemish community: EFRO Vlaanderen</p> <p>Decision of the Flemish Government</p>	<p>Flemish community: EFRO Vlaanderen</p> <p>Decision of the Flemish Government approving Operational Programme Objective 2 EFRD Flanders and designating the Europe Economy department as the managing authority</p>	<p>Flemish community: EFRO Vlaanderen</p> <p>Decision of the Flemish Government of 16 May 2007</p>
BG	No	N/A	N/A	N/A
CZ	No			
DK	Yes: Public Prosecutor for Special Economic	Circulars issued by the	Notice concerning the	Director of Public

Member State	<p>2.2.1. Do you have a single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?</p> <p>E.g. Case 1: OLAF has opened an investigation in a case in which an NGO is suspected of having committed a fraud when implementing a humanitarian aid project in a third country. OLAF would like to make an on-the-spot check in the headquarters of the NGO in your Member State.</p> <p>Case 2: OLAF is investigating an European official working at the EU representation in your Member State.</p>	2.2.2. What is the legal basis of the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?		
		Type of Instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description	References of the legal instrument (number/date of publication in Official Gazette)
	Crime	Director of Public Prosecutions who is the highest prosecuting authority in Denmark.	inspection scheme for EU fraud cases.	Prosecutions – Notice No 4 of 8 April 1998.
DE	No	N/A	N/A	N/A
EE	Yes: The Prosecutor's Office	Act	Section 30 of the Code of Criminal Procedure. The Prosecutor's Office in criminal proceedings: "(1) The Prosecutor's Office shall direct pre-trial proceedings, ensure the legality and efficiency thereof and represent the public prosecution in	01.07.2004. RT I 2003, 83, 558, RT I 2008, 35, 212

Member State	2.2.1. Do you have a single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE? E.g. Case 1: OLAF has opened an investigation in a case in which an NGO is suspected of having committed a fraud when implementing a humanitarian aid project in a third country. OLAF would like to make an on-the-spot check in the headquarters of the NGO in your Member State. Case 2: OLAF is investigating an European official working at the EU representation in your Member State.	2.2.2. What is the legal basis of the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?		
		Type of Instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description	References of the legal instrument (number/date of publication in Official Gazette)
			court."	
IE	No	N/A	N/A	N/A
EL	No	N/A	N/A	N/A
ES	No	N/A	N/A	N/A
FR				
IT	Yes: COMITATO PER LA LOTTA CONTRO LE FRODI COMUNITARIE (C. O. L. A.F.) at the Prime Minister's Office, Community Policies Department, Community Fraud Office, Guardia di Finanza;	Act No 142 of 19 February 1992 and Presidential Order No 91 of 14 May 2007	Presidential Order No 91/2007 renewed the mandate of COLAF, assigning to it new consultancy and steering functions in connection with the coordination of the fight against fraud and	Official Gazette No 42 of 20 February 1992- Official Gazette No 159 of 11 July 2007

Member State	<p>2.2.1. Do you have a single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?</p> <p>E.g. Case 1: OLAF has opened an investigation in a case in which an NGO is suspected of having committed a fraud when implementing a humanitarian aid project in a third country. OLAF would like to make an on-the-spot check in the headquarters of the NGO in your Member State.</p> <p>Case 2: OLAF is investigating an European official working at the EU representation in your Member State.</p>	2.2.2. What is the legal basis of the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?		
		Type of Instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description	References of the legal instrument (number/date of publication in Official Gazette)
			other irregularities involving tax, the CAP and the Structural Funds.	
CY	No	N/A	N/A	N/A
LV	No	N/A	N/A	N/A
LT	Yes: The Financial Crime Investigation Service under the Ministry of Internal Affairs	Law	Law No IX-816 of 28 March 2002 on the Financial Crime Investigation Service	Valstybės žinios 2002, No 53-2092
LU	Yes: The National Authority for the implementation of the community action programme <i>Jeunesse en Action</i> [Youth in Action]; Nico Meisch, Senior civil servant,	Ministerial Directive	Ministerial Directive of 15 December 2006 concerning the national implementation of the	

Member State	<p>2.2.1. Do you have a single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?</p> <p>E.g. Case 1: OLAF has opened an investigation in a case in which an NGO is suspected of having committed a fraud when implementing a humanitarian aid project in a third country. OLAF would like to make an on-the-spot check in the headquarters of the NGO in your Member State.</p> <p>Case 2: OLAF is investigating an European official working at the EU representation in your Member State.</p>	2.2.2. What is the legal basis of the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?		
		Type of Instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description	References of the legal instrument (number/date of publication in Official Gazette)
	adviser to the Minister		community action programme <i>Jeunesse en action</i> [Youth in action]. The Directive governs the respective rights and duties of the national authority and the national agency in terms of the implementation of the programme.	
HU	No	N/A	N/A	N/A
MT	N/A	N/A	N/A	N/A
NL	No	N/A	N/A	N/A

Member State	<p>2.2.1. Do you have a single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?</p> <p>E.g. Case 1: OLAF has opened an investigation in a case in which an NGO is suspected of having committed a fraud when implementing a humanitarian aid project in a third country. OLAF would like to make an on-the-spot check in the headquarters of the NGO in your Member State.</p> <p>Case 2: OLAF is investigating an European official working at the EU representation in your Member State.</p>	2.2.2. What is the legal basis of the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?		
		Type of Instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description	References of the legal instrument (number/date of publication in Official Gazette)
AT	No (However, if OLAF makes such a request to the Anti-corruption Office at the Austrian Ministry of Finance, it will forward this request to the relevant department. It should be noted that the Anti-corruption office is not a coordinating authority in the same way as AFCOS as it does not have cross-departmental powers, simply acting as the single point of contact at OLAF's request.)	N/A	N/A	N/A
PL	No	N/A	N/A	N/A
PT	Yes: Inspecção Geral de Finanças	DL No 79/2007 of 29 March 2007	Organic Law of the Inspectorate-General of Finance	Official Gazette of the Republic, Series 1.a, No 63, 29 March 2007

Member State	<p>2.2.1. Do you have a single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?</p> <p>E.g. Case 1: OLAF has opened an investigation in a case in which an NGO is suspected of having committed a fraud when implementing a humanitarian aid project in a third country. OLAF would like to make an on-the-spot check in the headquarters of the NGO in your Member State.</p> <p>Case 2: OLAF is investigating an European official working at the EU representation in your Member State.</p>	2.2.2. What is the legal basis of the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?		
		Type of Instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description	References of the legal instrument (number/date of publication in Official Gazette)
RO	Yes: DEPARTAMENTUL PENTRU LUPTA ANTIFRAUDĂ (FIGHT AGAINST FRAUD DEPARTMENT)	Emergency Government Ordinance	Emergency Government Ordinance No 3/2009 amending and supplementing certain legislative acts relating to the organisation and functioning of certain structures in the working apparatus of the Government.	Official Journal of Romania, Part I, No 84 of 11 February 2009
SI	Yes: Budget Supervision Office	Government Decision	The Slovenian Government has designated as the responsible authority (AFCOS – Anti-Fraud	Government Decision No 245-24/2002-1 of 4.7.2002

Member State	<p>2.2.1. Do you have a single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?</p> <p>E.g. Case 1: OLAF has opened an investigation in a case in which an NGO is suspected of having committed a fraud when implementing a humanitarian aid project in a third country. OLAF would like to make an on-the-spot check in the headquarters of the NGO in your Member State.</p> <p>Case 2: OLAF is investigating an European official working at the EU representation in your Member State.</p>	2.2.2. What is the legal basis of the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?		
		Type of Instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description	References of the legal instrument (number/date of publication in Official Gazette)
			Coordination Service) the Budget Supervision Office attached to the Ministry of Finance	
SK	Yes: Government Office department of protection of the EC's financial interests and fight against corruption (Odbor ochrany finančných záujmov Európskej únie a boja proti korupcii Úradu vlády SR)	Act of the Slovak National Council; Resolution of the Slovak Government	Act No 10/1996 on controls in public administration; Resolution of the Slovak Government No 1133/2001 on the proposal to establish the OLAF Central Contact Point for the Slovak Republic. Note: The name of the department has been changed to "Department of	10/1996 (published on 11 January 1996), 1133/2001 (adopted on 28 November 2001)

Member State	<p>2.2.1. Do you have a single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?</p> <p>E.g. Case 1: OLAF has opened an investigation in a case in which an NGO is suspected of having committed a fraud when implementing a humanitarian aid project in a third country. OLAF would like to make an on-the-spot check in the headquarters of the NGO in your Member State.</p> <p>Case 2: OLAF is investigating an European official working at the EU representation in your Member State.</p>	<p>2.2.2. What is the legal basis of the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE?</p>		
		Type of Instrument (e.g. law, regulation, decree)	Title of the legal instrument or brief description	References of the legal instrument (number/date of publication in Official Gazette)
			protection of the EC's financial interests and fight against corruption“.	
FI	No	N/A	N/A	N/A
SE				
UK	No	N/A	N/A	N/A

Member State	2.2.3. Which powers/duties does the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE have?								
	Communicating irregularities to the Commission	Linking OLAF to the competent investigative authorities	Investigative Powers (according to national procedural rules)						Other
			Interviewing economic operators and witnesses with their consent	Interviewing economics operators and witnesses under caution	Accessing documents / premises	Searching and seizing	Accessing information about ongoing criminal / administrative investigations	Tracing people, telephones and mail	
BE		X							
BG	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
CZ									
DK		X	X	X	X	X	X	X	
DE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EE		X							X ⁶

⁶ Code of Criminal Procedure § 213. Prosecutor's Office in pre-trial proceedings: (1) Prosecutors' Offices shall direct pre-trial procedure and ensure the legality and efficiency thereof and are competent to: 1) Perform procedural acts when necessary; 2) Be present at the performance of procedural acts and intervene in the course thereof; 3) Terminate criminal proceedings; 4) Demand that the materials of a criminal file and other materials be submitted for examination and verification; 5) Issue orders to investigative bodies; 6) Annul and amend orders of investigative bodies; 7) Remove an official of an investigative body from a criminal proceeding; 8) Alter the investigative jurisdiction over a criminal matter; 9) Declare a pre-trial proceeding completed; 10) Demand that an official of an investigative body submit oral or written explanations concerning the circumstances relating to a proceeding; 11) Assign the head of the probation supervision department with the duty to appoint a probation officer; 12) Perform other duties arising from this Code in pre-trial proceedings.

Member State	2.2.3. Which powers/duties does the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE have?								
	Communicating irregularities to the Commission	Linking OLAF to the competent investigative authorities	Investigative Powers (according to national procedural rules)						Other
			Interviewing economic operators and witnesses with their consent	Interviewing economics operators and witnesses under caution	Accessing documents / premises	Searching and seizing	Accessing information about ongoing criminal / administrative investigations	Tracing people, telephones and mail	
IE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
EL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
ES	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FR									
IT		X							
CY	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LV	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LT		X	X	X	X	X	X	X	
LU	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
HU	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Member State	2.2.3. Which powers/duties does the single authority that OLAF can contact when conducting on-the-spot checks in the field of DIRECT EXPENDITURE have?								
	Communicating irregularities to the Commission	Linking OLAF to the competent investigative authorities	Investigative Powers (according to national procedural rules)						Other
			Interviewing economic operators and witnesses with their consent	Interviewing economics operators and witnesses under caution	Accessing documents / premises	Searching and seizing	Accessing information about ongoing criminal / administrative investigations	Tracing people, telephones and mail	
AT	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PL	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
PT		X	X		X	X			
RO	X	X	X	X	X		X		X ⁷
SI	X	X	X	X	X				X ⁸
SK		X							
FI									
SE									
UK									

⁷ Coordination of the fight against fraud in Romania: collection, analysis and processing of information needed to produce the relevant analyses; preparation and coordination of advanced training programmes, traineeships and training in the field.

⁸ Ibidem 3.

2.3. INVESTIGATION SERVICE WITH RESPONSIBILITIES EXTENDED TO THE FIELD OF DIRECT EXPENDITURE

2.4. JUDICIAL AUTHORITY IN THE FIELD OF DIRECT EXPENDITURE

Member State	2.3. Which is the investigation service most frequently involved in the field of DIRECT EXPENDITURE? (E.g. Police Department responsible for financial crimes, fiscal investigation authority, etc.) Please indicate at maximum three authorities.	2.4. Which is the judicial authority (responsible for conducting the criminal investigation/prosecution and bringing the case to court) with competences extended to the field of DIRECT EXPENDITURE?
BE	Belgian Auditor General's office Belgian Ministry of Finance	European Criminal Court
BG	Ministry of the Interior: Directorate for combating organized and heavy crime (Министерство на вътрешните работи, Дирекция “Противодействие на организираната и тежка престъпност”) Ministry of the interior: Directorate for combating common crime (Министерство на вътрешните работи, Дирекция “Противодействие на общата престъпност”) State Agency " National Security": Department of Economics and Financial Security (Държавна агенция “Национална сигурност”, Главна дирекция “Икономическа и финансова сигурност”)	Supreme Prosecutor's Office: Specialized Unit for Investigations of Frauds Related to Misuse of European Funds (Върховна касационна прокуратура - Специализирано звено за разследване на злоупотреби с Евр. Фондове)
CZ	Police Force of the Czech Republic Corruption and Financial Criminality Detection Department; Criminal Policing and Investigation Service (PČR ÚOKFK SKPV)	Supreme Public Prosecutor's Office

Member State	2.3. Which is the investigation service most frequently involved in the field of DIRECT EXPENDITURE? (E.g. Police Department responsible for financial crimes, fiscal investigation authority, etc.) Please indicate at maximum three authorities.	2.4. Which is the judicial authority (responsible for conducting the criminal investigation/prosecution and bringing the case to court) with competences extended to the field of DIRECT EXPENDITURE?
DK	Public Prosecutor for Special Economic Crime	Public Prosecutor for Special Economic Crime
DE	N/A	N/A
EE	The Central Criminal Police; The Tax and Customs Board; The Police Board	The Prosecutor's Office
IE	Garda Bureau of Fraud Investigation (Depends on the Programme/ Garda Bureau of Fraud Investigation). In regards to investigations in the area of direct expenditure, the Garda Síochána (Ireland's National Police Service) is responsible for the detection and investigation of crime in Ireland. While cases of financial crimes are an extremely rare occurrence they may be brought to the attention of the Garda Síochána by those affected and subsequently investigated by the Garda Bureau of Fraud Investigation and prosecuted by the Director of Public Prosecutions	Office of the Director of Public Prosecutions (As stated above when it comes to investigating indictable offences it is the Garda Síochána which investigates. It is then the Director of Public Prosecutions who prosecutes.)
EL	SPECIAL AUDIT OFFICE – CENTRAL DEPARTMENT – DIRECTORATE 3, SECTION A; Directorate for Auditing EAGGF Expenditure – Guarantee Section	The competent prosecuting authority
ES		
FR	Ministère de l'Intérieur / Direction Centrale de la Police Judiciaire / Office Central pour la Répression de la Grande Délinquance Financière (Ministry of the Interior/Central Headquarters of the Criminal Police/Central Office for Serious Financial Crime)	

Member State	2.3. Which is the investigation service most frequently involved in the field of DIRECT EXPENDITURE? (E.g. Police Department responsible for financial crimes, fiscal investigation authority, etc.) Please indicate at maximum three authorities.	2.4. Which is the judicial authority (responsible for conducting the criminal investigation/prosecution and bringing the case to court) with competences extended to the field of DIRECT EXPENDITURE?
	Ministère de l'Intérieur / Direction Centrale de la Police Judiciaire / Division Nationale d'Investigations Financières (Ministry of the Interior/Central Headquarters of the Criminal Police/National Financial Investigations Division)	
IT	GUARDIA DI FINANZA - COMANDO GENERALE COMANDO CARABINIERI POLITICHE AGRICOLE E ALIMENTARI	THE PUBLIC PROSECUTOR'S OFFICE WITH TERRITORIAL JURISDICTION
CY	LEGAL SERVICE OF THE REPUBLIC OF CYPRUS (PROSECUTOR-GENERAL) Police Customs Division	LEGAL SERVICE OF THE REPUBLIC OF CYPRUS (PROSECUTOR-GENERAL)
LV	Financial Police Department of the State Revenue Service; The Corruption Prevention and Combating Bureau; Economic Police Department, Central Criminal Police Department, State Police	International Cooperation Division of the Prosecutor-General's Office, Public Prosecutor's Office of Latvia
LT	The Financial Crime Investigation Service under the Ministry of Internal Affairs Lithuanian Criminal Police Bureau	Office of the Lithuanian Prosecutor-General
LU	Criminal Investigation Department, Current Economic and Financial Offences Unit	Economic Section of the Department of Public Prosecution

Member State	2.3. Which is the investigation service most frequently involved in the field of DIRECT EXPENDITURE? (E.g. Police Department responsible for financial crimes, fiscal investigation authority, etc.) Please indicate at maximum three authorities.	2.4. Which is the judicial authority (responsible for conducting the criminal investigation/prosecution and bringing the case to court) with competences extended to the field of DIRECT EXPENDITURE?
HU	National Customs and Finance Guard, Criminal Directorate General Prosecutor's Office, Department of Special Cases General Prosecutor's Office, Department of Investigation Supervision and Prosecution File Preparation	National Customs and Finance Guard, Criminal Directorate
MT	Internal Audit and Investigations Division (AFCOS Malta) Economic Crimes Unit, Malta Police Force	Economic Crimes Unit, Malta Police Force
NL	Sociale Inlichtingen- en Opsporingsdienst (Social Information and Investigation Service) Fiscale Inlichtingen- en Opsporingsdienst (Fiscal Intelligence and Investigation Service) Algemene Inspectiedienst (General Inspection Service)	Openbaar Ministerie (Public Prosecution Service)
AT	Bundeskriminalamt, Büro für Wirtschafts- und Finanzermittlungen (Austrian Criminal Office, Department for Economic and Financial Crime Investigations)	
PL	Prokuratura Krajowa (the National Public Prosecutor's Office)	Prokuratura Krajowa (the National Public Prosecutor's Office)
PT	Procuradoria-Geral da República	Procuradoria-Geral da República
RO	DEPARTAMENTUL PENTRU LUPTA ANTIFRAUDĂ (FIGHT AGAINST FRAUD DEPARTMENT)	NATIONAL ANTICORRUPTION DIRECTORATE
SI	Budget Supervision Office	Office of the State Prosecutor General of the Republic of Slovenia

Member State	2.3. Which is the investigation service most frequently involved in the field of DIRECT EXPENDITURE? (E.g. Police Department responsible for financial crimes, fiscal investigation authority, etc.) Please indicate at maximum three authorities.	2.4. Which is the judicial authority (responsible for conducting the criminal investigation/prosecution and bringing the case to court) with competences extended to the field of DIRECT EXPENDITURE?
SK	Police Presidium (Prezídium Policajného zboru), Office for the Fight Against Corruption (Úrad boja proti korupcii)	Special Prosecutor's Office of the Office of the Prosecutor-General of the Slovak Republic (Úrad špeciálnej prokuratúry Generálnej prokuratúry Slovenskej republiky)
FI	National Bureau of Investigation (Keskusrikospoliisi); National Board of Customs/Crime Prevention Department (Tullihallitus/Rikostorjuntaosasto); In Åland Province only: National Bureau of Investigation (Centralkriminalpolisen)	In Åland Province only: Åland Public Prosecutor's Office (Landskapsåklagarämbetet i landskapet Åland)
SE	Ekobrottsmyndigheten (Swedish Economic Crime Authority)	Ekobrottsmyndigheten (Swedish Economic Crime Authority)
UK		Serious Fraud Office (both investigate and prosecute and bring cases to court)

3. THE REPORTING OF IRREGULARITIES

In the fields where the Member States implement the budget (agricultural policy, structural actions funds⁹ and pre-accession funds, approximately 80% of the budget) and for the collection of the Community's own resources, Community legislation requires the Member States to report suspicions of fraud and other irregularities. Despite the fact that sectoral legislation contains definition on the notion of irregularity, fraud and suspected fraud, as well as all the information to be included in each irregularity report, reporting discipline is still very different from one Member State to another.

3.1. REPORTING DISCIPLINE

Under Community legislation¹⁰, at the latest two months following the end of each quarter, Member States shall report to the Commission all the irregularities which have been the subject of a primary administrative or judicial finding. Though timely reporting has been improving in recent years, the time gap between the moment when the irregularity has been discovered and the moment when the irregularity has been communicated to the Commission remains significant.

⁹ The structural actions funds also include the Cohesion Fund

¹⁰ Commission Regulation (EC) 1848/2006 of 14.12.2006 (OJ L355, 15.12.2006); Commission Regulation (EC) no. 2035/2005 of 12.12.2005 (OJ L328 of 15.12.2005), amending Regulation no. 1681/94 of 11.07.1994 (OJ L178 of 12.7.1994); Commission Regulation (EC) no. 2168/2005 of 23.12.2005 (OJ L345 of 28.12.2005) amending Regulation no. 1831/94 of 26.07.1994 (OJ L 191, 27.7.1994); Commission Regulation (EC) 1828/2006 of 8.12.2006.

Member State	3.1.1. According to the Article 280 Report for 2007, only 33% of irregularities in the agricultural sector were reported on time. The average time between the discovered and reported irregularity is 1.2 years.	3.1.2. According to the Article 280 Report for 2007, 75% of irregularities in the structural actions funds were reported on time. The average time between the discovered and reported irregularity is 0.9 years.
	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
BE	<p>BIRB: The irregularity is reported in the quarter following its discovery. Delays occur only occasionally. A delay in reporting was to be noted in the first three quarters of 2008, due in particular to problems in connecting the new European communication module (PRE-IMS).</p> <p>WALLOON REGION: Between discovering the irregularity and reporting it to OLAF, the observations made in the inspection report are analysed by the services responsible for dealing with the case, and the final decision on recovering or refusing the aid has to be taken by the person in charge at the paying agency. The delay is caused by the administering of the cases.</p> <p>FLEMISH PAYING BODY: Similar situation as in the case of the Wallonia paying body.</p> <p>An inspection report simply establishes the facts and does not fully evaluate them. Only when a recalculation is carried out and the file, inspection reports and amounts etc are then analysed by the competent person at the paying agency's head office can it finally be considered that an irregularity has been detected. At that moment the recovery procedure is immediately begun, and OLAF is updated on the matter at the end of each quarter. The various consecutive stages are necessary, but are no doubt sometimes the cause of somewhat longer handling periods.</p>	<p>BERBC03 (Actiris – Emploi Région Bruxelles-Capitale): There has been no late reporting to date, given our preventative approach. Because of the first-level checks carried out on 100% of expenditure and because of the prudential principle, whereby no item of expenditure about which there might be the slightest doubt as to its complying with Community rules is brought before the Commission, the Actiris ESF Department (managing authority) has not yet needed to have recourse to the reporting procedure, as laid down by EU regulations.</p> <p>WALLOON REGION: In general, it remains difficult to convey the message that irregularities that have nothing to do with fraud and that arouse no suspicion of fraud have to be communicated to a body set up to combat fraud.</p> <p>FRENCH COMMUNITY: /</p> <p>AGENCE FSE [ESF AGENCY]: As far as possible, the Agency complies with the timescales laid down. However, it reports on the cases in question after identifying the amount withdrawn, this amount being obtained from the certification communicated to the European Commission. This practice ensures that there is no debt towards the Commission, and the ESF Agency then takes action against the operator.</p> <p>Two factors therefore influence the time taken by the procedure:</p>

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	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
	<p>BEVLG (agriculture – sea fisheries): Bankrupt companies are listed in the Moniteur Belge. The Moniteur Belge is not checked on a daily and systematic basis for reports of bankrupt enterprises in the fisheries sector.</p> <p>FLEMISH COMMUNITY: Leader+. No irregularities have yet been shown within Leader+ Vlaanderen.</p> <p>BRUSSELS-CAPITAL REGION: N/A</p> <p>GERMAN-SPEAKING COMMUNITY: No cases as yet</p>	<p>the operator's right of reply and the work of the certifying department.</p> <p>BRUSSELS-CAPITAL REGION: The time spent on collecting relevant information from the various bodies to be consulted and the burden of administrative work..</p> <p>GERMAN-SPEAKING COMMUNITY: No cases as yet</p>
BG	The deadlines for reporting irregularities are strictly observed.	No late reporting of irregularities at present. Irregularities were reported on time in accordance with the requirements in the regulatory documents.
CZ	Ministry of Agriculture: For the Rural Development and Multifunctional Agriculture Operational Programme (“OP RDMA”) programming period 2000 and 2004-2006 and the, Fisheries Operational Programme programming period 2007-2013: there has not been any late reporting of irregularities. The financial flows and control methodology for programmes co-financed from Structural Funds, the Cohesion Fund and the European Fisheries Fund has been followed and the deadlines for the management authority to forward the reports to the Ministry of Agriculture AFCOS contact point (and the Paying and	<p>Ministry of Transport: If the irregularity is confirmed in the administrative proceedings by the authority responsible, no delay occurs. Later reporting would happen if the time is counted from the first suspicion of irregularity and if the period runs until the investigation by the administrative body of whether the suspicions are founded.</p> <p>Ministry of Industry and Commerce: The section dealing with irregularities must also perform other urgent operational tasks for the Ministry of Industry and Commerce, report to certification</p>

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	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
	<p>Certifying Authority [PCO MF-NF]) and for the AFCOS contact point to forward them to OLAF have always been complied with.</p> <p>For funds of the Common Agricultural Policy (CAP) (guarantee section of the EAGGF and EAGF, EAFRD), late reporting to the Ministry of Agriculture AFCOS contact point is not subject to internal reporting by the State Agricultural Intervention Fund (SZIF) and the AFCOS contact point complies with the deadlines for reporting irregularities to OLAF. Any "late" reports may be caused by appeal proceedings (in particular by documents being held up when transferred between the SZIF and the Ministry of Agriculture appeal body in refund proceedings) or by an irregularity being assessed in respect of the original subsidy paid.</p> <p>Ministry for Regional Development: In the case of operational programmes for the programming period 2007 – 2013 managed by the Ministry for Regional Development, this point is irrelevant since at the time of the 2008 Questionnaire no irregularities (or suspected irregularities) had been reported to the AFCOS contact point by any of the management or national authorities of the relevant operational programmes.</p>	<p>processes, react to operational "information requests" by law-enforcement authorities, participate in working groups and evaluation processes, prepare "winding up" conclusions, cooperate with auditors from the European Commission and the European Court of Auditors, including responding to their findings.</p> <p>Ministry of Employment and Social Affairs: Completing the investigation of cases, processing times</p> <p>Ministry of Agriculture: To date there has been no delay in reporting irregularities internally by the management authority to the Ministry of Agriculture AFCOS contact point or subsequent reporting externally to OLAF</p> <p>Ministry for Regional Development: Delays most often occur due to late reporting of suspected irregularities by intermediate bodies (IB). The IB normally does not report the case until some action has been taken (decision has been issued, withdrawal from contract, recovery process underway, or similar), rather than at the point at which the suspected irregularity arose. This does not mean, however, that the investigation of the suspected fraud has not been started promptly and competently.</p>
DK	Late reporting may be the result of uncertainty regarding the moment at which the irregularity is initially detected. That	Late reporting may be the result of uncertainty regarding the moment at which the irregularity is initially detected. That

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	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
	moment, according to our interpretation, hinges on the independent detection of an irregularity. Several different authorities are therefore involved in a single irregularity case, which can lead to late reporting to OLAF.	moment, according to our interpretation, hinges on the independent detection of an irregularity.
DE	National administrative provisions	N/A
EE	There is an insufficient flow of information between different bodies; differing interpretations of the concepts of 'irregularity' and 'preliminary notification'.	There is an insufficient flow of information between different bodies; differing interpretations of the concepts of 'irregularity' and 'preliminary notification'.
IE	For the Agricultural sector: The process of irregularity reporting is completed as swiftly as possible, between the First Administrative Finding of Fact, central evaluation (possibly requiring clarifications) and subsequent entry and transmission. OLAF's statistics for 2008 demonstrate the efficiency of this process, showing Ireland with a high compliance rate for timeliness of reporting.	For the Structural Actions funds: The vast majority of errors are discovered as a consequence of the operation of the financial management and control systems. As such these errors are not included in claims made to Brussels. It has been the long held view of the Irish Authorities that these errors do not represent irregularities in the sense of the definitions contained in the regulation as these errors, by virtue of the fact that they do not make their way into claims to the Commission, can never prejudice the Community Budget. Further irregularities arise as a consequence of findings, on audit, either by the Financial Control Unit or the Commission's audit services. Several months often pass between the carrying out of these audits and the notification of the result to the member state.

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		The member state is given the opportunity to comment on the audit findings before they are finalised and this process can often take several years. Irregularity reports are not prepared on foot of audit findings until such time as the audit findings are finalised.
EL	As regards guarantees, once an audit finding has been made the recipient is asked for clarification and where an irregularity is established, the audit report is sent to the competent payment authority for further action. There have been some cases of the date of the first correspondence with the recipient being incorrectly recorded as the date the irregularity was established and the frequent involvement of many decentralised departments slows down the exchange of information and data.	There have been no reported delays in FCC irregularity notifications via AFIS.
ES	Under Community legislation the moment of reporting the irregularity is not the moment of its discovery but rather that of the primary administrative finding. For the purposes of debt recovery procedures, the time-limits laid down in the relevant national legislation are complied with.	The complexity of the administrative structures, with 19 Auditors-General of the Autonomous Communities which, in addition to the Management and Payment Units, report irregularities, causes a certain delay. The IGAE, the body responsible for reporting irregularities, revises the reports of irregularities that it receives, which may involve returning the document concerned so that the requisite corrections can be made. In this process, the delay is caused by receiving the correction outside the two months, and it is therefore sent in the following quarter.

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	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
FR	<p>Reports of irregularities detected by the audit services of the paying agencies (simultaneous controls) are usually produced within the deadlines prescribed, except in special cases where it is difficult to establish the figures at the time of the primary administrative finding because of the complexity of managing certain Community measures.</p> <p>In the case of notifications relating to ex post controls (Regulation No 4045/89 (now 485/2008)), late reporting was usually connected with delays in implementing control programmes. All of these delays had been made up by the end of 2008.</p>	France does not communicate reports relating to the Structural Funds via AFIS but by post. The management authorities draw up the notification and send it, via the ministry responsible for management, to the CICC, which, after analysing the notifications it receives and requesting any corrections that might be required, forwards them to OLAF. As a result of this system it takes longer to transmit the reports. In addition, the time taken to transmit reports has increased since the fourth quarter of 2007, when both the managing authorities and the CICC began focusing on producing outlines of the management and control systems and audit strategies for the 2007-2013 programming.
IT	Investigations into the nature of the irregularities; obtaining approval from the judicial authorities, where necessary; the lack of refresher training for staff employed by the managing authority responsible for reporting the irregularities; the complexity and number of levels within the managing authority	Investigations into the nature of the irregularities; obtaining approval from the judicial authorities, where necessary; the lack of refresher training for staff employed by the managing authority responsible for reporting the irregularities; the complexity and number of levels within the managing authority
CY	This does not apply to Cyprus as the established domestic procedure means that irregularities are always reported within three months of their being discovered.	N/A. All involved bodies have been instructed to report irregularities within three months of their being discovered.
LV	The Managing Authority notifies the Commission of the irregularities detected in the previous quarter within two months of the end of the quarter, so the time limit for reporting is no	Time-consuming nature of research and analysis.

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	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
	longer than five months from the time that the irregularity was discovered. Additional information on developments in the case is provided in subsequent reports.	
LT	This happens occasionally as a result of accidental information system errors, where applicable sanctions are indicated incorrectly. Errors are subsequently rectified.	Information on irregularities has been provided on time.
LU	Luxembourg did not report any irregularity in 2007; therefore this question does not apply.	(Feder) Rules difficult to interpret (Interreg) procedure not clear, no respondent from OLAF (European Social Fund) Luxembourg is not affected by this question. The required notifications are made on a quarterly basis.
HU	The main reason for late reporting of irregularities is the fact that most irregularities are revealed in ex post controls. A second reason is that the parties involved, almost without exception, apply for review, and the organisations responsible wait for the decision of the authorities/courts.	As regards EU subsidies the irregularities are often revealed during on-the-spot checks on projects implemented. The organisations carry out checks on the basis of risk analysis in accordance with the relevant Community legislation. Another problem is posed by the fact that the persons who handle irregularities are overburdened and there is rapid turnover.
MT	To date, Malta has reported irregularities in the agricultural sector on time. Late reporting could very well occur because the relevant authority would want to be ascertained that the circumstances in question really tantamount to an irregularity	Later reporting of irregularities takes place mostly because the relevant authority would want to be ascertained that the circumstances in question really tantamount to an irregularity and because it would feel more comfortable to report an

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	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
	and because it would feel more comfortable to report an irregularity when the related recovery procedures have commenced.	irregularity only when the related recovery procedures have commenced.
NL	In certain cases of late reporting of irregularities it can take some time to check the most important data. Because of the need to coordinate the inspection services, paying agency and the delegated bodies involved, and in some case the Public Prosecution Service too, this can sometimes take a long time.	See 3.1.1.1.
AT	Late reporting is due to a number of individual or combined factors, e.g.: <ul style="list-style-type: none"> • time required to carry out and document inspections • calculation and recording of claims • forwarding files. Export refunds: irregularities are reported after notification by paying agency, i.e. after the first administrative finding in accordance with Regulation (EC) No 1848/2006.	ERDF: late reporting by administrative authorities and intermediaries
PL	<ul style="list-style-type: none"> • Over-general definition of the terms "irregularity" and "primary finding": difficulties with and differences in their interpretation. • Lengthy process of clarifying irregularities (e.g. inviting beneficiaries to provide clarifications). 	<ul style="list-style-type: none"> • The lack of an IT system to facilitate reporting. This means that considerable time and money have to be spent on collecting the information and submitting it to the EC. • The implementing institutions do not have any added value from the information submitted.

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	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
	<ul style="list-style-type: none"> • Lack of IT support in the paying agencies' reporting structure. • A large number of irregularities which should be analysed in terms of the EUR 10 000 threshold. 	<ul style="list-style-type: none"> • Lack of risk assessment by the Commission. Ambiguous definition of the terms "irregularity" and "primary administrative or judicial finding" in the EU Regulations.
PT	The "first administrative or legal act" corresponds to a "final decision" issued after it has been concluded that the irregularity initially detected still exists and that it requires the repayment of a specific, net and due amount and after the principle that both parties should be heard has been verified. The same applies to judicial decisions relating to criminal offences.	The national authorities reported the cases on time.
RO	N/A	N/A
SI	Irregularities are reported promptly.	Irregularities are reported promptly.
SK	Irregularities reported shortly before the notification deadline; slow administrative processing; late notification by the entities involved.	Insufficient identification of irregularities and unclear procedures; the intermediate bodies reporting to the managing authorities are not able to identify the various types of irregularities because they have not yet encountered them; examination of the extensive supporting documentation is demanding and time-consuming.
FI	There are no problems, as reporting times are already rather short.	The main reason is project sponsors' desire to report only cases that have been definitively proven to be irregularities, i.e. the report is not sent until after an administrative decision has been

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	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
		taken in relation to the case.
SE	Individual case officers may be unsure and ignorant of procedures	Difficulties in establishing erroneous amounts can cause long delays between discovery and reporting. A large workload and mistakes can lead to delays in reporting. Lack of resources, and to some extent lack of knowledge and procedures.
UK	RPA & Wales – The majority of irregularities are reported on time and in accordance with the agreed procedure. If the irregularity is discovered by an inspection visit, this will be reported the following month but if discovered by an alternative method then there may be a slight delay to allow appropriate follow-up work to confirm and quantify the irregularity. Scotland – Every case is different, however, late reporting could be as a result of the difficulties in collating the information. Re-inspection of claims, IT system upgrades and associated testing and formal Appeals process can cause late reporting.	BERR: Sometimes the decision to report is not taken immediately, as applicants can be asked to substantiate expenditure before an irregularity is declared. Reporting cases requires resources and these can be stretched at busy periods such as during closure of programmes. JIU: This most frequently arises where an applicant confirms the existence of, but is unable to provide the appropriate documentary evidence to support the expenditure during the first visit. In such cases, a reasonable period of time is stipulated within which the evidence must be supplied. If this is not forthcoming, the administrative report is formally written and the recording/reporting of the irregularity is actioned. Wales: Most irregularities are reported on time however, slight delay may occur while the irregularity is being quantified and thereafter reported.

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	3.1.1.1. What in your case causes later reporting of irregularities?	3.1.2.1. What in your case causes later reporting of irregularities?
		Northern Ireland: The main cause is the delay in receiving information concerning irregularities from the Implementing Bodies. Scotland: Every case is different, however, late reporting could be as a result of the difficulties in collating the information.

Member State	3.1.1.2. What measures do you take in order to shorten this period? (AGRICULTURE)	3.1.2.2. What measures do you take in order to shorten this period? (STRUCTURAL ACTIONS)
BE	<p>FLEMISH PAYING BODY: Once a recalculation has been made, a check is made to see whether there are cases likely to have a significant financial impact. These are preferably analysed first as part of the process of dealing with them.</p> <p>BEVLG (agriculture – sea fisheries): There is closer contact with the various professional associations in the sector for the purpose of detecting bankrupt enterprises early.</p> <p>BRUSSELS-CAPITAL REGION: N/A</p> <p>GERMAN-SPEAKING COMMUNITY: N/A</p>	<p>WALLOON REGION: Reminders sent out about the importance of the regulations on reporting irregularities, particularly at meetings of the OLAF working party for the Walloon Region.</p> <p>FRENCH COMMUNITY: /</p> <p>AGENCE FSE [ESF Agency]: The number of certifications will be increased from two to three for the period 2007-2013, a development that will shorten the period for reporting to the European Commission and, therefore, for reporting to OLAF.</p> <p>BRUSSELS-CAPITAL REGION: No specific measures are being implemented at present.</p> <p>GERMAN-SPEAKING COMMUNITY: N/A</p>

Member State	3.1.1.2. What measures do you take in order to shorten this period? (AGRICULTURE)	3.1.2.2. What measures do you take in order to shorten this period? (STRUCTURAL ACTIONS)
BG	N/A	Communication with intermediary units has been improved, an e-mail address for reporting has been created, there is now direct contact with the officials who deal with irregularities. Ex-post control of signed contracts.
CZ	<p>Ministry of Agriculture: Internal rules have been adopted (Ministry of Agriculture AFCOS contact point procedural guidelines); ad hoc working meetings between the representative of the Ministry of Agriculture AFCOS contact point and representatives of the Ministry of Agriculture management authority are organised.</p> <p>Internal rules have been adopted (Ministry of Agriculture AFCOS contact point procedural guidelines); a Public Service Agreement has also been adopted (Agreement on the transfer of data within AFCOS agreed by the Ministry of Agriculture and SZIF) and on the basis of this Agreement working meetings are arranged between the representative of the Ministry of Agriculture AFCOS contact point and representatives of SZIF.</p>	<p>Ministry of Transport: Where there are grounds for suspecting an irregularity, an entry is made in the monitoring system and the suspicion is then investigated by the authorities. The irregularity is then either confirmed or cancelled as unsubstantiated.</p> <p>Ministry of Industry and Commerce: After completing winding up operations related to the accounting of funds disbursed from the Structural Funds for the Operational Programme Industry and Enterprise (OPIE) 2004-2006+2 years (funds drawn down as at 31 December 2008) in the first half-year of 2009 there will be a capacity assessment of staffing assigned to irregularities and subsequently any necessary measures will be taken to fulfil the tasks assigned, also for the new period of the Operational Programme Enterprise and Innovation (OPEI) 2007-2013+3 years.</p> <p>Ministry of Employment and Social Affairs: Accelerated investigation.</p> <p>Ministry of Agriculture: They would be taken ad hoc.</p> <p>Ministry for Regional Development: Increasing intermediate bodies' awareness of their duty to follow procedures according to the methodology in force governing the investigation and reporting of irregularities. During the project maintenance period, focusing management authority checks at intermediate</p>

Member State	3.1.1.2. What measures do you take in order to shorten this period? (AGRICULTURE)	3.1.2.2. What measures do you take in order to shorten this period? (STRUCTURAL ACTIONS)
		bodies on reporting and investigation of irregularities. When a suspected irregularity is discovered the management authority tries to carry out an on-the spot check, ascertain the actual state of implementation of the project and either stipulate corrective measures or withdraw from the project implementation contract.
DK	Internal procedures have been tightened up and this is expected to reduce the period between detection and reporting of irregularities.	Denmark complies with the current rules on reporting.
DE	N/A	N/A
EE	Regular training; continual advice, and making cooperation and the exchange of information between different bodies more effective.	Regular training; better cooperation and exchange of information between different bodies.
IE	All staff involved in the irregularity identification and reporting process is made aware of the Regulatory requirements and are advised to process/report cases as swiftly as possible.	Please see answer above; Also an example taken from the ESF Certifying Authority which has since January 2006 reminded Managing Authorities of their obligations to submit all reportable ESF irregularities/disconformities. In addition since that time they also seek information about earlier irregularities when interim claims are being processed.
EL	The administration has acted in a coordinated way to establish and confer powers to shorten this period greatly. The results will show in notifications from 2008 onwards.	N/A
ES	Timely handling of follow-up of the irregularities detected	The Community Funds Department is devising a new system to replace the current one, with the emphasis on the speed and accuracy of reporting. The IGAE is taking measures designed to improve communications at the first level by clarifying doubts

Member State	3.1.1.2. What measures do you take in order to shorten this period? (AGRICULTURE)	3.1.2.2. What measures do you take in order to shorten this period? (STRUCTURAL ACTIONS)
		and detecting frequent errors, in order to reduce the time taken to process and correct the cases that arise.
FR	<p>The body responsible for centralising and forwarding reports of irregularities sends a letter to the organisations concerned reminding them of the regulations, so that the information can be transmitted as quickly as possible.</p> <p>In connection with the funding of the CAP, governed by Regulations (EC) No 1290/2005 and No 885/2006, the paying agencies have had to revise their procedures for following up claims. In particular, they have had to introduce a procedure using a specific computer tool so that they receive the list of cases where there has been a primary administrative finding at regular intervals and are better able, as a result, to control compliance with the statutory time limit for notification. This results in the amount of aid wrongly paid being calculated as soon as the primary administrative finding is made.</p>	<p>The first measure has been to issue reminders about the statutory time limits when audits of management and control systems for the Structural Funds are carried out among those in charge of producing notifications and to review the notifications made, ongoing or pending. The second measure has been to give the ministries responsible for managing the various funds a monitoring role (PM Circular of 13 April 2007). The new application for communicating notifications, currently being introduced by OLAF, will not only make it possible to cut the time it takes to transmit notifications but should also be an opportunity for re-examining the internal procedure for checking irregularities.</p>
IT	<p>An “initial administrative or judicial document” has been drawn up giving rise to the reporting obligation (CO L A F No 13/2008); a national conference on training for the personnel concerned has been organised; ad hoc IT systems has been set up</p>	<p>An “initial administrative or judicial document” has been drawn up giving rise to the reporting obligation (CO L A F No 13/2008); a national conference on training for the personnel concerned has been organised; ad hoc IT systems has been set up</p>
CY	N/A	N/A
LV	See answer to question 3.1.1.1.	<p>The irregularity reported as soon as there is any suspicion of an irregularity having occurred and research and analysis has been initiated. Additional information on further developments in the case is included in subsequent reports.</p>

Member State	3.1.1.2. What measures do you take in order to shorten this period? (AGRICULTURE)	3.1.2.2. What measures do you take in order to shorten this period? (STRUCTURAL ACTIONS)
LT	Staff training	All information relating to irregularities is entered in the EU structural aid computerised management and control information system, by means of which data on irregularities can be selected and saved, information can be transferred efficiently to the appropriate authorities, and the identification and investigation of irregularities can be controlled.
LU	The information in question will be submitted as soon as possible.	(Interreg) The deadlines do not pose a problem.
HU	Strict compliance with the internal procedures laid down for sending reports and with reporting deadlines is expected. Procedures were laid down for the treatment of the reporting requirements concerning intervention losses regarded as irregularities, and their implementation is under way.	Capacity has been increased at the organisations in question and the rules for reporting revised. The new provisions will probably shorten and facilitate the current procedures. In addition standardised instructions have been drawn up pursuant to the AFIS-system, and training and conferences on treating irregularities have also been organised.
MT	Reminders are sent to the relevant stakeholders to submit their irregularity reports to AFCOS (Malta) by the deadline, emphasising that risk analyses on information contained in the irregularity reports provides added value only if such information is submitted immediately after the discovery of the irregularity.	Reminders are sent to the relevant stakeholders to submit their irregularity reports to AFCOS (Malta) by the deadline, emphasising that risk analyses on information contained in the irregularity reports provides added value only if such information is submitted immediately after the discovery of the irregularity
NL	The paying agencies, Dienst Regelingen (National Service for the Implementation of Regulations) and Dienst Landelijk Gebied (Government Service for Land and Water Management), make sure that no time is wasted calculating the exact level of the irregularity. Consequently the exact amount is adjusted later.	Better coordination between the inspection services, paying agency and delegated bodies involved.
AT	Analysis of reporting procedure	ERDF: administrative authorities and intermediaries are

Member State	3.1.1.2. What measures do you take in order to shorten this period? (AGRICULTURE)	3.1.2.2. What measures do you take in order to shorten this period? (STRUCTURAL ACTIONS)
	Export refunds: it is planned to reduce the time taken by the paying agency to process cases.	regularly reminded of their duty to report on time.
PL	The point at which the obligation arises to submit information on the detection of irregularities has been defined in the procedures. Efforts are being made to obtain information directly from the computerised management and control systems. More people are being hired in the Irregularities Departments in paying agencies. The Ministry of Finance is carrying out an analysis of the irregularities and sending it to the institutions. Training is being organised.	Documents have been identified which may be considered primary administrative findings, training has been carried out, procedures have been updated with the introduction of the appropriate check lists. The Ministry of Finance draws up a risk analysis every six months, identifying the most serious dangers and describing the most frequent irregularities. This is then sent to all managing institutions.
PT	Internal measures to shorten the period between the discovery of an irregularity, its analysis by the competent departments, the duration of the contradictory procedure (the opportunity given to the beneficiary to state why he/she should not reimburse the fund) and the issue of the subsequent final decision determining the reimbursement of the amount relative to the irregularity discovered and hence the relevant communication to OLAF.	See reply to point 3.1.2.1.
RO	N/A	N/A
SI		
SK	Direct contacts with the entities that have notified irregularities belatedly; drafting of reports in advance and their subsequent reconciliation with the irregularities logbook; "four-eye checks".	Intensification of contacts with and guidance provided to the entities concerned; a methodological guideline has been adopted for the use of irregularity codes in line with the OLAF code table, specifying how findings are to be classified according to the OLAF code table; detailed procedures have been laid down for addressing irregularities in internal manuals of the

Member State	3.1.1.2. What measures do you take in order to shorten this period? (AGRICULTURE)	3.1.2.2. What measures do you take in order to shorten this period? (STRUCTURAL ACTIONS)
		operational programmes.
FI	It is not possible to shorten it much, as reports are already sent directly after the control/recovery decision.	The course followed is to further emphasise that reports should be sent as soon as an irregularity is first discovered. It is also emphasised that reports should specifically notify the discovery of suspected irregularities, which can however later prove to be incorrect.
SE	The Swedish Board of Agriculture, which is the coordinating authority for reporting irregularities in agricultural expenditure, held 6 training courses in the late autumn focusing on those who report irregularities, i.e. specialist units, County Administrative Boards and other authorities. New manuals have been produced to help case officers with reporting.	The managing authority and paying authority are working constantly to improve administrative processes and reduce case processing times. Guidelines/procedures have been established to ensure that irregularities are reported in accordance with current regulations. The reporting of irregularities is coordinated by a civil servant in a key position who has good insight into whether irregularities are reported in time or not. This boosts the chances of rapid initiation of the necessary remedial action.
UK	<p>DfT - The EC request Action Status Reports on an annual basis where progress is checked on a regular basis. Any discrepancies on costs or timetables are immediately reported to the EC.</p> <p>RPA & Wales – It should be possible to enhance our performance with greater familiarity and experience of the reporting mechanism envisaged by R 1848/2006 (Pre-IMS/IMS) and wider application of the concept of ‘PACA’ (premier acte de constatation administrative).</p> <p>Scotland – An 8-month independent review of the Appeals process has just been completed. A more automated recovery system that will reduce the time taken to report irregularities is also being introduced.</p>	<p>BERR: The guidance and advice is always that irregularities should be reported as soon as possible, following the first written statement on the issues, bearing in mind that the details can be updated at any time. For ERDF, each Government Office (GO) has an irregularity coordinator who is responsible for overseeing the recording, reporting and closure of the region’s cases.</p> <p>JIU: Messages concerning the requirements are included in communications with GO inspection and monitoring teams - Action notes, emails, training, presentations and telephone conference call meetings. Meetings with individual GOs where there are concerns about compliance.</p> <p>Wales: Once a potential irregularity is identified, action is taken</p>

Member State	3.1.1.2. What measures do you take in order to shorten this period? (AGRICULTURE)	3.1.2.2. What measures do you take in order to shorten this period? (STRUCTURAL ACTIONS)
		<p>as quickly as possible with the beneficiary to obtain all the information needed to quantify it.</p> <p>Northern Ireland: A commissioning letter is issued ahead of the 2-month period and reminders are also issued.</p> <p>Scotland: As above, no two cases are the same and there is no generic means to speed up the reporting process.</p>

Member State	3.1.1.3. In your case, if you do not/can not take any measures, why not? (AGRICULTURE)	3.1.2.3. In your case, if you do not /can not take any measures, why not? (STRUCTURAL ACTIONS)
BE	<p>BIRB: Communications take place on time; no measures to be taken.</p> <p>FLEMISH PAYING BODY: /</p> <p>WALLOON REGION: no measures to be taken</p> <p>BRUSSELS-CAPITAL REGION: N/A</p> <p>GERMAN-SPEAKING COMMUNITY: N/A</p>	<p>WALLOON REGION: N/A</p> <p>BRUSSELS-CAPITAL REGION: Because there are a variety of players involved and because the Brussels-Capital Region Ministry is faced with a difficult budgetary framework.</p> <p>GERMAN-SPEAKING COMMUNITY: N/A</p>
BG	N/A	There have been no cases to date in which no corrective measures could be taken or sanctions imposed.
CZ	Ministry of Agriculture: Measures would be taken at the operational level (setting of deadlines, discussion of further action, etc.)	<p>Ministry of Transport: Investigation of irregularities is carried out by administrative bodies over which the Ministry has no influence (Czech Competition Authority (ÚOHS), Financial offices).</p> <p>Ministry of Employment and Social Affairs: Processing times</p> <p>Ministry of Agriculture: Measures would be taken at the operational level (setting of deadlines, discussion of further action, etc.)</p>
DK		Reporting is satisfactory.
DE	N/A	N/A
EE		

Member State	3.1.1.3. In your case, if you do not/can not take any measures, why not? (AGRICULTURE)	3.1.2.3. In your case, if you do not /can not take any measures, why not? (STRUCTURAL ACTIONS)
IE		See question 3.1.2.2
EL	N/A	N/A
ES		
FR		
IT		
CY	N/A	N/A
LV	See answer to question 3.1.1.1.	N/A
LT		
LU	N/A	(Interreg) We suggest a representation for OLAF in Luxembourg
HU		
MT	N/A	N/A
NL	N/A	N/A
AT		
PL	N/A	N/A
PT	See reply to point 3.1.1.2	See reply to point 3.1.2.1.
RO	N/A	N/A
SI		
SK	Measures are taken. The amendment of the directive on dealing	Measures are taken in the form of internal orders or managing

Member State	3.1.1.3. In your case, if you do not/can not take any measures, why not? (AGRICULTURE)	3.1.2.3. In your case, if you do not /can not take any measures, why not? (STRUCTURAL ACTIONS)
	with the irregularities at the Agricultural Payment Agency	authority letters, not through a system measure.
FI	See previous answer.	
SE		Lack of resources or lack of knowledge.
UK	See previous answer.	<p>BERR as coordinating body for irregularity reporting can only advise Authorities about the requirements of the regulations. However, government departments do take measures with government offices in the regions, on the management of irregularities through regular reconciliation of records and for example, day-to-day discussions and audit findings.</p> <p>Wales: All appropriate and reasonable measures are taken.</p> <p>Scotland: The Division has its own Desk Instructions which are followed in each case.</p>

3.2. THE FINANCIAL IMPACT OF IRREGULARITIES

Sectoral regulations concerning irregularity reporting to the Commission provide that Member States also need to evaluate and report the financial impact of the irregularities.

The financial impact is in many cases difficult to evaluate because of the multitude of factors to be taken into account. Among these can be included the lack of complete information at the moment when the evaluation is being undertaken, or the non-existence of a pre-defined set of criteria which would help the evaluator in establishing the financial impact of an irregularity.

The replies from the Member States will contribute to a more homogenous, in-depth analysis of the financial impact of irregularities communicated to the Commission. This information is essential because the budgetary authorities, as well as the public, always pay particular attention to this aspect.

Member State	3.2.1. Do your Member State's guidelines on irregularity reporting include rules for defining/establishing the financial impact of an irregularity taken individually?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
BE	No (BIRB, WALLOON REGION: The financial impact is the value of the established entitlement. This value is determined by the penalty coefficients defined in the sectoral regulations. FLEMISH PAYING BODY, GERMAN-SPEAKING COMMUNITY)	Yes (BERBC03, WALLOON REGION, FRENCH COMMUNITY, AGENCE FSE (ESF Agency), FLEMISH COMMUNITY, ESF VL) No (BEVLGECO, BEVLG (agriculture and sea fisheries), FLEMISH COMMUNITY, EFRO Vlaanderen (EFRD Flanders), BRUSSELS-CAPITAL REGION, GERMAN-SPEAKING COMMUNITY)	No
BG	Yes	Yes	Yes
CZ	Yes	Yes	
DK	Yes	Yes	
DE	Yes	Yes	No
EE	Yes	Yes	Yes
IE	Yes	Yes	
EL	No	No	
ES	Yes	Yes	
FR	Yes	Yes	
IT	Yes	No	

Member State	3.2.1. Do your Member State's guidelines on irregularity reporting include rules for defining/establishing the financial impact of an irregularity taken individually?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
CY	Yes	Yes	Yes
LV	Yes	Yes	Yes
LT	Yes	No	No
LU	Yes	No	
HU	Yes	Yes	No
MT	Yes	Yes	Yes
NL	No	Yes	
AT	Yes No (for the export refunds)	Yes	
PL	Yes	No	No
PT	Yes	Yes	N/A
RO	Yes	Yes	Yes
SI	No	No	
SK	No	Yes	Yes
FI	No	No	N/A
SE	No	No	
UK	Yes	Yes	N/A

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
BE		<p>BERBC03:</p> <ul style="list-style-type: none"> • correctness of the amount • possession of complete and reliable information guaranteed • account taken of events, such as legal proceedings under way against the final recipient, that might have an impact on the final recipient's activities continuing as normal, since the latter's expenditure is no longer likely in future to be put forward for ESF co-financing. <p>WALLOON REGION: It does not seem necessary to provide additional rules or criteria for determining the amount of the irregularity, as there is in general no problem in determining this amount. It does happen that, in order to determine the exact amount of the irregularity, significant research and monitoring work and, therefore, considerable human resources are required, these being justified in terms of a concern for fairness and objectivity (with the penalty imposed being proportionate to the error), but it is</p>	

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		<p>not the rules or criteria that are deficient.</p> <p>FRENCH COMMUNITY: /</p> <p>AGENCE FSE (ESF Agency): The first criterion is eligibility of the expenditure. In the case of irregularities linked, rather, to the system put in place, systemic withdrawals may be established in accordance with the European directive that sets the percentages.</p> <p>FLEMISH COMMUNITY: /</p> <p>ESF VL: Application of the general financial criteria calls for specific financial criteria that are used for both allocation and settlement. These criteria ultimately lay down the various sources of funding for the implementation of each project (EU, Public Co-financing, Private Co-financing and Revenue).</p>	
BG	The financial impact equals the amount of the subsidy/amount of the revenue to the Community budget.	There is no general regulatory act that governs the establishment of the financial impact. However, there are internal rules. The impact equals the amount of the payment to the Community budget. The mechanism follows the logic indicated for	There is no general regulatory act that governs establishing the financial impact. However, there are internal rules. Criterion is the value of the irregularity, as compared with the funds that were implemented; it is usually the amount of

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		the pre-accession instruments.	the ineligible costs/the damage.
CZ	Ministry of Agriculture: Generally the SZIF internal rules (governing the procedure for recovering sums outstanding – refunds, accounting for debts); no specific provision setting "criteria" has been approved and we work on the basis of best practice and COCOLAF working documents.	Ministry of Industry and Commerce: This involves defining eligibility of costs for individual OPIE and OPIE programmes. In this context the OPPP and OPPI management body of the Ministry of Trade and Commerce uses the financial flows and control methodology for Structural Funds. The requirements of this document are monitored on an ongoing basis and systematically incorporated into the next updated version of the implementation manuals, which are the binding rules governing the activities of officials of the management authority and the intermediate body (CzechInves-CI agency), including regional offices (RKCI). Instructions on how to proceed in individual programmes is given either in the tender notices or on the website of CzechInvest. The decision granting the subsidy and the terms include the framework specification of the eligible costs that are mandatory for the financing of the subsidy pledged. A material check of these expenses is generally carried out at the location of the project and	Ministry of Finance – Section 55 – National Fund

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		<p>documentary checks on invoices are done at the payment authorisation stage before the money is refunded to the beneficiary's account.</p> <p>Ministry of Employment and Social Affairs: The report covers the following criteria: the type and estimated amount of funds wrongly used the amount already disbursed and ascertainment of whether payments have been provisionally halted and, if so, the amount involved.</p>	
DK	<p>The individual agencies in the Directorate for Food, Fisheries and Agri-Business have the final decision on the extent of the irregularity and on how much should be recovered in a given case. If the amount cannot be accurately determined, an estimate is made in accordance with the internal guidelines on irregularity reporting.</p>	<p>In the case of the ERDF and ESF, the provisions on irregularities in the Commission's regulations are applied.</p> <p>As for the FIFG, the individual agencies in the Directorate for Food, Fisheries and Agri-Business have the final decision on the extent of the irregularity and on how much should be recovered in a given case. If the amount cannot be accurately determined, an estimate is made in accordance with the internal guidelines on irregularity reporting.</p>	
DE	Financial loss for the Community	Financial loss for the Community and for the national budget	N/A

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
EE	The precise financial impact of an irregularity is established in line with the size/severity of the irregularity and on the basis of the penalties applicable in the event of failure to meet the requirements laid down in legal acts.	The precise financial impact of an irregularity is established in line with the size/severity of the irregularity and on the basis of the penalties applicable in the event of failure to meet the requirements laid down in legal acts.	The financial impact of irregularities relating to SAPARD is assessed on a case-by-case basis, having regard to the requirements laid down in the Multi-annual Financing Agreement and the particular circumstances of the irregularity. No general instructions have been drawn up for establishing the financial impact of each individual irregularity.
IE	All staff involved in the irregularity identification and reporting process have been provided with a document outlining the financial data required on the AFIS system and the financial impact is established by them on the basis of the Community rules applicable.	In the case of a grant – the criteria would be the amount of grant provided. In the case of direct assistance – the criteria would be the potential loss to National and European funds.	
EL			
ES	Establishment of the amount wrongly paid plus interest, in accordance with the Community legislation directly applicable and Article 40 of the General Subsidies Law 38/2003 of 17 November.	Generally speaking the financial impact is quantified. If it is not possible, Commission guidelines are used and also manuals of procedure and computer applications.	
FR	The paying agencies quantify the irregularities. For ex post controls the	The auditors have to establish, for each operation audited, the amount of ineligible	

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
	<p>inspection bodies are asked to carry out a preliminary assessment as soon as the primary administrative finding is made. This is then confirmed by the paying organisation.</p> <p>The assessment and the estimation of the financial impact of an irregularity result from a strict application of Community regulations.</p>	<p>expenditure and the corresponding amount of unduly paid aid. These amounts are calculated in relation to the expenditure items claimed and deemed to be eligible (expenditure found to be fully eligible and paid).</p>	
IT	<p>In the case of the EAFRD the impact is assessed on the basis of “Infringement verification indices” which measure the scale of the incident, its seriousness and duration; each of these indicators is subdivided into three types of infringement. (Order of the Agriculture Ministry of 20/03/08)</p>		
CY	<p>(a) before payment: the amount to be paid to the applicant if the irregularities has not been located, and (b) after payment: the amount unduly paid. There is an urgent need for the Commission to establish specific criteria and guidelines.</p>	<p>(a) before payment: the amount to be paid to the applicant if the irregularities has not been located, and (b) after payment: the amount unduly paid.</p>	<p>(a) before payment: the amount to be paid to the applicant if the irregularities has not been located, and (b) after payment: the amount unduly paid.</p>
LV	<p>The amount of irregular expenditure having an impact on the national and</p>	<p>The nature of the irregularity is taken into account, i.e. whether it applies to a</p>	<p>In determining the financial impact of the irregularity, the amount of funding that</p>

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
	Community budget, the category or nature of the irregularity (without taking into account the amount of expenditure), e.g. fraud, criminal activity, and other criteria considered as grounds for notifying OLAF are taken into account.	particular project or the management and control system as a whole. To determine the financial impact of the irregularity, the amount of irregular expenditure and the materiality of the loss are also taken into account.	could influence the Community budget is taken into account.
LT	The scale of the irregularity; whether the irregularity has occurred previously; whether the irregularity has been committed deliberately		
LU	All irregularities are dealt with by the administration departments for the aid in question. Where a recovery procedure or a payment refusal is involved, the relevant national legislation (non-contentious administrative procedure) requires that the person liable for payment be notified before any administrative decision is taken. This notification must include all points of fact and of law which are causing it to bring action, and therefore also include the foreseeable sum to be recovered or relating to the refusal to pay.	(European Social Fund) The OLAF sheet has been duly completed. The impact is calculated on the basis of irregularities noted in respect of the allocated total budget.	
HU	In the event of undue subsidies being paid the responsible authority decides whether	The Irregularity Committee takes into consideration the principle of	

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
	the total sum or just a part of it should be repaid. If the client makes a false claim the authority requires the total sum to be repaid.	proportionality, according to which the grant provider has to apply discretionary powers in such a way that the reclaimed subsidies are in proportion to the irregularities committed.	
MT	<ul style="list-style-type: none"> • Type of irregularity • Type of Fund 	<ul style="list-style-type: none"> • The provision/procedure infringed • Type of project and expenditure • Type of irregularity • The practice employed in the commitment of the irregularity • Whether the irregularity was discovered prior or after the execution of the expenditure 	<ul style="list-style-type: none"> • Type of irregularity • Whether the irregularity was discovered prior or after the execution of the expenditure
NL	N/A	<p>ERDF: N/A</p> <p>ESF: All projects are inspected. In order to establish the error, a full check is usually carried out if a partial check has revealed errors. For larger projects (in financial terms) using statistical sampling to establish the error is considered.</p>	N/A
AT	Relevant EU legislation and implementing national provisions	ERDF: the main criterion is the eligibility of the final beneficiary's expenditure. This	

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		is assessed on the basis of the relevant national guidelines, the relevant regulations and the grant contracts concluded.	
PL	<ul style="list-style-type: none"> • The amount of undue payment is calculated with reference to the quantity of goods not covered by the refund. • The difference between the amount of aid applied for and the actual amount. • Comparison of the land area declared with the actual area. 	N/A	N/A
PT	Always underlying the irregularities discovered, taken individually, are unlawful, specific and net amounts that are to be recovered from or credited to the respective fund(s).	Always underlying the irregularities discovered, taken individually, are unlawful, specific and net amounts that are to be recovered or credited to the respective fund(s).	N/A
RO	N/A	N/A	N/A
SI			
SK		An irregularity having financial impact on the Community budget - an irregularity is the non-eligible expenditure, which has been approved by the paying authority/certifying authority in the	The financial impact of an irregularity depends on the amount of the non-eligible expenditure identified.

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		summary payment request.	
FI			
SE			
UK	<p>Although there may be slight variation within the criteria according to individual Scheme, the principle of identification and recovery remains constant. The participation by a claimant in a single or a multiple number of Schemes (the potential total value) as well as the trading history and connected parties should also be established.</p> <p>The total amount of the claim would be compared to the amount of irregularity so it could be considered in context. This is covered in desk instructions.</p>	<p>BERR: This section is unclear – the reports include the financial data required under the regulations with each case reported individually as required.</p> <p>JIU: Whether the irregularity identified impacts on other projects funded by ESF for the same beneficiary.</p> <p>Wales: The Welsh European Funding Office guidance sets out what officers need to do when an irregularity has been identified and how to report it.</p> <p>Northern Ireland: Guidance on Irregularities has been issued to all Implementing Bodies. The criteria specified in order to establish the individual financial impact of an irregularity include the value of the Letter of Offer, the extent of the irregularity itself and consideration as to whether there is an indication that the error is systemic and if</p>	N/A

Member State	3.2.2. If your Member State has such rules, what kind of criteria does it take into account in order to establish the individual financial impact of an irregularity?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		<p>follow up action needs to be taken.</p> <p>Scotland: The Division has its own Desk Instructions which are followed in each case.</p>	

Member State	3.2.3. It may happen that several individual irregularities with a financial impact under the reporting threshold are connected to the same beneficiary, who is implementing one or several projects under the same programme/measure. Please indicate whether, in the case of multiple irregularities with an affected amount under the reporting threshold, a communication to OLAF is made?		
	For the agricultural funds (threshold 10.000 Euros)	For the structural actions funds (threshold 10.000 Euros)	For the pre-accession funds (threshold for PHARE 10.000 Euros and threshold for SAPARD 4000; for ISPA there is no threshold for the irregularity reporting)
BE	<p>Yes:</p> <p>BIRB: In the case of multiple irregularities, the amounts concerned are added up where a fine under Article 51 of Regulation No 800/99 is applicable. If the sum of these amounts reaches the threshold of EUR 10 000, it is reported.</p> <p>FLEMISH PAYING BODY: If, when the file is analysed (= when the recovery letter is written), the different elements combined (various irregularities and/or various systems) amount to a debt of > EUR 10 000, this is reported to OLAF.</p> <p>No:</p> <p>WALLOON REGION: Where direct forms of aid are concerned, and within one and the same measure, there is rarely a list of offences amounting in total to more</p>	Yes	

Member State	3.2.3. It may happen that several individual irregularities with a financial impact under the reporting threshold are connected to the same beneficiary, who is implementing one or several projects under the same programme/measure. Please indicate whether, in the case of multiple irregularities with an affected amount under the reporting threshold, a communication to OLAF is made?		
	For the agricultural funds (threshold 10.000 Euros)	For the structural actions funds (threshold 10.000 Euros)	For the pre-accession funds (threshold for PHARE 10.000 Euros and threshold for SAPARD 4000; for ISPA there is no threshold for the irregularity reporting)
	than EUR 10 000. Moreover, the most severe penalty is non-payment of the aid and exclusion from the benefits thereof for three consecutive years. It is, then, extremely unlikely that there will be an accumulation of established entitlements relating to different files and for one and the same aid scheme.)		
BG	Yes	Yes	Yes
CZ	Yes	Yes (CF), No (SF)	
DK	No	No	
DE	No	No	No
EE	No	No ¹¹	No
IE	No	No	

¹¹ The irregularity notification in Estonia is based on the project and the 10 000 euro threshold is also followed up by the project. We do not connect the different projects / irregularities of the same beneficiary.

Member State	3.2.3. It may happen that several individual irregularities with a financial impact under the reporting threshold are connected to the same beneficiary, who is implementing one or several projects under the same programme/measure. Please indicate whether, in the case of multiple irregularities with an affected amount under the reporting threshold, a communication to OLAF is made?		
	For the agricultural funds (threshold 10.000 Euros)	For the structural actions funds (threshold 10.000 Euros)	For the pre-accession funds (threshold for PHARE 10.000 Euros and threshold for SAPARD 4000; for ISPA there is no threshold for the irregularity reporting)
EL	No	No	
ES	No	No	N/A
FR	Yes (If the irregularities detected relate to the same scheme AND a particular control programme)	No	
IT	Yes	Yes	
CY	No	No	
LV	Yes	Yes	Yes
LT	Yes	Yes	Yes
LU	No	No	N/A
HU	Yes	Yes	
MT	Yes	Yes	Yes
NL	No	No	Yes
AT	No	Yes	N/A

Member State	3.2.3. It may happen that several individual irregularities with a financial impact under the reporting threshold are connected to the same beneficiary, who is implementing one or several projects under the same programme/measure. Please indicate whether, in the case of multiple irregularities with an affected amount under the reporting threshold, a communication to OLAF is made?		
	For the agricultural funds (threshold 10.000 Euros)	For the structural actions funds (threshold 10.000 Euros)	For the pre-accession funds (threshold for PHARE 10.000 Euros and threshold for SAPARD 4000; for ISPA there is no threshold for the irregularity reporting)
PL	Yes	Yes / No ¹²	No
PT	Yes	No	N/A
RO	Yes	Yes	Yes
SI	Yes	No	Yes
SK	No	No	No
FI	No	No	N/A
SE	No	Yes (ERDF), No (ESF)	
UK	Yes; No (Scotland)	Yes	N/A

Member State	3.2.4. Do you make use of information regarding irregularities for risk analysis purposes?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds

¹² According to the guidelines concerning reporting irregularities, all cases of law infringement detected during one control proceedings or during verification of one payment application are reported together as one irregularity. The same concerns if the irregularity relates to several individual projects. Although irregularities caused by one beneficiary do not automatically sum up.

Member State	3.2.4. Do you make use of information regarding irregularities for risk analysis purposes?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
BE	Yes (BIRB, WALLOON REGION, FLEMISH PAYING AGENCY)	Yes	
BG	Yes	Yes	Yes
CZ	Yes	Yes	
DK	No	Yes	N/A
DE	Yes	Yes	No
EE	Yes	Yes	Yes
IE	Yes	Yes	N/A
EL	Yes	No (For structural funds, irregular expenditure notified via AFIS is not included in the expenditure declaration (they are excluded from the expenditure declaration by the Payment Authority). The FCC checks declared expenditure and therefore does not use this information for the risk assessment.	N/A
ES	Yes	Yes	N/A
FR	Yes	Yes	N/A
IT	Yes	Yes	N/A
CY	Yes	Yes	Yes

Member State	3.2.4. Do you make use of information regarding irregularities for risk analysis purposes?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
LV	Yes	Yes	Yes
LT	Yes	No	Yes
LU	Yes	No	N/A
HU	Yes	Yes	Yes
MT	Yes	Yes	Yes
NL	Yes	No	No
AT	Yes	Yes	N/A
PL	Yes	Yes	No
PT	Yes	Yes	N/A
RO	Yes	Yes	Yes
SI	Yes	Yes	No
SK	Yes	Yes	Yes
FI	No	No	N/A
SE	Yes	Yes (ERDF), No (ESF)	N/A
UK	Yes	Yes	N/A

Member State	3.2.5. How would you treat an irregularity which financial impact was initially estimated above the reporting threshold and is subsequently recalculated below the reporting threshold?
BE	<p>BIRB: Within the framework of Article 5 of Regulation No 1848/06, the change to the amount is reported and the file closed. No such case has ever occurred yet.</p> <p>WALLOON REGION: Reporting of the correction of the file</p> <p>FLEMISH PAYING AGENCY: If the irregularity has already been reported to OLAF, an adjustment is put through (Article 5). If the irregularity has not yet been reported to OLAF, no form is completed.</p> <p>FRENCH COMMUNITY: /</p> <p>AGENCE FSE (ESF Agency): Change to the OLAF form</p> <p>FLEMISH COMMUNITY: ESF VL</p> <p>Once defence rights have been exhausted, the definitive amount will be below or above the reporting threshold. The definitive amount (EU contribution) is directly deducted from the amount of the next request for payment, irrespective of the reporting threshold.</p> <p>EFRO Vlaanderen: (EFRD Flanders): Reported to OLAF, with subsequent follow-up notification because under the threshold.</p> <p>BRUSSELS-CAPITAL REGION: No cases as yet.</p> <p>GERMAN-SPEAKING COMMUNITY: New notification with corrected amounts</p>
BG	<p>It would be reported to OLAF. Following recalculation OLAF would be notified that the actual impact of the irregularity has fallen below the reporting threshold, as compared to the initial estimate, and that it will not be reported in the future.</p>
CZ	<p>Ministry of Industry and Commerce: A suspected irregularity above the threshold would be reported to OLAF through AFIS. If during verification of the case it is discovered to be below the threshold, AFCOS would request through AFIS for it to be removed from the database.</p> <p>Ministry of Employment and Social Affairs: Reporting of irregularity with the original sum, then an updated report with the new</p>

Member State	3.2.5. How would you treat an irregularity which financial impact was initially estimated above the reporting threshold and is subsequently recalculated below the reporting threshold?
	<p>sum and footnote</p> <p>Ministry of Agriculture: The irregularity reported by the AFCOS contact point to OLAF is updated in a report on the reduction of the sum. If within two months of the end of the quarter in question, the irregularity is not reported externally by the AFCOS contact point in a report to OLAF, the report is recorded and transferred in AFIS only at the request of the European Commission.</p> <p>Ministry for Regional Development: Procedure corresponding to the definition of "original estimate": If this involves an estimate made during an investigation to determine whether the case is well-founded, i.e. when the case is reported only internally, then the management authority would not notify OLAF that the financial impact was now below the threshold. If the case concerned an estimate at the stage where a suspected irregularity had already been reported to OLAF and is then confirmed and recalculated to be below the threshold, the management authority would report this to OLAF as part of the updating of the report, to maintain the continuity of the information transmitted.</p> <p>Cohesion Fund – as the case with reporting obligation.</p>
DK	<p>In principle, irregularities are treated the same regardless of the amount involved.</p> <p>If a reported irregularity subsequently turns out to be below the 10 000 euro threshold, this is reported to OLAF. Borderline cases are likewise reported to OLAF.</p>
DE	<p>Does not apply to the agricultural sector. With regard to structural actions, withdrawal of funds.</p>
EE	<p>If it transpires that the financial impact of an irregularity initially estimated as being above the reporting threshold is actually below EUR 10 000, additional information will still be provided to the Commission in the follow-up reports in line with Article 5 of Regulation (EC) No 1848/2006 until such time as the procedures concerning the case are terminated.</p>
IE	<p>For the agricultural funds, the case is subject to a final Article 5 report stating that on review, appeal etc., the financial amount involved is now below the threshold and therefore closed for the purpose of Regulation 1848/06 reporting. Any monies due will of course be subject to Community debt recovery provisions.</p> <p>For the structural funds, this would be an extremely rare occurrence but if it did happen the irregularity report would be withdrawn. (Please see also answers above)</p>

Member State	3.2.5. How would you treat an irregularity which financial impact was initially estimated above the reporting threshold and is subsequently recalculated below the reporting threshold?
EL	For structural funds, the FCC continues to provide proper information on developments with the irregularity until it is resolved. For agricultural funds, a new notification is sent for the amount to be corrected, in accordance with Regulation No 1848/06.
ES	In the agricultural funds, since the entry into force of Regulation No 1848/2006, a reduction in amounts is not reported. Information provided by Paying Agencies is, however, kept in the FEGA coordination body. In the structural funds a change in the amount would be reported in accordance with Article 5 of Regulation (EC) 1681/94.
FR	In accordance with Article 5 of Regulation (EC) No 1848/2006, a report is sent to OLAF, specifying the reason for cancelling the irregularity
IT	If a report has been sent under Article 3 of Regulation (EC) No 1681/94, and subsequent amendments, and under Article 5 of Regulation No 1848/06 the details of the case are updated until the administrative and/or judicial proceedings have been completed.
CY	Report it to the Commission (Article 3), provided that the initial estimation required the Commission to be informed, as it is not necessary to provide further information on the case via the Commission's first quarterly information update (Article 5).
LV	In these situations the reporting on the evolution of the matter would continue until it were closed. The information would be referred to in an addendum to the report on irregularities, and the amount would be adjusted appropriately.
LT	If information about the irregularity has already been reported, this information is subsequently corrected.
LU	(Agricultural Fund) This has not yet happened in Luxembourg. (ERDF) Not applicable in Luxembourg (European Social Fund). A second corrected sheet cancelling and replacing the former sheet is submitted.
HU	The Hungarian authorities treat all irregularities violating EU financial interests in the same way. An update report will be sent on the reduction of the financial impact of irregularities reported.
MT	AFCOS would initially report the irregularity to the European Anti-Fraud Office (OLAF). However, on re-calculating the amount below the threshold, AFCOS would withdraw the irregularity and inform OLAF that the amount of the irregularity in question is below the threshold.
NL	ERDF: If it has already been reported, a correction will be made in the next quarter. If it has not been reported, the irregularity will

Member State	3.2.5. How would you treat an irregularity which financial impact was initially estimated above the reporting threshold and is subsequently recalculated below the reporting threshold?
	<p>be recorded in the financial register.</p> <p>ESF: In such cases no report will be made to OLAF if it has not already been reported.</p> <p>AGRICULTURE: The report will be withdrawn.</p>
AT	<p>ERDF: the initial report is recorded via AFIS. The initially notified amounts are then corrected in accordance with Article 5(1).</p> <p>Export refunds: if an irregularity has been reported under Article 3 of Regulation (EC) No 1848/2006 and it subsequently transpires that the amount is below the reporting threshold, a follow-up report is made.</p>
PL	<p>If a report was compiled and sent to the Commission on irregularities over EUR 10 000 and in the course of further investigation the actual amount turned out to be below that threshold, the report would still be sent to the Commission pending completion of the case.</p>
PT	<p>If the notification to OLAF has not yet taken place, the irregularity is not communicated. If it has taken place, the cancellation of the case is communicated during the corresponding quarter (this does not mean that the recovery procedures are stopped).</p>
RO	<p>It would be first sent to OLAF; and then subsequently the updated report on the irregularities containing the new amounts that fall below the reporting threshold would continue to be reported until the case is closed.</p>
SI	<p>The irregularity would be reported to OLAF and the case pursued up until closure even though it is below the threshold. The subsequent recalculation would be reported to OLAF in the regular update of the irregularity in question.</p>
SK	<p>An updated report on the irregularity identified would be drawn up and submitted.</p>
FI	<p>Such irregularities are reported normally, since they exceed the reporting threshold when first estimated. The updated information is notified using the normal follow-up report.</p>
SE	<p>Structural actions funds (ESF): If a report of the first calculation had already been made, the new circumstances would be reported to OLAF. If the new calculation is made before a report has gone to OLAF, the case is not reported. Cases under the threshold are also reported where criminal activity is suspected.</p>

Member State	3.2.5. How would you treat an irregularity which financial impact was initially estimated above the reporting threshold and is subsequently recalculated below the reporting threshold?
	<p>Structural actions funds (ERDF): Not known whether this has occurred. If it should occur, a new corrected report will be submitted.</p> <p>Agriculture: Since SE has interpreted the time when the reporting requirement occurs as being when the authority decides to reclaim payments, and this claim is in our financial system, the irregularity is reported directly and thereafter make a correction or zero-report the case to OLAF.</p>
UK	<p>BERR: The case would be the subject of a follow-up report or reports detailing the changes. As the original report would have been made because the estimated amount was above the threshold, it would be on the database. Follow-up reports however would continue until the case has been resolved.</p> <p>JIU: The irregularity is initially reported to OLAF for the amount estimated to be at risk at the time the first written assessment is made. Updates are then reported to notify OLAF of reductions to amounts at risk arising from follow up actions. These can be finalised at values either above or below the reporting threshold.</p> <p>RPA: It would be reported as an irregularity and subsequently updated by appropriate interim/final Article 5 reports.</p> <p>Wales: The initial estimate would be reported as required as it is above the reporting threshold. If subsequent actions are able to reduce the amount of the irregularity then revised reporting forms are issued internally to account for the reduction. The revised irregularity will then be recovered from the sponsor.</p> <p>Northern Ireland: the irregularity will be notified in the first instance, however, when the calculation has been established, the irregularity is ‘closed’ and OLAF is notified accordingly with an explanation.</p> <p>Scotland:– An annex B would be created and the irregularity report amended. It would be reported as an Irregularity with any revision of the amount duly notified to OLAF to amend their records via the RPA. The irregularity however would not be finally cleared from OLAF’s records until the revised debt was finally paid off in full or written off as irrecoverable.</p>

Member State	3.2.6. Amounts offset (Offsetting is understood to mean clearing a claim and a debt which cancel each other): In the agricultural sector, do you communicate irregularities with an initial amount above the threshold (10.000€) and a net amount below the 10.000€ threshold further to an offset (compensation)?
BE	<p>Yes:</p> <p>BIRB: Offsetting takes place after the formal notice has been issued and, therefore, after notification.</p> <p>FLEMISH PAYING BODY: For the reporting to OLAF, account is taken only of the initial amount of the irregularity.)</p> <p>No:</p> <p>WALLOON REGION: The irregularities reported are those for which an established entitlement is created. This entitlement comes into being when the irregularity committed is notified to the interested party. Such notification takes the form of a formal notice. This formal notice shows the net amount of the irregularity. If the net amount is less than EUR 10 000, it is not therefore reported to OLAF.</p>
BG	Yes
CZ	Yes
DK	Yes
DE	Yes
EE	Yes
IE	Yes
EL	Yes
ES	Yes
FR	Yes

Member State	3.2.6. Amounts offset (Offsetting is understood to mean clearing a claim and a debt which cancel each other): In the agricultural sector, do you communicate irregularities with an initial amount above the threshold (10.000€) and a net amount below the 10.000€ threshold further to an offset (compensation)?
IT	Yes
CY	No
LV	Yes
LT	Yes
LU	Yes
HU	Yes
MT	Yes
NL	Yes
AT	No
PL	Yes
PT	Yes
RO	Yes
SI	Yes
SK	Yes
FI	Yes
SE	Yes
UK	Yes

3.3. CLASSIFICATION OF IRREGULARITIES

The terms "irregularity", "suspected fraud" and "fraud" are defined by the European legislation.

According to European Council Regulation 2988/95 of 18 December 1995¹³ an "irregularity" means any infringement of a provision of Community law resulting from an act or an omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the Communities.

According to the Convention on the protection of the European Communities' financial interests¹⁴, fraud is an irregularity committed intentionally and it is a criminal act that can only be determined by the outcome of judicial proceedings.

Taking into account that the reporting of irregularities is done at an early stage, the sectoral regulations provide that Member States must identify among communicated irregularities, not only cases of established fraud, **but also cases of suspected fraud**. According to EC regulations 1848/2006 for the sector of agriculture, no. 2035/2005 and no. 2168/2005, for the structural and cohesion funds, "suspected fraud" means an irregularity giving rise to the initiation of administrative and/or judicial proceedings at national level in order to establish the presence of intentional behaviour.

Nonetheless, in practice, the interpretations that the Member States' authorities give to these terms may differ and the distinction between "suspected fraud" and other irregularities is not consistent because the Member States do not always have the same definition of criminal behaviour. For this reason, it is important to discern the criteria employed by the competent authorities to categorize irregularities and suspected fraud cases and to find out where the classification difficulties may occur.

Irregularity and suspected fraud

Correct classification into the given IRQ (IRQ2 - irregularity, IRQ3 - suspicion of fraud, IRQ 5 - established fraud) is essential because if the cases of suspected frauds and frauds are not separated from the other types of irregularities, it will not be clear to the public that only a part of irregularities have a criminal character.

¹³ OJ L312 of 23.12.1995.

¹⁴ OJ C316 of 27.11.1995.

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
BE	<p>BIRB: Irregularities are categorised as follows:</p> <p>IRQ 2 - all irregularities</p> <p>IRQ 3 - in the event of the application of a 200% fine (Art 51(1b) of Regulation No 800/99)</p> <p>IRQ 5 - in the event of a judicial decision being taken</p> <p>Out of a concern for confidentiality, a judicial inquiry could prevent the categorisation of a reported irregularity and/or an inquiry in the course of which the judge has to decide whether what is at issue is fraud or an irregularity.</p> <p>WALLOON REGION: All established entitlements in keeping with the definition of an irregularity given by Regulation No 2988/95 are categorised as IRQ2. Elements in a file that reveal a glaring error on the part of the informant could lead to a file's being reclassified as IRQ3. An error established as IRQ5 will only be</p>	<p>WALLOON REGION: There is a clear distinction between irregularity and fraud. The distinction between irregularity and suspicion of fraud is less clear, however.</p> <p>FLEMISH COMMUNITY: ESF VL Definitions IRQ2 and IRQ3 are unclear and difficult to apply. The ability to prove fraud depends on there being a time limit for dealing with the matter and on the judgment of a court.</p> <p>BRUSSELS-CAPITAL REGION: No particular obstacle except that the classification may change over time, depending on the information collected.</p> <p>FRENCH COMMUNITY: /</p> <p>AGENCE FSE [ESF Agency]: The distinction between irregularity and fraud is quite explicit inasmuch as fraud has to be decreed as such by the judgment of a court. It is less obvious what is to be understood by suspicion of fraud and irregularity.</p>	

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
	<p>referred to if there is a judicial decision.</p> <p>FLEMISH PAYING AGENCY: There was a variety of interpretations as to how 'suspicion of fraud' was to be defined, given that it was unclear which procedures came within 'an administrative and/or judicial procedure'.</p> <p>Only the judge can determine whether or not an irregularity is to be considered as fraud.</p> <p>Conclusions based on our own checks and without an attendant judicial procedure can only give rise to the suspicion of fraud.</p> <p>Concerning what can be considered as 'intentional' in relation to irregularities, "false and/or falsified accounts or false and/or falsified documents" could classify irregularities as "suspicion of fraud"</p> <p>As a consequence, there are no more impediments to the correct classification of irregularities.</p>	<p>GERMAN-SPEAKING COMMUNITY: No incidents to date. Nor, therefore, have any classification problems been noted</p>	

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
BG	No difficulties have been encountered in classifying the cases where sufficient justification and/or evidence is available.	No difficulties have been identified in classifying cases where sufficient justification and/or evidence is available.	No difficulties have been identified in classifying cases where sufficient justification and/or evidence is available.
CZ	Ministry of Agriculture: A suspected irregularity is classified as soon as it is being investigated; in the case of suspected fraud (e.g. irregularities committed through forgery of papers and documents) the suspected irregularity is transferred to the law-enforcement authorities, as above	Ministry of Transport: In the initial stage the impact on the financial interests of the Community is always classified only as an irregularity. Not until further investigation can the cause be identified as deliberate action of a particular person, and therefore the possibility of fraud, in which case the classification then has to be changed. Ministry of Industry and Commerce: As regards the above-mentioned emphasis on the classification of the irregularity in relation to the suspicion of fraudulent action or of a criminal act, the Ministry of Trade and Commerce has only one case of suspected irregularity registered in the OPIE. This was transferred in Q1/2008 to the Supreme Public Prosecutor's Office (NSZ) and the case is being investigated with the help of INTERPOL. Ministry of Employment and Social	

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		<p>Affairs: The irregularity does not meet the definition to qualify as fraud.</p> <p>Ministry of Agriculture: A suspected irregularity is classified as soon as it is being investigated; in the case of suspected fraud (e.g. irregularities committed through forgery of papers and documents) the suspected irregularity is transferred to the law-enforcement authorities, as above</p> <p>Ministry for Regional Development: Assessing whether the beneficiary has broken the law or contravened the terms of the agreement or contract or other rules of the programme documentation intentionally, through negligence or through lack of knowledge, is a matter of experience, although it is always very difficult to assess, and in particular to prove, intention in the individual's actions. If the case is transferred to the law-enforcement authorities, the management authority always classifies the suspicion as suspected fraudulent behaviour. The</p>	

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		irregularity is then considered as proven fraud once the criminal proceedings at the competent court are over and a final judgment has been handed down (penalty imposed).	
DK	All reported irregularity cases are classified by code.	All reported cases in relation to the ERDF and ESF are classified by code or the irregularity is described in text. In the case of the FIG, all reported irregularity cases are classified by code.	
DE	None	None	N/A
EE	Statements made by the applicant (at a hearing) and sometimes also by witnesses are taken as the starting point. When carrying out administrative procedures, administrative organs do not have the right to undertake surveillance. In cases of suspected fraud, the investigative authorities are consulted.	The reasons are limited practical experience and the lack of an exchange of information with OLAF and other Member States. Often it is impossible to prove fraud. In cases of suspected fraud, the investigative authorities are consulted.	Irregularities are classified in accordance with the categories laid down in OLAF's instructions for reporting irregularities. In cases of suspected fraud, the investigative authorities are consulted.
IE	Our figures show that all irregularities reported by Ireland under Regulation 1848/06 were classified.	Not aware of any particular difficulty in respect of structural actions	

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
EL	There are no problems to report. All irregularities are initially classified IRQ2. For IRQ3, see 3.3.2. In order for an irregularity to be classified IRQ5, a definitive court ruling must have been passed deeming the irregularity fraud.	The FCC classifies all notified irregularities properly.	N/A
ES	One of the main difficulties is establishing the possible intention in committing the irregularity.	One of the main difficulties is establishing the possible intention in committing the irregularity.	
FR	Irregularities are systematically classified by type of irregularity. The procedure for applying the term "fraud" or "suspected fraud" is based on the definition given in the Council Act of 26 July 1995 drawing up the Convention on the protection of the financial interests of the European Communities (95/C 316/03). In practice, an irregularity is classified as "fraud" or "suspected fraud" if the actions could constitute criminal offences.	There is nothing to prevent an irregularity being "classified". There is a suspicion of fraud whenever a dossier is sent to the judicial authority. Fraud is established when the court has delivered its judgment.	
IT	The report shows that Italy has always provided details of the classification of irregularities. Under national law,	The report shows that Italy has always provided details of the classification of irregularities. Under national law,	

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
	irregularities may be classified as IRQ5 (established fraud) only after the judicial authorities have reached a final decision.	irregularities may be classified as IRQ5 (established fraud) only after the judicial authorities have reached a final decision.	
CY	No difficulties have so far been encountered.	The fact that each case must be reported at an early stage, i.e. where there is insufficient information/evidence.	The fact that each case must be reported at an early stage, i.e. where there is insufficient information/evidence.
LV	Classification in relation to agricultural funds for the 2007-13 programming period does not pose any problems, as the guidelines established by OLAF contain clear definitions of 'irregularities', 'suspected fraud' and 'fraud'.	Classification is hampered by the generic nature of the definitions of 'fraud', 'suspected fraud', 'irregularity' and 'error'. It is difficult to differentiate between acts committed through error or incompetence and acts of deliberate neglect, omission or suspected fraud.	Administrative and/or judicial proceedings to determine whether an irregularity has been committed with intent to commit a criminal offence or through negligence are usually not initiated before an irregularity is reported.
LT	No problems encountered in the classification of irregularities.	Problems most often arise when describing irregularities as suspected fraud (IRQ3). An individual irregularity can be interpreted in more than one way, since it is not always clear whether certain actions can be described as having been performed for personal gain or, for example, because of a lack of awareness/misinterpretation of legislation.	No problems encountered in the classification of irregularities.
LU	All the irregularities are classified at the	No practical experience at the Ministry of	

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
	time of notification.	Economic Affairs and External Trade (ERDF) and at the Ministry of Labour and Employment (European Social Fund).	
HU	It is not easy to draw a line between the three categories in practice, there are types of irregularities on the basis of which no fraud or even suspicion of it might arise. The organisations have no practical experience in recognising crime.	There is not enough information for unambiguous classification when the report has to be submitted. Suspicion of fraud is not the same as the establishment of violation of financial interests. Therefore, the report mentions only those suspicions which lead to accusations.	The establishment of the suspicion of intention makes classification difficult, as the organisation has no means to diagnose accordingly. The fact that certain definitions have different interpretations in the Community system and in the national legislation is a major obstacle.
MT	Irregularities have to be reported at an early stage as possible when inquiries may still be at an infant stage. Difficulties arise also in view that fraud is a criminal act that can only be determined by the outcome of judicial proceedings.	Irregularities have to be reported at an early stage as possible when inquiries may still be at an infant stage. Difficulties arise also in view that fraud is a criminal act that can only be determined by the outcome of judicial proceedings.	Irregularities have to be reported at an early stage as possible when inquiries may still be at an infant stage. Difficulties arise also in view that fraud is a criminal act that can only be determined by the outcome of judicial proceedings.
NL	The Netherlands classifies irregularities and does not experience any difficulties.	ERDF: For established fraud a criminal procedure must be instituted. There have been a few cases of suspected fraud, but these have never reached the point of established fraud. ESF: Nothing in practice. What is difficult is dealing with administrative errors. For	N/A

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		example: costs are specified on an invoice for a period which is partly within and partly outside the project period. The costs have not been allocated. Should this be classified as an irregularity or as suspected fraud?	
AT	<p>Irregularities are classified as IRQ3 in Austria whenever they are reported as a crime. It usually takes a long time (court proceedings) before an irregularity becomes an IRQ5. Such reporting is only possible in Austria under Article 5 of Regulation (EC) No 1848/2006 (changing an existing report).</p> <p>Export refunds: the main problem faced by the paying/export refund agency responsible for reporting irregularities is being able to decide on the basis of the information and documents available at the time of reporting whether an irregularity or fraud has been committed.</p> <p>Any suspected fraud is reported by the paying agency to the relevant customs investigation department, which then</p>		

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
	carries out a criminal investigation. An irregularity is not classified as fraud until the findings of the investigation are available.		
PL	The lack of information from the investigative authorities concerning the initiation of proceedings on a given case. The specific nature of some irregularities.	Nothing hinders the classification. The category IRQ3 is used when the irregularity is communicated to the investigative authorities and IRQ5 is used in the case of a final judgment imposing a criminal conviction.	N/A
PT	As regards the classification used for IRQ, the procedure applied does not give rise for us to any doubts or problems as to implementation.	In the case of the ESF: above all, in determining the intention underlying the evidence verified after data gathering, which is essentially document-based and concerns reimbursements and requests for payments and balances.	N/A
RO	N/A	N/A	The long period between the alert relating to suspicions of fraud and the issuing of a definitive and irrevocable decision by the court; the staff's lack of experience, the lack of concrete prior examples
SI	Proper classification is hindered by	At present the managing authority has no	Proper classification is hindered by

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
	lengthy administrative or judicial procedures, especially when a case is initially reported to OLAF on time. Normally in such cases the classifications IRQ2 or IRQ3 are used, but this can be changed in the report on the following quarter.	problems in classifying irregularities as IRQ2, IRQ3 and IRQ5, as reports on irregularities are produced by direct budget users, where the contract manager is directly acquainted with the type of irregularities that arise. If it subsequently emerges that the irregularity was incorrectly classified, this would be corrected in the regular update of the irregularity in question.	lengthy administrative or judicial procedures, especially when a case is initially reported to OLAF on time. Normally in such cases the classifications IRQ2 or IRQ3 are used, but this can be changed in the report on the following quarter.
SK	There is no longer any reason not to classify irregularities as IRQ2, IRQ3 or IRQ5.	There is no longer any reason not to classify irregularities as IRQ2, IRQ3 or IRQ5.	There is no longer any reason not to classify irregularities as IRQ2, IRQ3 or IRQ5.
FI	No problems.	The main reasons are instructions on the definitions of the various classifications and, in some cases, lack of expertise on the part of the person handling the irregularity.	
SE	Sweden classifies everything as IRQ2 without investigating the issue of whether the irregularity occurred deliberately, by accident or through sheer lack of knowledge or a mistake. IRQ3 is only	Lack of knowledge. The examiners however are not detectives and there is a risk that the examiners will destroy evidence if excessively deep 'criminal investigation' takes place when assessing	

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
	used when a suspicion exists and when the case is sent for further investigation to the ECA, and IRQ5 is of course used after fraud has been established through a court judgment.	these three categories. It is important that the criminal investigation is done by those with the right competence to enable house searches, seizures and other measures to secure evidence ahead of a possible trial.	
UK	<p>Of the 94 cases reported in 2007, 83 were coded IRQ2 and 11 as IRQ3. Cases are reported according to available information and there is generally no hindrance to the classification.</p> <p>The standard of proof applied is the civil standard i.e. whether, "on balance of probabilities", the evidence available points to the conclusion, that an intentional over-declaration has been made. This is more difficult to prove for land-based schemes compared with capital grant schemes.</p>	<p>BERR: All suspected fraud cases are reported in the same manner as for all cases of irregularity without any hindrance. The case is reported to internal auditors who carry out an investigation</p> <p>JIU: Not much difficulty has been encountered in classifying irregularities. However, it would be helpful if the code list could be revised with the number of entries reduced.</p> <p>Wales: There are no barriers to the classification of irregularities.</p> <p>Northern Ireland: Insufficient level of detail in returns received from the implementing Bodies.</p> <p>Scotland: The Division has a specific Action Plan, which is followed if an</p>	N/A

Member State	3.3.1. The Article 280 Report for 2007 shows that, in the agricultural funds, Member States were able to classify 68% of the reported irregularities, in the structural actions funds 67% and in the pre-accession funds 57% of irregularities communicated (68% in 2006). In your case, what hinders the classification of reported irregularities as irregularities (IRQ2), as suspicions of fraud (IRQ3), or as established frauds (IRQ5)?		
	For the agricultural funds	For the structural actions funds	For the pre-accession funds
		incidence of suspected fraud is identified. The classification of Fraud will be dependent on the decision of the Crown office and the police force in charge of the subsequent investigation.	

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE AGRICULTURAL FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
BE	X (BIRB Walloon Region, Flemish Paying Agency)					German speaking community
BG	X					
CZ	X					Ministry of Industry and Commerce: The management authority must pick up suspicions of fraudulent action

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE AGRICULTURAL FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						<p>and report them to the law-enforcement authorities.</p> <p>Ministry of Agriculture: The law-enforcement authorities also investigate cases of suspected fraud at the instigation of parties outside the implementation structure, for example if a legal</p>

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE AGRICULTURAL FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						complaint is lodged
DK	X					
DE			X			
EE	X					
IE						Department of Agriculture, Fisheries and Food: All irregularity cases are reported, including those where fraud is suspected. However we do not classify

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE AGRICULTURAL FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						the latter as suspected fraud, since fraud has to be established through the judicial process.
EL			X			
ES						Agricultural funds: procedural complexity and the fact that suspected fraud is not a legal concept in Spain makes it difficult to establish a general

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE AGRICULTURAL FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						Other criterion.
FR	X					
IT	X					
CY		X				
LV	X	X	X	X		
LT	X					
LU	X					
HU		X				
MT			X			
NL		X				

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE AGRICULTURAL FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
AT		X (for export refunds)	X			
PL	X	X ¹⁵	X	X		
PT		X	X			
RO	X					
SI	X					The managing authority sends regular and one-off (immediate) reports to OLAF for each

¹⁵ The law enforcement agencies are: Police, Border Guard and other specialized authorities conducting administrative and judicial proceedings.

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE AGRICULTURAL FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						irregularity, irrespective of its classification, on the basis of written evidence, which it is able to obtain from the contract manager of the direct budget user, from reports on the spot checks and from regular or extraordinary audits by all national and European supervisory

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE AGRICULTURAL FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						institutions. To date most irregularities have arisen as a result of ineligible expenditure or incorrect selection procedures.
SK		X				
FI		X				
SE		X				
UK	X					

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE STRUCTURAL ACTIONS FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
BE	X (BEVLGECO, WALLOON REGION, FRENCH COMMUNITY, AGENCE FSE (ESF Agency), FLEMISH COMMUNITY, EFRO Vlaanderen (EFRD Flanders), BRUSSELS-CAPITAL REGION, GERMAN-					

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE STRUCTURAL ACTIONS FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
	SPEAKING COMMUNITY)					
BG	X					
CZ	X					Ministry of Industry and Commerce: The management authority must pick up suspicions of fraudulent action and report them to the law-enforcement authorities. Ministry of

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE STRUCTURAL ACTIONS FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						Agriculture: The law-enforcement authorities also investigate cases of suspected fraud at the instigation of parties outside the implementation structure, for example if a legal complaint is lodged
DK	X					
DE			X			
EE	X	X	X			

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE STRUCTURAL ACTIONS FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
IE	X					
EL			X			
ES	X					
FR		X				
IT	X					
CY	X					
LV	X	X	X	X		
LT	X					
LU	X (ERDF)			X (ESF)		
HU		X				

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE STRUCTURAL ACTIONS FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
MT			X			
NL	X	X				
AT		X (ERDF)				
PL	X	X ¹⁶	X	X		
PT	X					
RO	X					
SI	X		X	X	X	The managing authority sends regular and one-off

¹⁶ Suspicion on fraud may be reported both to the Police and the Public Prosecutor's Office.

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE STRUCTURAL ACTIONS FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the- spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						(immediate) reports to OLAF for each irregularity, irrespective of its classification, on the basis of written evidence, which it is able to obtain from the contract manager of the direct budget user, from reports on the spot checks and from regular or extraordinary audits by all national and

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE STRUCTURAL ACTIONS FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						European supervisory institutions. To date most irregularities have arisen as a result of ineligible expenditure or incorrect selection procedures.
SK	X					
FI	X					
SE	X					
UK	X					BERR: for the UK,

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud?					
	FOR THE STRUCTURAL ACTIONS FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						the appropriate Article 4, Article 10 or Article 15 body would make the decision on whether a case was suspected as fraud and refer it to the appropriate authorities. If fraud was still suspected then the matter would be reported to the police for further

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud?					
	FOR THE STRUCTURAL ACTIONS FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the- spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						consideration.

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE PRE-ACCESSION FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
BE	N/A	N/A	N/A	N/A	N/A	N/A
BG	X					
CZ						Ministry of Industry and Commerce: The management authority must pick up suspicions of fraudulent action and report them to the law-enforcement authorities.

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE PRE-ACCESSION FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						Ministry of Agriculture: The law-enforcement authorities also investigate cases of suspected fraud at the instigation of parties outside the implementation structure, for example if a legal complaint is lodged
DK						
DE			X			

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE PRE-ACCESSION FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
EE	X					
IE						
EL						
ES						
FR						
IT						
CY	X					
LV	X	X	X	X		
LT	X					
LU						

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE PRE-ACCESSION FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
HU		X				
MT			X			
NL						
AT						
PL	X					
PT						
RO	X					
SI						The managing authority sends regular and one-off (immediate) reports

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE PRE-ACCESSION FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						to OLAF for each irregularity, irrespective of its classification, on the basis of written evidence, which it is able to obtain from the contract manager of the direct budget user, from reports on the spot checks and from regular or extraordinary audits by all national and European

Member State	3.3.2. In your case, at what stage of a control procedure would you classify an irregularity as a case of suspected fraud? FOR THE PRE-ACCESSION FUNDS					
	Conclusions of the national management and control system (e.g. internal and external audits, internal control procedures, on-the-spot checks etc.) that lead to a suspicion of fraud case	The irregularity has been communicated to the investigative authority	The irregularity has been communicated to the prosecutor's office	The case has been brought before a court (judge)	A final judicial decision, establishing the irregularity as a fraud, has been issued	Other
						supervisory institutions. To date most irregularities have arisen as a result of ineligible expenditure or incorrect selection procedures.
SK	X					
FI						N/A
SE						
UK						N/A

Generic codes

The electronic reporting system requires that, when Member States are reporting irregularities, they also need to categorize them into given typologies. Codes are attributed to this end (example: 325-noneligible expenditure, 210 – missing or incomplete supporting documents).

Member State	3.3.3. In the case of the structural actions funds, the generic code “other irregularities” (999) is still the third most used typology by the Member States in order to classify the different types of irregularities. For the agricultural funds, the generic code "other irregularities" is the second most used typology. Please indicate the main reasons why you include an important number of irregularities in this category?	
	For agricultural funds	For structural actions funds
BE	<p>BIRB: The proposals for categorising irregularities by type do not correspond to the irregularity applicable to the file itself, or else the files forming part of the same notification involve different types of irregularity.</p> <p>FLEMISH PAYING BODY: The 'other irregularities' code is seldom used by Flanders. The code most often used by Flanders is '1610: not dealt with in accordance with the regulations'.</p>	<p>WALLOON REGION: The irregularities are classified in accordance with the coding presented in the AFIS system (Anti-Fraud Information System).</p> <p>FRENCH COMMUNITY: /</p> <p>AGENCE FSE (ESF Agency): Code 999 was used twice (in 69 cases communicated since 2004) as the errors detected related to several categories of equal importance (in general code 325 – code 831 and code 210).</p> <p>BRUSSELS-CAPITAL REGION: In Brussels-Capital Region, the specific codes are used and not the 'other irregularities' generic code (999).</p> <p>GERMAN-SPEAKING COMMUNITY: N/A</p>
BG	No irregularities to date have been reported as “other irregularities” under SAPARD or under the measures/schemes of the Payments Agency.	Bulgaria had no experience in reporting irregularities under this code in 2008 and cannot comment on the reasons for its frequent use.
CZ	Ministry of Agriculture: Code 999 is not used	<p>Ministry of Industry and Commerce: For now the Ministry of Trade and Commerce has not yet received any classification "type of irregularity under the above-mentioned code 999 – other facts" for suspected irregularities reported to the AFCOS contact point.</p> <p>Ministry of Employment and Social Affairs: irregularities are</p>

Member State	3.3.3. In the case of the structural actions funds, the generic code “other irregularities” (999) is still the third most used typology by the Member States in order to classify the different types of irregularities. For the agricultural funds, the generic code "other irregularities" is the second most used typology. Please indicate the main reasons why you include an important number of irregularities in this category?	
	For agricultural funds	For structural actions funds
		classified in this category only in exceptional cases Ministry of Agriculture: Code 999 is not used
DK	The "other irregularities" code was not used in 2008.	As a rule, it should be possible to classify all reported irregularities under codes other than 999. The "other irregularities" code was not used in 2008. The electronic system is not used for the ERDF and ESF as reporting is via e-mail (paper-based), which may lead to doubts regarding interpretation compared with classification by code.
DE	N/A	N/A
EE	In previous periods, irregularities were classed as 'other irregularities' (999) only if the list provided did not include a code describing the nature of the irregularity.	The generic code 'other irregularities' is used when it is not possible to find a suitable description of the case from the list. The list of codes has become obsolete.
IE	Our records show that no cases reported under Regulation 1848/06 were coded “other irregularities” (999).	It is not really possible to give a clear indication of why irregularities were classified in a particular way without reviewing the individual reports on a case by case basis but please see examples at point 3.3.4 below.
EL	The generic “other irregularities” code is used only when the type of irregularity is not included in the established list of options.	The 999 code was used in eight out of a total of 56 irregularity cases in the first three quarters of 2008. It was used because no other code corresponded to the cases in question.
ES	This code is used in very few cases, only if it is not possible to	

Member State	3.3.3. In the case of the structural actions funds, the generic code “other irregularities” (999) is still the third most used typology by the Member States in order to classify the different types of irregularities. For the agricultural funds, the generic code "other irregularities" is the second most used typology. Please indicate the main reasons why you include an important number of irregularities in this category?	
	For agricultural funds	For structural actions funds
	find a specific type of irregularity in which to classify the irregularity committed. Sometimes this is because the existing codes do not match the types of cases.	
FR	This code has not been used for several years, in line with OLAF's recommendations. Using the list of codes supplied by OLAF, it is possible to classify almost all of the irregularities detected.	This code is mainly used for the ERDF (roughly 20% of the notifications for the ERDF and 13% for all the other funds put together), when the irregularity arises from failure to comply with the agreement awarding the grant.
IT	Code 999 is used only where cases of irregularities or fraud cannot be classified using one of the other options provided.	Code 999 is used only where cases of irregularities or fraud cannot be classified using one of the other options provided.
CY	N/A	This code has not been used for structural action fund irregularities.
LV	The main reason for the large proportion of irregularities classified as 'other irregularities' is because the format of the irregularity report gives relatively little opportunity for making a detailed classification of the irregularities identified.	The main reason for the large proportion of irregularities classified as 'other irregularities' is because the format of the irregularity report gives relatively little opportunity for making a detailed classification of the irregularities identified.
LT	There was no corresponding category in the classifications under the EU structural aid computerised management and control information system (the Lithuanian computerised system).	More detailed classification of irregularities is set out in the Rules on the administration and financing of Lithuanian Single Programming Document (SPD) measures for 2004–06 and projects financed under those measures, regulating the administration of SPD funds; therefore some irregularities whose categories do not match those set out in the reporting system fall

Member State	3.3.3. In the case of the structural actions funds, the generic code “other irregularities” (999) is still the third most used typology by the Member States in order to classify the different types of irregularities. For the agricultural funds, the generic code "other irregularities" is the second most used typology. Please indicate the main reasons why you include an important number of irregularities in this category?	
	For agricultural funds	For structural actions funds
		under the category "other irregularities".
LU		(ERDF) The Ministry of Economic Affairs and External Trade does not make any distinction in the old system. (European Social Fund) The list of sample errors is too restricted.
HU	(ERDF) The Ministry of Economic Affairs and External Trade does not make any distinction in the old system. (European Social Fund) The list of sample errors is too restricted.	There were several similar facts in the code table, and most suspicions of irregularities can belong to several types. The use of code 999 seems the only good solution. This is applied in unclear cases.
MT	An irregularity was classified under the typology "other irregularities" in the case of agricultural funds as at the time of reporting one could not as yet determine the exact nature of the irregularity.	Along the years, only once did Malta use the typology 'other irregularities' with respect to Structural Funds. This was because the case did not consist of an irregularity, but it was an internal adjustment of eligibility of VAT.
NL	The Netherlands classifies cases as accurately as possible and tries to avoid using the "other irregularities" category.	ESF: Our method in practice is to cross out what does not apply. In principle, findings are classified with a specific code and the category "other irregularities" is used only if the case does not fit into any specific category. ERDF: The Netherlands classifies cases as accurately as possible and tries to avoid using the "other irregularities" category. However, the system for reporting irregularities affecting the Structural Funds offers few detailed options. This means that the nature and scale of the irregularity have to be explained in greater detail in the explanatory notes.

Member State	3.3.3. In the case of the structural actions funds, the generic code “other irregularities” (999) is still the third most used typology by the Member States in order to classify the different types of irregularities. For the agricultural funds, the generic code "other irregularities" is the second most used typology. Please indicate the main reasons why you include an important number of irregularities in this category?	
	For agricultural funds	For structural actions funds
AT	In Austria (virtually) all irregularities have so far been classified on the basis of a typology. Export refunds: the Salzburg paying/export refund agency has not yet used code 999 (other irregularities) but has classified all types of irregularity under a different code.	ERDF: as bankruptcies sometimes have to be reported as irregularities to ensure that the EC shares in the financial losses under the 5(2) reporting procedure and bankruptcies are not recorded, they are often reported under code 999.
PL	It may happen that owing to the specific nature of a given case of irregularity, there are difficulties with classifying the case using the codes proposed in the "Module 1848" manual if no term appropriate to the situation exists.	The classification devised by OLAF is ambiguous because it leads to a situation in which a given irregularity may be classified under different types. Having a problem with selection is indicated with 999. Moreover, the obligation to classify irregularities does not arise from any EU Regulation.
PT	This code is used only when (and only because) the irregularities detected and to be communicated do not correspond to the other existing codes.	In 2008 the 999 typology represented 4% of the total. As a rule, this code is used only when a particular situation does not correspond to the other codes.
RO	Code 999 for "other irregularities" is used for cases which cannot be classified using the classification nomenclature in the OLAF manual of procedures.	Code 999 for "other irregularities" is used for cases which cannot be classified using the classification nomenclature in the OLAF manual of procedures.
SI	In Slovenia's case the most commonly used typology is "incorrect or incomplete aid application".	The managing authority agrees that the generic code “other irregularities” (999) is often used, but it is precisely defined. The code in question is used when the direct budget user cannot find an appropriate code to denote the content of the irregularities
SK	A number of irregularities arise from infringements related to aid	In exceptional cases, it is difficult to specify an irregularity and

Member State	3.3.3. In the case of the structural actions funds, the generic code “other irregularities” (999) is still the third most used typology by the Member States in order to classify the different types of irregularities. For the agricultural funds, the generic code "other irregularities" is the second most used typology. Please indicate the main reasons why you include an important number of irregularities in this category?	
	For agricultural funds	For structural actions funds
	to land, namely in the case of deteriorated natural conditions, for which no codes are available.	assign a code to it or, to be more precise, there are irregularities which cannot be classified unambiguously: that is why they are either assigned several codes (e.g. 325 and 999) or only the 999 code.
FI	For example, administrative errors are reported using code 999.	In Finland, use of that category is very uncommon. It is used when another appropriate category cannot be found.
SE	Too little information under each respective code to enable its use. 'Other irregularities' is useful when things seem unclear. The new PRE-IMS/IMS reporting system however allows the possibility of using free text to explain what is involved in more detail.	ERDF: Uncertainty regarding classification. Classification into many erroneous codes can be unfortunate. Uncertainty about what code to use can result in excessive use of code 999. A large number of codes risks making the reporting of results imprecise.
UK		<p>BERR: The existing generic codes are too broadly detailed and refer to agriculture and own resources as well as structural actions – a list for just structural actions is needed.</p> <p>JIU: For ESF England, the ‘999’ - other option is used mainly as a supplement to another code such as 325, where other codes in the list seem not to be relevant and it is decided that a more in depth description is required. Cases where 999 ‘other’ are used alone are rare and usually relate to cases where the irregularity is not a direct result of financial control activity.</p> <p>RPA: Of the 94 cases reported, only 1 was reported as code 999 as this was thought most appropriate.</p>

Member State	3.3.3. In the case of the structural actions funds, the generic code “other irregularities” (999) is still the third most used typology by the Member States in order to classify the different types of irregularities. For the agricultural funds, the generic code "other irregularities" is the second most used typology. Please indicate the main reasons why you include an important number of irregularities in this category?	
	For agricultural funds	For structural actions funds
		<p>Wales: The majority of irregularities reported in Wales do not use the ‘999’ other irregularities code. This has not been issued as an option to colleagues when they identify irregularities. The majority of reported irregularities are classed as insufficient supporting documents (210) or ineligible expenditure (325). In 2008 three irregularities were reported under the ‘999’ code which all related to the same sponsor. These were for a case of suspected fraud and should have been reported differently.</p> <p>Northern Ireland - Only 21 (less than 10%) of the 212 cases reported to the Commission, were given code 999 – other because it was adjudged the most appropriate.</p>

Member State	3.3.4. Please give three examples of irregularities that you classified in the year 2008 under the code "other irregularities". Examples could be given from the most frequent irregularities classified under this code, or the most interesting types of irregularities (from the point of view of the financial impact or of the investigative method applied).		
	Example	Example	Example
BE	<p>BIRB: The firm received a grant higher than that authorised by Regulation 1433/03.</p> <p>FRENCH COMMUNITY: /</p> <p>AGENCE FSE (ESF Agency): One case only in 2008: Amount not determined at</p>	<p>BIRB: Several distinct irregularities linked to the same recipient in the case of the application of Article 51 (Regulation No 800/99)</p>	<p>FLEMISH PAYING BODY: In 2008 the 'other irregularities' code was not used by Flanders.</p>

Member State	3.3.4. Please give three examples of irregularities that you classified in the year 2008 under the code "other irregularities". Examples could be given from the most frequent irregularities classified under this code, or the most interesting types of irregularities (from the point of view of the financial impact or of the investigative method applied).		
	Example	Example	Example
	this stage as the irregularity noted concerns a training centre dependent on an intermediate body. The facts complained of relate to staff costs, operating costs and allocation percentages. An exhaustive check on all the documents is under way in order to determine the possible amount withdrawn and, therefore, the precise code to be indicated.		
BG	N/A	N/A	N/A
CZ	Ministry for Regional Development: Support centre for physical and mental rehabilitation: in this case several proceedings have been and are ongoing, on the basis of existing suspicions of breaches of budget discipline by the beneficiary and the Joint Regional Operational Programme (JROP) management authority, and also suspicion of a criminal act. The case concerns the project of a beneficiary who did not comply with the JROP rules in the public tender, and this fact was not discovered until after the completion of the project: before the payment of money from the EU Structural Funds but after payment	Ministry for Regional Development: Construction work: a case concerned the discovery of conflicting documentation (tax returns), which claimed to back up the business history for the previous two years of the applicant as part of the evaluation of the project application - the check of formal particulars and project acceptability. The applicant was disqualified from further consideration on the basis of the findings, on the grounds of not meeting the terms. In this case the irregularity arose during the application procedure. The case was reported in the first quarter of 2008, when the number of irregularities being	Ministry for Regional Development: cases of what are known as clerical errors arising from unintentional mistakes in writing, numbering and so on. These cases have for the most part a negligible financial impact; that is, they are below the external reporting threshold, and therefore these are cases that are not reported to OLAF. Cases which in the report produced by the management authority are classified with this "code" because there is no other code to put them under on the irregularity reporting form. In such cases the management authority specifies the type of irregularity in words in the text, and the

Member State	3.3.4. Please give three examples of irregularities that you classified in the year 2008 under the code "other irregularities". Examples could be given from the most frequent irregularities classified under this code, or the most interesting types of irregularities (from the point of view of the financial impact or of the investigative method applied).		
	Example	Example	Example
	of the Member State share. Even though in the opinion of the management authority the beneficiary misled the granter, the law-enforcement authorities did not consider that the beneficiary's (fraudulent) action was intentional, and no breach of the Public Procurement Act or the terms of the agreement on the granting of the subsidy was found. The breach of the public tendering rules occurred before the Public Procurement Act entered force and before the decision was issued.	investigated had not yet reached the current volume. After gaining more experience, and with the benefit of hindsight, the management authority would classify this irregularity as an irregularity in supporting documentation, for example incorrect certificate/confirmation.	local AFCOS contact point, with the agreement of the management authority, then assigns an appropriate code corresponding to the type of irregularity in its external report.
DK	N/A	N/A	N/A
DE	N/A	N/A	N/A
EE	None of the irregularities reported in 2008 relating to the EAGGF, EAGF or EAFRD were classed as 'other irregularities'.	None of the irregularities reported in 2008 relating to the SF were classed as 'other irregularities'.	No codes were used in 2008 when reporting pre-accession irregularities (we had not been informed of the requirement to use codes).
IE	The bulk of errors discovered by the Irish financial management and control system relate to the simple inclusion of ineligible expenditure in certified statements of eligible expenditure. This arises as a consequence of a failure to fully understand	Most irregularities discovered on audit relate to the inclusion of ineligible items in claims sent to the Commission. Examples of these include the purchase of assets not directly related to the implementation of the project in respect of which assistance is	A further example of irregular expenditure is the inclusion of staff costs associated with a project where there is no direct contract showing that the person involved was employed solely for the purposes of the implementation of the project.

Member State	3.3.4. Please give three examples of irregularities that you classified in the year 2008 under the code "other irregularities". Examples could be given from the most frequent irregularities classified under this code, or the most interesting types of irregularities (from the point of view of the financial impact or of the investigative method applied).		
	Example	Example	Example
	or appreciate the subtleties of the eligibility rules. Alternatively it also arises as a consequence of deciding on the basis of uncertainty in the eligibility rules to exclude certain types of expenditure in favour of other expenditure which falls more clearly within the rules.	being claimed.	
EL	Unapproved recapitulative table of works	Irregular receipt of contractually established further fee	Action funded from 2nd and 3rd CSFs
ES	Unauthorised change of ownership. Other aid not declared for the same investment	There are no criteria for charging for overheads. No payment	Geographically ineligible expenditure. Ineligibility of the final beneficiary.
FR	Failure to comply with the requirement to keep the subsidised property for a minimum period of time (resale, cessation of activity, removal).	Revenue not deducted from declared expenditure	Jobs that should have been created under the terms of the agreement have not materialised
IT	The request for funds was submitted by a credit institution approved as a company which already met the requirements for the funds to be granted.	Subletting of property rented out to a third company on condition that the premises were not sublet and without a proper rent agreement.	The beneficiary of ESF funding demanded repayment by some trainers of the sums paid out to them.
CY	N/A		
LV	Irregularities which are related to the	Irregularities related to the initiation of	In-eligible fixed assets purchased in the

Member State	3.3.4. Please give three examples of irregularities that you classified in the year 2008 under the code "other irregularities". Examples could be given from the most frequent irregularities classified under this code, or the most interesting types of irregularities (from the point of view of the financial impact or of the investigative method applied).		
	Example	Example	Example
	residual value at market prices at the end of a project of fixed assets acquired as part of the project and which, pursuant to Commission Regulations, do not constitute eligible expenditure.	insolvency proceedings against a funding recipient.	project
LT	Primary accounting documents have not been drawn up or included in liability and expenditure accounts or in annual accounts.	Animal welfare requirements have not been observed relating to cattle transportation and rest periods.	
LU			
HU	Irregular commission contracts, overlap between accounts, concentration between the beneficiaries and the companies which were successful in public procurement processes, deficiencies as regards the documentation of training.	A company which stored intervention products quit the contract claiming that the quality of the goods deteriorated. However, it was contradicted by the fact that an on-the-spot inspection did not establish any quality deterioration.	In connection with road construction the audit revealed a sum of EUR 1 300 180 as non eligible costs, since the approved documentation mentioned 3 km of road, and in fact 5.7 km were built. The difference of 2.7 km of road cannot be financed.
MT	(Agriculture) – The supplier (exporter) was issued with a certificate specifying the total amount that he could export. In actual fact the supplier's exports exceeded the amount on this certificate and he received a refund on the excess also. (Note: There were no further irregularities classified under the typology "Other Irregularities".)		

Member State	3.3.4. Please give three examples of irregularities that you classified in the year 2008 under the code "other irregularities". Examples could be given from the most frequent irregularities classified under this code, or the most interesting types of irregularities (from the point of view of the financial impact or of the investigative method applied).		
	Example	Example	Example
NL	<p>ERDF: Non-deductible VAT was incorrectly claimed as eligible expenditure.</p> <p>ESF: Mixture of ESF and non-ESF participants, without costs being allocated. This happens particularly with training courses. Obviously only the costs of ESF participants can be included in the declaration, but the declaration often also includes costs for non ESF participants.</p>	<p>ERDF: The ERDF intervention percentage had to be reduced because the private contribution was larger than originally budgeted.</p> <p>ESF: Costs incurred outside the project period were not corrected in the final declaration. These were costs which were charged over a longer period of time and some of which fell outside the project period. The invoice ought to be divided between costs within the project period (which are eligible) and costs outside the project period (not eligible).</p>	<p>ERDF: Costs incurred outside the geographical area.</p> <p>ESF: Mistakes in the calculation of hourly wages. Mathematical errors in calculating hourly wages or certain cost items (such as contributions to save-as-you-earn schemes) being wrongly included in the wage calculation are regularly encountered.</p>
AT	ERDF: bankruptcies	ERDF: error by implementing body requiring correction	
PL	Adjustment of farms to EU requirements - the condition allowing the new owner to take over payment for the transfer of the whole farm by the previous owner was not fulfilled - one of the parcels was sold to a third party.	During examination of an application, the beneficiary suppressed the fact that the automatic loading/unloading system, not installed with the machine purchased, was returned to the supplier and part of the payment due was recovered.	Structural pensions - the beneficiary terminated the lease contract on the basis of which he had transferred his land to his successor, and sold his land to a developer. Code 1299: "Other irregularities concerning the subject".
PT	Application of the expenditure eligibility limits (ESF).	Payment of expenditure after submission of the payment request (EAGGF- Guidance).	No proof of registration and business with no activity (ERDF).

Member State	3.3.4. Please give three examples of irregularities that you classified in the year 2008 under the code "other irregularities". Examples could be given from the most frequent irregularities classified under this code, or the most interesting types of irregularities (from the point of view of the financial impact or of the investigative method applied).		
	Example	Example	Example
RO	Materials that were reimbursed in the first instalment followed by withdrawal letters for the materials in question.	The beneficiary went into liquidation.	An error in the document checking procedure.
SI	<p>In 2008 (fourth quarter not yet included) Slovenia notified only one irregularity, which was partially classified under "other irregularities". The direct budget user entered code 999 (detailed grounds: incorrect implementation of public tender procedure for a low value contract) and then added code 840 (undeclared income).</p> <p>How irregularity was committed: during project implementation, income was generated under the project (sale of promotional material) which the final beneficiary failed to report to the Ministry of the Economy and was therefore not deducted from the value of the co financing from the Structural Funds.</p> <p>Since the project constitutes state aid, the income generated during project implementation as a result of project activities up to conclusion of the project was defined as ineligible expenditure</p>		

Member State	3.3.4. Please give three examples of irregularities that you classified in the year 2008 under the code "other irregularities". Examples could be given from the most frequent irregularities classified under this code, or the most interesting types of irregularities (from the point of view of the financial impact or of the investigative method applied).		
	Example	Example	Example
	<p>because of non-compliance of the rules of point 2 of Regulation (EC) No 448/2004.</p> <p>The other part of the irregularity concerns ineligible expenditure resulting from the incorrect conduct of a tendering procedure for a low-value contract.</p> <p>A proposal for repayment of the amount disbursed has been submitted for this irregularity.</p>		
SK	Failure to draw up an internal manual or failure to comply with it.	Remote sensing.	Systemic irregularities.
FI	As regards the structural funds, the category was used in only one report in 2008. The report concerned inadequate declaration of a project's income. In the same report, several categories were used to define the type of irregularity.		
SE	See 3.3.3		
UK	BERR: On occasion, some issues surrounding an irregularity such as poor management and leadership are not adequately covered by the generic code	<p>JIU: Applicant withdraws project after receiving notification that control activity would take place.</p> <p>NORTHERN IRELAND: A Promoter was</p>	Northern Ireland: In 2002, the Special EU Programme Body made an error in the calculation of their payment claim, meaning that an overpayment was made. This was however recovered in 2003 from

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	Example	Example	Example
	<p>legends.</p> <p>JIU: Cases where funding was awarded retrospectively but where projects were withdrawn because they failed to follow the rules of retrospection/meet the agreed criteria.</p> <p>RPA: In 2008, only 1 case was reported using code 999. This involved the Rural Development Scheme where a barn conversion was approved for tourism use only but it was discovered that it was being used for residential purposes.</p> <p>NORTHERN IRELAND: The Intermediary Funding Body (Community Foundation for NI in this instance) made a payment through to the wrong promoter. This was quickly discovered by internal checks and a claw back recovered the amount in question.</p>	<p>funded for a machine to make stainless steel furniture, however when a member of the Article 10 team made a site visit, it was discovered that the Promoter was making rails for equestrian events, and not for the purpose for which the funding was intended.</p>	<p>a subsequent claim.</p>