



Brussels, 31.7.2015
SWD(2015) 154 final

COMMISSION STAFF WORKING DOCUMENT

Implementation of Article 325 TFEU by the Member States in 2014

Accompanying the document

**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**Protection of the European Union's financial interests - Fight against Fraud
Annual Report 2014**

{ COM(2015) 386 final }
{ SWD(2015) 151 final }
{ SWD(2015) 152 final }
{ SWD(2015) 153 final }
{ SWD(2015) 155 final }
{ SWD(2015) 156 final }

TABLE OF CONTENTS

LIST OF ABBREVIATIONS.....	4
1. Implementation of article 325 TFEU by Member States	5
2. Most important Anti-Fraud measures adopted by member states in 2014 under the article 325 TFEU	6
2.1. Results of the measures reported in the Questionnaire.....	6
2.2. Measures reported by area	9
2.2.1. The ‘Other’ category	9
2.2.2. Public Procurement.....	10
2.2.3. Conflict of Interest and Corruption	11
2.2.4. Measures on the Protection of Whistleblowers	16
2.2.5. Measures to prevent financial crime, organised crime and tax fraud.....	18
2.2.6. Measures Reported Concerning Anti-Fraud Coordination Service (AFCOS)	19
2.3. Structured answers of 28 Member States – measures taken concerning the EXPENDITURE areas of the EU budget.....	21
2.4. Structured answers of 28 Member States – measures taken in the REVENUE part of the EU budget.....	50
3. Specific part of the questionnaire 2014: definitions used in irregularity reporting by the Member States.....	56
3.1. Summary of the replies.....	56
3.2. Legal obligation for public officials to refer to law enforcement or a judicial authority on any crime he/she becomes aware of in the execution of his/her tasks.	57
3.3. Guidelines regarding the application of definitions in irregularity reporting.....	62
3.3.1. Internal guidelines on the interpretation of definitions in irregularity reporting developed by the Member States	63
3.4. Definition of Primary administrative or judicial finding (PACA)	74
3.4.1. TYPE A: Uniform application of Primary administrative or judicial finding (PACA) in all sectors and types of irregularity	74
3.4.2. TYPE B: Uniform application of Primary administrative or judicial finding (PACA) for all types of irregularity but different application per sector	75
3.4.3. TYPE C: Different application between types of irregularities but uniform application per sector	79
3.4.4. TYPE D: Different application per sector and per type of irregularity	79

3.5. Reporting of suspected or established fraud (irregularities reported as fraudulent).....	82
3.6. Reference in national legislation to fraud against the EU budget	83
3.7. Internal system of signalling of suspected irregularity, developed outside Irregularity Management System (IMS), in use	84
3.8. Follow-up concerning cases reported to the European Commission in the Irregularity Management System (IMS) under criminal proceedings.....	90
3.9. Reporting of irregularities where the beneficiary is a public authority/body	94

LIST OF ABBREVIATIONS

AFCOS	Anti-Fraud Coordination Service
CAP	Common Agricultural Policy
CF	Cohesion Fund
CP	Cohesion Policy
Col	Conflict of interest
DG	Directorate General
EAFRD	European Agricultural Fund for Rural Development
EAGF	European Agricultural Guarantee Fund
EC	European Commission
EFF	European Fishery Fund
EU	European Union
EUR	Euro
ERDF	European Regional Development Fund
ESF	European Social Fund
MS	Member State
OLAF	European Anti-Fraud Office
SME	Small and Medium Sized Enterprise
TFEU	Treaty on the Functioning of the European Union

1. IMPLEMENTATION OF ARTICLE 325 TFEU BY MEMBER STATES

Article 325(5) of the TFEU requires the Commission, in cooperation with the Member States, to submit a report each year to the European Parliament and the Council on the measures taken to implement that Article. The Commission bases the part of the report relating to the Member States on the answers to the 'Article 325' questionnaire, as agreed upon with them within the Advisory Committee for the Coordination of Fraud Prevention (COCOLAF), and adapted each year in the light of past experience, so as to facilitate the monitoring of anti-fraud measures. 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 325 of the Treaty on the Functioning of the European Union (TFEU). This report is addressed to the European Parliament and the Council and it is published.

This questionnaire covers the period from 1 January to 31 December 2014. Traditionally, information for this section of the Report is collected by the Commission through a questionnaire composed of a general part, where Member States list the three the most important measures (legislative, administrative, organisational or operational) taken, and of a part dealing with a specific subject agreed with Member States' COCOLAF representatives each year. Over time the report had become more and more voluminous. Both the Council and the European Parliament were concerned that its size was increasing and the fact that the document is annual, horizontal and multisectoral hampered a detailed assessment of all the aspects of the protection of the EU's financial interests by the Member States. Since 2013, the Commission has therefore applied a new approach. In 2014, for the first time the questionnaire (for the PIF Report 2013) was structured around questions offering multiple 'closed' answers (with, when required, some sub-questions providing further limited choices) and limiting the possibility to submit free text (fixed at 300 characters maximum). As a result of Member States' requirements, the number of available characters for the 2014 questionnaire has been increased to 600 maximum. In addition, the Member States were given the possibility to report up to 5 most important measures and additional measures, concerning mainly federal countries and countries with devolved administration in the field of anti-fraud strategy.

The questionnaire was successfully managed through the 'EU survey' platform, offering the possibility to extract data once the allowed time is up. This tool has proven to function well for replies and data collection since 2013 Report. The information, made available in a structured manner, allowed for a more comparative approach and better presentation of the replies provided by the Member States. Based on this experience, the same technical solutions were also used for the collection of the contributions of Member States for the 2014 Report.

As in previous years, the first part of the questionnaire asks the Member States to present the main measures that give effect to Article 325, i.e. measures to combat fraud and all illegal activities affecting the financial interests of the EU. This part is structured in the

same way as the 2013 questionnaire. Member States are invited to describe two or three 'key' measures taken in 2014, in order to implement Article 325 of the Treaty. The second set of questions concerns the application of definitions used in irregularity reporting by the Member States.

2. MOST IMPORTANT ANTI-FRAUD MEASURES ADOPTED BY MEMBER STATES IN 2014 UNDER THE ARTICLE 325 TFEU

2.1. Results of the measures reported in the Questionnaire

Member States reported ninety-six measures adopted in 2014 in total, referring to various areas concerning the protection of the EU's financial interests and the fight against the fraud. Fifteen Member States¹ used the opportunity to report more than three 'most important' measures adopted to protect the financial interests of the EU, while five Member States² reported only one measure.

Most measures adopted by the Member States targeted fraud prevention and detection. The Member States reported an increased number of adopted anti-fraud provisions compared to 2013, which is explained by the adoption of the bulk of Union legislation for the new programming period 2014-2020.

The majority of the measures adopted concerned the fraud prevention phase of the anti-fraud cycle for both programming periods 2007-2013 and 2014-2020. Fraud prevention activities involved: a legislative definition of a specific topic adopted by ten Member States³, seven Member States⁴ reported conducting fraud awareness training or internal training measures, fourteen Member States⁵ adopted new measures or revised procedures concerning the management of funds, control and audit, and seven Member States⁶ adopted measures on the reporting of irregularities.

Five Member States⁷ reported that they have adopted a National Anti-fraud Strategy (NAFS) for the programming period 2014-2020. Nine Member States⁸ reported national anti-fraud measures with regard to the cohesion policy funds⁹, while six Member States¹⁰ adopted national anti-fraud measures pursuant to agriculture funds¹¹.

¹ Belgium, Bulgaria, Greece, Spain, France, Italy, Latvia, Lithuania, Hungary, Netherlands, Poland, Portugal, Romania, Slovakia and Sweden

² Five measures were reported by Belgium, Bulgaria, Greece, Spain, Italy, Latvia, Lithuania, Hungary, Poland, Portugal, Romania and Slovakia, four measures were reported by France, Netherlands and Sweden. Only 1 measure was reported the Czech Republic, Denmark, Cyprus, Luxembourg and Finland.

³ Belgium, Bulgaria, Estonia, Spain, Latvia, Lithuania, Austria, Poland, Romania and Slovakia

⁴ Denmark, Germany, Ireland, France, Hungary, Portugal and Sweden

⁵ Germany, Ireland, Greece, Italy, Latvia, Lithuania, Hungary, Netherlands, Austria, Poland, Slovenia, Slovakia, Finland and Sweden

⁶ Bulgaria, France, Croatia, Austria, Portugal, Slovakia and Sweden

⁷ Bulgaria, Greece, Croatia, Malta and Slovakia (NAFS concerning structural actions: Greece, Croatia and Malta, while NAFS concerning all sectors: Bulgaria and Slovakia)

⁸ France, Croatia, Lithuania, Hungary, Netherlands, Portugal, Romania, Finland, and the United Kingdom

⁹ Article 125, 4. (c) of Regulation (EU) No 1303/2013, OJ 347, 20.12.2013, p. 320.

¹⁰ Germany, Ireland, Hungary, Portugal, Slovakia and the United Kingdom

¹¹ Article 58, of Regulation (EU) No 1306/2013, OJ 347, 20.12.2013, p. 549.

A national fraud prevention strategy for public procurement for the new programming period 2014-2020 was adopted in Bulgaria. A national anti-corruption programme for the current programming period was adopted in Lithuania, and a regional programme was adopted in Italy. Thirteen Member States¹² reported fraud detection and six Member States¹³ reported investigation measures. Nine Member States¹⁴ adopted criminal sanctions and penalties concerning fraud prosecution.

¹² Bulgaria, Czech Republic, Greece, Ireland, Italy, Latvia, Luxembourg, Netherlands, Austria, Poland, Romania, Slovenia and the United Kingdom.

¹³ Estonia, France, Italy, Hungary, Netherlands and Poland.

¹⁴ Belgium, Estonia, Greece, Spain, France, Hungary, Malta, Portugal, Romania.

Table 1: Measures reported by Member States

AREA	No of measures	PP					Fin. crime					Org. crime					Corruption					COI					Fraud definition					AFCOS					Whistleblowers					Other															
		I	II	III	IV	V	I	II	III	IV	V	I	II	III	IV	V	I	II	III	IV	V	I	II	III	IV	V	I	II	III	IV	V	I	II	III	IV	V	I	II	III	IV	V																
BE	5				✓	✓	✓	✓	✓					✓						✓																✓			✓					✓													
BG	5		✓		✓	✓																						✓																✓		✓		✓	✓								
CZ	1						✓					✓																																													
DK	1																																																								
DE	2	✓																																																							
EE	3	✓	✓				✓	✓							✓						✓	✓																																			
IE	3	✓	✓				✓	✓							✓	✓																																									
EL	5	✓	✓				✓	✓	✓					✓	✓	✓																																									
ES	5	✓	✓				✓																																																		
FR	4																																																								
HR	2																																																								
IT	5		✓		✓	✓																																																			
CY	1						✓																																																		
LV	5	✓																																																							
LT	5	✓	✓	✓																																																					
LU	1	✓																																																							
HU	5		✓				✓																																																		
MT	2							✓																																																	
NL	4																																																								
AT	2																																																								
PL	5																																																								
PT	5		✓	✓		✓	✓	✓																																																	
RO	5	✓	✓		✓	✓																																																			
SI	3	✓	✓						✓																																																
SK	5																																																								
FI	1																																																								
SE	4						✓	✓																																																	
UK	2																																																								
Reference to areas	96	7	11	1	4	3	7	7	4	7	1	3	0	1	2	0	4	5	3	5	3	9	5	1	4	5	3	5	1	3	2	4	4	6	0	1	2	3	1	2	2	11	6	9	10	5											
	182	26					26					6					20					24					14					15					10					41															

The table shows the number of measures reported by the Member States (ninety-six) and references to the related areas: the area of public procurement (PP), financial crime, conflict of interest (CoI), corruption, Anti-Fraud Coordination Service (AFCOS), a definition of fraud, whistle-blowers, organised crime and ‘other’ (one hundred eighty-two references in total). Reference to the ‘area’ is not the same as a measure adopted. The reason for this is that many measures were a ‘packages of provisions’ referring to more than one area.

2.2. Measures reported by area

In areas pre-selected in the questionnaire¹⁵, the largest number of measures reported by the Member States were in relation to public procurement and financial crime (twenty-six), followed by conflict of interest (twenty-four), corruption (twenty), AFCOS (fifteen), fraud definition (fourteen), whistle-blowers (ten) and organised crime (six)¹⁶.

The 'other' field was selected by the Member States forty-one times, separately or in combination with the above mentioned areas, in order to clarify a measure, or to introduce another area (for example management and control of funds, state aid, etc.), or a strategy in the programming period 2007-2013 and 2014-2020 to counter fraud affecting the financial interests of the Union.

The amount of replies reported as 'other' for the year 2014 increased (from twenty-six to forty-one), which can be explained by the adoption of a bulk of provisions concerning the new programming period 2014-2020 and dealing with remaining issues regarding the old programming period 2007-2013.

All of the answers were analysed according to the anti-fraud cycle: prevention, detection, prosecution and sanctions.

2.2.1. The 'Other' category

The Member States referred, in forty-one cases, to the category 'other' to clarify the area (preselected in the questionnaire as public procurement, financial crime, organised crime etc.) or in order to introduce a reference to 'another' area. These measures correspond to the following phases of the anti-fraud strategy:

- Fraud prevention regarding both PP 2007-2013 and PP 2014-2020¹⁷:

¹⁵ The questionnaire outlined eight areas of specific PIF sectors to which the measures taken by the Member States applied; the 'other' field was used to report miscellaneous areas or horizontal strategies. Federal countries and countries with devolved administration in the field of anti-fraud strategy had the possibility to list 'additional measures' in a special field (Belgium and Latvia).

¹⁶ Reference to 'area' is, therefore, not equal to a single measure adopted.

¹⁷ **Ireland** (Anti-Fraud Seminar on EAFRD with participation of EC-red flags; reorganisation of existing bodies to prevent fraud affecting ESF claims), **Latvia** (clarification of the obligations of the audited entity, legislative horizontal provision), **Lithuania** (criteria for identifying applicants or aid recipients who have artificially created conditions for obtaining aid under measures under the Lithuanian Rural Development Programme for 2014-2020), **Netherlands** (new specific procedures for establishing the eligibility of the declared costs in the ESF fund), **Portugal** (seminars organised by the Audit Authority and the Agency for Development and Cohesion with the participation of EC, to improve the quality of expenditure at the end of the 2007-2013 programming period and to set up efficient systems for the prevention and detection of errors), **Poland** (1. working group on combating fraud in projects co-financed by EU funds in the Cohesion policy, aiming at efficient exchange of information with investigative authorities and 2. prevention of undue payments - stronger mechanisms for verification of aid applications for small scale projects, provincial governments performing the tasks of MAs under rural development program of the PP 2007-2013), **Portugal** (ESIF: creation of a database containing information on beneficiaries), **Slovakia** (1. ESIF: legislative consolidation for controls and auditing under a single provision, 2. amended administrative provision concerning financial management of structural funds, monitoring and controls, regarding the Cohesion fund and EMFF for PP the 2014-2020, 3. A system for the financial management and control regarding EAFRD for the programming period 2014-2020), **Sweden** (Seminar for authorities involved in managing and protecting EU funds, exchange of best practice in audit with FI and DK representatives) and **United Kingdom** (Agriculture/fraud risk management at UK PAs: regular revision of guidance or enhancement of anti-fraud measures concerning CAP on the basis of fraud risk assessment, fraud response plan - updated operational and organisational measure).

- Fraud awareness training or internal training measures (Poland, Portugal and Sweden)
- Fraud detection and investigation (Germany, Estonia, Ireland, Italy, Poland and United Kingdom)¹⁸
- Establishment of new measures or revision of procedures in the management of funds, control and audit (Greece¹⁹, Lithuania, Netherlands and Slovakia)
- Reporting of irregularities (Croatia)²⁰
- National anti-fraud measures pursuant to Regulation (EU) No 1303/2013 (France, Croatia, Lithuania, Hungary, Netherlands, Portugal, Romania, Finland and the United Kingdom)²¹ and Regulation (EU) No 1306/2013 (Germany, Ireland, Portugal, Slovakia and the United Kingdom)²²
- National Anti-Fraud Strategy (NAFS) concerning the PP 2014-2020 for structural actions (Greece, Croatia, Malta²³) or for all sectors (Bulgaria and Slovakia²⁴)

2.2.2. Public Procurement

Member States reported twenty-six references concerning public procurement (legislative, administrative, organisational and operational measures). Similar to previous years, these were adopted either as a single measure or in combination with provisions in

¹⁸ **Germany** (EMFF: working group on fraud prevention to produce guidance for paying agencies in the agricultural sector and fishing sector, risk indicators, increased targeted checks), **Estonia** (organisational and operational measure: establishment of a centrally-administered Economic Crimes Bureau to investigate fraud connected with aid funds), **Ireland** (a set of organisational and operational measures, risk indicators and increased number of checks to reduce ineligible expenditure in the ESF fund), **Italy** (extension of powers of Guardia di Finanza also to a Special Unit for Public Spending and Combating EU Fraud in order to control for the purposes of controlling payments from the budgets of the EU) and **Poland** (working group on combating fraud in projects co-financed by EU funds in the Cohesion policy to draw rules for efficient exchange of information- administrative measure).

¹⁹ **Greece** (Register of Fiscal Auditors and Auditors of the Fiscal Audit Committee (EDEL) with a view to ensuring full harmonisation of fiscal control with the internationally accepted auditing standards in line with the need to continuously evaluate and register staff engaged in fiscal control relating to the audits - single organisational measure).

²⁰ **Croatia** (New administrative measure: Guidelines on management of irregularities and fraud in the context of structural funds programmes for the period 2007-2013).

²¹ Pursuant to Article 125 (4) c of the Regulation (EU) No 1303/2013 the managing authorities of structural funds have a clear duty to establish and apply proportional anti-fraud measures on the basis of risk analysis (in their management and control system): **France**, **Lithuania** (new legislation), **Malta** (Pursuant to Article 125(4)(c) of Regulation (EU) No 1303/2013, the managing authorities (MAs) have implemented proportionate anti-fraud measures in their management and control system. The MAs will aim to control the risk of fraud (and combat fraud) by means of a proactive, structured and targeted approach), **Netherlands** (administrative measure), **Slovakia** (administrative measure to enhance transparency), **Finland** (set of legislative provisions) and the **United Kingdom** (Anti-Fraud Policy developed in line with requirements for the 2014-2020 Cohesion policy programmes; operational (new risk indicators + increased number of checks).

²² **Ireland** (Strategy for implementation and inspection of the 2014-2020 EAFRD co-funded LEADER programme) and **Slovakia**.

²³ **Malta** reported their National Anti-Fraud Strategy separately out of the PIF questionnaire.

²⁴ **Bulgaria** (Adoption of the 'National Strategy for the period 2014-2020' setting out goals in both the expenditure and revenue areas, for preventing and combating irregularities and fraud affecting the financial interests of the EU, specific activities will be set out in an Action Plan for 2015-2016 for the Implementation of the National Strategy; package of legislative, administrative, organisational and operational measures), **Greece** (National antifraud strategy, new legislation concerning NSRF 2014-2020), **Croatia** (National anti-fraud strategy for 2014-2016 and an Action plan, single administrative measure), **Hungary** (Legislative, organisational and operational measures) and **Slovakia** (Reported their National Anti-Fraud Strategy separately out of the PIF questionnaire: the National Strategy for the Protection of EU Interests in the Slovak Republic was drafted in 2014, formally approved on 7 January 2015 by the government).

other areas, such as corruption, organised crime, conflict of interest, fraud definition, whistle-blowers and 'other'.

Sixteen adopted measures concerned the treatment of public procurement along the anti-fraud strategy cycle:

- Fraud prevention:
 - National strategy for development of the public procurement sector for the programming period 2014-2020 adopted in Bulgaria and in preparation in Romania²⁵
 - Implementation of public procurement legislation in line with EU rules and/or administrative updates and/or improvement of IT tools²⁶
 - Monitoring, desk checks and audit²⁷
- Integrity rules and transparency measures ensuring that EU funds are used rationally and that procurement is transparent²⁸
- Sanctions and penalties²⁹

2.2.3. Conflict of Interest and Corruption

2.2.3.1. Conflict of interest

Fifteen Member States³⁰ referred to measures taken in order to eliminate conflict of interest in the framework of other measures or national strategies (corruption, transparency measures, auditing procedures).

²⁵ **Bulgaria** (Improvement in the legislative and institutional framework in the field of public procurement, enhancing the degree of publicity and transparency in the awarding of such contracts. As part of the implementation of the National Strategy adopted in 2014, drafting work is under way on a new Framework Act on Public Procurement which is scheduled to enter into force as from 1 January 2016. The draft public procurement act will transpose the new European Directives 2014/24/EU and 2014/25/EU and the existing Directives 2009/81/EC and 2007/66/EC; package of measures) and **Romania** (Establishment of an Inter-ministerial Group in order to set up a new Public Procurement Strategy in line with EU Directives on Public Procurement or other Public Policies in this matter).

²⁶ Legislative, administrative and operational measures: **Germany** (update of administrative procedure concerning the management of funds), **Spain** (2 legislative measures: on the competence of the Transparency Council and legislation on functional requirements of accounting register), **Hungary** (updated administrative guidance on implementation of public procurement law), **Romania** (aligning national legislation with EU Recommendation concerning corrections and new Public Procurement National Strategy on the management of funds), **Sweden** (simplified administrative procedure to reduce administrative burden on aid recipients, transparent accounting rules for project owners to reduce the risk of errors and fraud); IT tools: **Bulgaria** (unified information system for managing all operational programmes co-financed through ESIF for the PP 2014-2020), **Spain** (public access to the National Subsidies database under responsibility General State Controller IGAE, penalties for lack of transparency) and **Hungary** (the Public Procurement authority improving transparency of its portal to ensure open access to national procurement notices).

²⁷ **Luxembourg** (enhanced administrative measure on better monitoring, control and documentation of public contracts submitted by beneficiaries), **Portugal** (operational measure to strengthen procedures regarding auditing and certifying expenditure).

²⁸ **Belgium** (legislative measure on reporting of a suspected breach of integrity in a federal administrative authority by a staff member), **Bulgaria** (the above mentioned National strategy 2014-2020 with the aim to improve transparency), **Spain** (reported a new horizontal legislative measure establishing the statute of the Transparency Council and listed additional provisions on transparency reported by **autonomous communities** (Balearic Islands, Catalonia, Galicia, Castile and Leon, Murcia and Navarre) and **Lithuania**.

²⁹ **Latvia** (administrative penalties regarding violation of procedures in public procurement being imposed by the Procurement Monitoring Bureau as of 2014, selective ex-ante control of procedures).

³⁰ Belgium, Bulgaria, Estonia, Spain, Ireland, France, Italy, Latvia, Lithuania, Hungary, Austria, Portugal, Romania, Slovenia and the United Kingdom.

Eight Member States³¹ introduced specific measures to prevent the **conflict of interest**. These concerned the following legislative and/or organisational provisions:

- Guidance on checks on conflict of interest (France and Italy in the Cohesion policy area)
- Provisions concerning detection and reporting (France, Austria)
- Reorganisation of existing bodies or strengthened cooperation (Austria, Romania)
- Amendments to the Penal Code in the framework of the fight against corruption (Estonia, Greece) and strengthened sanctions for conflict of interest (Romania)³²
- Publication of information on preventing conflict of interest and corruption – a new legislative measure (Spain)³³
- An IT tool as an ex-ante mechanism (Romania)

Examples of measures:

France introduced an updated administrative guidance on the introduction of checks on conflict of interest in a Vademecum, distributed by the Inspection Coordination Committee³⁴ in 2014 to its operation controllers, which highlighted the issue of conflict of interest. When the inspection plan is drawn up, checks are made to ascertain whether a conflict of interest has arisen (previous jobs and relations with others persons are inspected). Should a conflict of interest be detected, the CICC must be informed so that it can decide which measures to take.

Italy introduced ex-ante checking for incompatibility and conflicts of interest, aiming to guarantee that staff of the Audit Authority are not led into collusive practices vis-à-vis persons involved in the management of the Structural Funds and the EMFF (management structures and beneficiaries), who might act or behave fraudulently.

Romania is developing an IT tool, 'Prevent', which is an ex-ante control mechanism for conflict of interest in public procurement (including those financed from EU funds). This IT tool will act as a kind of whistle-blower for stakeholders.

³¹ Germany, Estonia, Greece, Spain, France, Italy, Austria and Romania.

³² **Romania** (As a part of the new criminal public policy, introduced an adapted definition of the conflict of interest criminal offence in the Criminal Code, which included strengthened sanctions).

³³ **Spain** (Statute of the 'Transparency Council': obligation of active and regular publication of the most relevant information for the prevention of possible conflict of interest and corruption - a new strategy which must guarantee and apply the law by monitoring its implementation. Among the powers of the TC is initiation of a disciplinary procedure with possible application of penalties. The published information concerns tender, subsidies and public aid granted, indication of the amount, purpose and beneficiaries; remuneration received annually by senior officials and heads of public institutions and received compensation, if any, to cease or leave the office; decisions of approval or recognition of compatibility affecting public employees, and authorisation of private activities of the public officials).

³⁴ Commission de Coordination des Contrôles (CICC).

2.2.3.2. Corruption

Eleven Member States³⁵ referred to measures taken in order to eliminate corruption in the framework of other measures or national strategies (corruption, transparency measures, auditing procedures) and introduced specific measures to fight **corruption in the public procurement** (see in the table below).

These involved the following provisions:

- Concerning the prevention of corruption:
 - Legislative measures to 'prevent corruption of officials' implementing the legal instruments of the Council of Europe and the Council Framework Decision into national law (Germany, Latvia and Romania)³⁶
 - National Anti-Corruption programme (Lithuania)³⁷ or a regional plan (Italy – a three year anti-corruption plan for Emilia Romagna)
 - Declaration of Conflict of interest (Lithuania – clarified declarations of private interests and restrictions on the acceptance and offering of gifts and services by customs officers and state officials)
 - Enhanced the transparency strategy to fight corruption in public procurement (Hungary - activities by the Public Procurement Authority)
- Targeted investigation (Italy - on the basis of the risk analysis concerning EU funding in the Agriculture food sector)
- Sanctions and penalties (Estonia, Greece, Spain)

³⁵ Belgium, Estonia, Ireland, Greece, Spain, Italy, Latvia, Lithuania, Hungary, Romania and Slovenia

³⁶ **Germany** (improved legal framework), **Latvia** (concerning liability of legal persons), **Romania** (adopted new definitions of corruption offences in their amended Criminal Code as a part of their National Anticorruption Strategy 2012-2015).

Table 2: Measures taken by Member States to counter corruption in public procurement

Corruption in public procurement																				
MS	BE	EE	IE		EL				ES	IT			LV	LT			HU		RO	SI
Measure No (answer 1 - 5)	M4	M1	M1	M2	M1	M2	M3	M4	M5	M2	M4	M5	M2	M3	M4	M5	M3	M4	M2	M1
Public sector	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Private sector		✓											✓	✓	✓		✓		✓	
Measures addressing transparency in public procurement									✓			✓		✓	✓		✓	✓	✓	✓
Measures to improve the effectiveness of management of the public procurement												✓	✓	✓	✓		✓	✓	✓	✓
Measures to prevent corruption amongst personnel, including management	✓					✓	✓				✓	✓	✓	✓		✓	✓	✓	✓	
Measures addressing transparency of companies participating in public procurement									✓			✓	✓				✓		✓	
Measures to improve the effectiveness of control and audit			✓	✓	✓			✓		✓			✓	✓	✓		✓	✓	✓	✓

The table shows answers of eleven Member States concerning adopted measures to fight corruption in public procurement (selected in the general part of the questionnaire). M1-M5 are numbers of measures answered in order in the general part of the questionnaire

Table 3: Additional answers and comments

Corruption in public procurement					
MS	EE	IE	LV	HU	
Measure No (answer 1 - 5)	M1	M1	M2	M3	M4
Other measures preventing corruption in public procurement; Comment	<p>Other: Clarification of Penal Code: In Section 300 of the Penal Code (Breaches of requirements of the Public Procurement Act), the scope of punishment was extended to cover legal persons. Section 300' Breach of procedural restriction - heavier punishment for particularly severe infringements (amounting to more than EUR 300 000).</p>	<p>Comment: Inspection Services Staff attended a 1 day briefing from an Advisor in DG Agri Anti Fraud in relation to Fraud in the CAP which covered the following topics: Irregularities and Fraud, Red Flags for Fraud in EAFRD Investment Projects and Fraud Prevention and Detection by Paying Agencies.</p>	<p>Other: All the above stated measures have not been introduced only during 2014. Some of measures are in place for longer period of time, e.g., asset disclosure for public officials, and is improved occasionally.</p>	<p>Comment: The Public Procurement Authority (PPA) is continuously improving its portal, which ensures open access to national public procurement notices. The PPA keeps a database of published notices and uses it for annual public procurement statistical analyses. The PPA publishes codes of ethics. The PPA places great emphasis on learning from international experiences related to combating corruption in public procurement, by organising professional conferences. The lists kept by the PPA (banned suppliers, excluded suppliers, recognised suppliers) also contribute to transparency.</p>	<p>Other: In 2014, Hungary had to draw up an action plan, in accordance with the Partnership Agreement, on proper performance of public procurement procedures when using EU funds. The action plan includes 22 measures (e.g. practical guidelines, preparing summaries, introducing a new law on public procurement, publishing sample public procurement notices and documentation), a number of which were implemented in 2014 (e.g. tighter definition of eligibility criteria, cooperation with the Competition Authority for more effective action against anti-competitive practices, anticorruption conference).</p>
					<p>Comment: To open competition as much as possible and prevent any discrimination in public procurement, immediate action was taken to strictly define eligibility requirements, with a view to preventing contracting entities from restricting competition in the course of tender procedures. In a given tender procedure, bidders may only be required to have a turnover of up to the estimated value of the contract and to have completed works in a similar field corresponding to 75% of the estimated value of the contract. The previous experience requirement is governed by the principle of technical equivalence.</p>

The table shows additional answers and comments of four Member States regarding ‘other measures to fight corruption in public procurement’ or ‘comments’ (free text field in the general part of the questionnaire).

2.2.3.3.Examples of adopted measures:

Horizontal measure: Estonia introduced amendments to the Penal Code, which also includes fraud involving the use of aid funds, the violation of public procurement rules and corruption offences. The Code removed the distinction between gratuities and bribes (both in terms of passive and active corruption), i.e. in the case of bribery, from the point of view of classification it is no longer important whether the official activity for which the bribe was given was legal or illegal. In light of this, the range of sanctions provided for bribery has been amended (§ 293 298). The criminal liability provision relating to breaches of public procurement requirements has been amended (Section 300).

Specific measure: Greece adopted two main legislative measures aimed at fighting conflict of interest and corruption. The first legislative measure adopted to prevent corruption of officials concerns the introduction of a penalty to prevent both active and passive corruption of officials in the public sector. Secondly, a legislative amendment concerning the competence of the Audit Committee was introduced in the audit of declarations of assets and conflict of interest.

2.2.4. Measures on the Protection of Whistle-blowers

2.2.4.1.Description of measures

Although the ‘whistle-blowers’ area was marked in the responses of nine Member States³⁸, only Belgium and Latvia adopted direct measures on the protection of Whistle-blowers (see below). In Denmark the paying agency for agricultural funds established a web portal for reporting fraud.

These concerned the following provisions:

- Improvements in the context of the prevention of conflict of interest in the activities of public officials:
 - Adoption of new or amended legislative provisions on the basis of proposed measures to ensure the implementation of the recommendations adopted by the OECD Working Group on Bribery of Foreign Public Officials in International Business Transactions (Latvia and Slovakia).

³⁸ Belgium, Denmark, Ireland, Italy, Latvia, Lithuania, Hungary, Portugal and Slovakia: **Belgium** (legislative amendments on reporting of a suspected breach of integrity in a federal administrative authority by a member of its staff, separate measure in Flanders: introduction of a new protocol which enhances the role of the Flemish Ombudsman), **Denmark** (operational measure: paying agency for agricultural funds has established a web-portal for reporting fraud), **Ireland** (Anti-fraud briefing seminar vered by advisor from Dg AGRI in relation to EAFRD), **Italy** (anti-corruption plan for Emilia Romagna), **Latvia** (1. extended scope of public officials in the Criminal Law, liability of legal persons was improved including adjudicating offences of public officials holding managerial positions, 2.operational measure: Inter-institutional working group established to elaborate whistleblower protection regulation), **Lithuania** (application of anti-fraud measures as required by Art. 125(4) of Regulation (EU) No 1303/2013, **Hungary** (operational measure on structured cooperation with law enforcement), **Portugal** (1.anti-fraud seminar organised by IFAP in collaboration with DG AGRI, 2.legislation drafted by IFAP on the process of identifying risk situations of fraud) and **Slovakia** (legislative measure on the basis of proposed measures to ensure implementation of the recommendations adopted by the OECD Working Group on Bribery in International Business Transactions for Slovakia).

- Reporting system of a suspected breach of integrity in a federal administrative authority by a member of its staff (Belgium).
- Fraud prevention, detection and prosecution:
 - Inter-institutional working group established to elaborate whistle-blowers' protection regulation (Latvia)
 - Amended legislation to strengthen the protection of whistle-blowers (Belgium-federal, Belgium – Flanders)
 - IT tools: establishment of a web-portal for reporting fraud in Agriculture (Denmark)

2.2.4.2. Example of a measure adopted in Belgium

On federal level in Belgium a Royal Decree of 9 October 2014 implementing Article 3(2) of the Law of 15 September 2013 concerning the 'reporting of a suspected breach of integrity in a federal administrative authority by a member of its staff' lays down arrangements for the establishment, organisation, operation, responsibilities, powers, roles, functions, selection and all other necessary procedures for the smooth operation of the internal component of the reporting system.

An additional measure was adopted by the Flemish Government, which approved a revised regulation on the protection of whistle-blowers' and on 9 May 2014 it concluded a new protocol with the Flemish Ombudsman to strengthen the protection of whistle-blowers.

The new features of the whistleblowing system are as follows:

- the Ombudsman is no longer bound by pre-determined deadlines for investigating reported irregularities and formally deciding to place a staff member under whistle-blowers protection;
- the Ombudsman no longer has to disclose at the start of the investigation the name of the protected staff member to the head of the authority concerned;
- the authority concerned must show that any specific measure or disciplinary penalty against a protected staff member is unrelated to the whistleblowing;
- the option of voluntary relocation of the staff member in question is now expressly provided for.

A member of staff of the Flemish Government can, therefore, ask the Flemish Ombudsman for whistleblowing protection if he or she reports irregularities (Article II 3 VPS) and fears reprisal.

Under the procedure provided for in the Ombudsdecreet, the Flemish Ombudsman can decide to place the person concerned under protection (Article 2a (2)). Such protection continues for two years after the end of the investigation.

2.2.5. Measures to prevent financial crime, organised crime and tax fraud

Seventeen Member States³⁹ reported measures to prevent financial crime, organised crime and tax fraud.

These measures concerned the following areas in the whole anti-fraud cycle:

2.2.5.1. Financial and Organised Crime:

- Fraud prevention:
 - Legislative and operational provisions introducing or amending criminal offences to prevent financial crime (Romania)⁴⁰
 - Legislative measures to specifically tackle terrorist financing (Spain)⁴¹
 - Administrative guidelines for authorities on the treatment of a suspected crime (Spain, Sweden)⁴²
 - Operational measure on structured cooperation with law enforcement (Hungary)⁴³.
- Prosecution and sanctions:
 - Legislative measures to control cross-border movements of cash, new sanctions introduced (Belgium and Malta)⁴⁴

2.2.5.2. Financial Crime and Tax Fraud:

- Fraud prevention:
 - Measures to tackle fraud in the **VAT area** (Latvia, Estonia and Poland)⁴⁵
 - Measure to tackle tax avoidance: the introduction of a residence disclosure notification requirement (Belgium)⁴⁶ and measure in the **tobacco sector** (Poland)⁴⁷

³⁹ Belgium, Bulgaria, Czech Republic, Estonia, Greece, Cyprus, Spain, Latvia, Lithuania, Netherlands, Hungary, Malta, Poland, Portugal, Romania, Slovenia and Sweden.

⁴⁰ **Romania** (new definition of criminal offences as foreseen by its new Criminal Code and its implementing rules + operational provision: enhancing recovery of criminal prejudices through data analysis on perpetrators assets and through exchanging information with similar structures for other Member States or other international networks).

⁴¹ **Spain** (amendment on prevention of money laundering and terrorist financing).

⁴² **Spain** (money laundering and terrorist financing (risk-based approach, remodelling of procedural requirements and revision of institutional structure), **Sweden** (guidelines to clarify what is meant by errors and suspected crime: the target group are administrators and directors within the Swedish authorities who deal with EU funds, horizontal measure, applicable to all funds).

⁴³ **Hungary** (horizontal provision: exchange of information among bodies and authorities involved in auditing EU aid).

⁴⁴ **Belgium** (horizontal provision: control measures, powers and record of notifications – punishment of infringements), **Malta** (introduced an increased punishment related to a number of offences - sanctions for obtaining money or property by false pretences, corporate liability for offences and other cases of fraudulent gain-consolidation of the Penal laws and laws of criminal procedure).

⁴⁵ **Latvia** (introduced operational measure to include risk indicators to ensure that in relevant countries of the EU involved in transactions the VAT tax is correctly calculated and paid), **Estonia** (VAT - changes in the taxation law), **Poland** (legislative measure - change in the rules governing the deduction of VAT from expenditure related to motor vehicles).

⁴⁶ **Belgium** (legal arrangements to be declared by BE residents: disclosure obligation targets trusts, but also non-resident companies, corporations, associations, foundations that are located in tax havens - in line with EU Savings Tax Directive).

⁴⁷ **Poland** (clarification of the rules on tobacco taxation to prevent tax avoidance).

- Fraud prevention, detection and prosecution:
 - Nine Member States⁴⁸ introduced administrative, legislative, organisational and operational measures to combat financial crime and tax fraud in the **customs sector**⁴⁹

2.2.6. Measures Reported Concerning Anti-Fraud Coordination Service (AFCOS)

Six Member States reported in the general part of the questionnaire specific measures concerning their Anti-Fraud Coordination Service (AFCOS):

- Fraud prevention:
 - Designation of AFCOS (Spain and Sweden)⁵⁰
 - AFCOS reorganisation (Bulgaria)
 - Introduction of a new communication strategy for AFCOS (France)
 - New definitions of fraud offences and training (Romania)
- Investigation (Bulgaria and Malta).

Sweden communicated the **designation of the Economic Crimes Authority (Ekobrottsmyndigheten) as the Swedish Anti-Fraud Coordination Service (AFCOS)**. The decision was implemented by means of an amendment to the authority's instructions and entered into force on 1 January 2015⁵¹. **Spain appointed the national Anti-Fraud Coordination Service (Servicio Nacional de Coordinación Antifraude) as their Anti-Fraud Coordination Service (AFCOS)** and adopted relevant administrative anti-fraud measures⁵².

In Bulgaria there was AFCOS reorganisation (administrative and organisational measures) in 2014 which involved the creation of the 'Administrative Investigations sector' to carry out administrative investigations with powers to require documents and information by state and local authorities, organizations, companies and individuals,

⁴⁸ Bulgaria, Czech Republic, Estonia, Greece, Latvia, Netherlands, Poland, Portugal and Slovenia
⁴⁹ **Bulgaria** (checks performed by the customs authorities, introduction of equipment for measuring and testing excise goods), **Czech Republic** (organisational measure: establishment of a special team bringing together the Corruption and Financial Crime Detection Section, the Directorate-General for Finance and the Directorate-General for Customs to tackle financial crime, in particular customs duty and VAT evasion), **Estonia** (changes in the taxation law), **Greece** (introduced risk analysis criteria within the ICISnet, Customs information system to apply targeted customs control on exports of any goods), **Latvia** (amended legislation on mutual assistance and cooperation – Naples II Convention – better cooperation for faster detection, prevention and punishment of perpetrators), **Netherlands** (adopted two specific operational measures in customs: 1. antidumping measure concerning solar panels - focus on declaring false countries of origin or by transshipment and 2. general intensified controls on origin – targeted checks in customs), **Poland** (guidelines on 'Verifying the declared customs value of textile goods and footwear imported from Far Eastern countries mainly from China'), **Portugal** (national budget law introduced law on customs crimes, indication of organised crime or with an international dimension) and **Slovenia** (reorganisation and adoption of a legislative framework which newly defined process for financial investigation).

⁵⁰ **Sweden** and **Spain** reported the designation of AFCOS as one of their most important measures to protect the financial interests of the EU, however, in 2014 AFCOS were also designated in Denmark, Ireland, Greece, Luxembourg, Austria, Portugal and the United Kingdom, thus by the end of 2014 all the Member States had designated or established their Anti-Fraud Coordination Service.

⁵¹ Pursuant to Article 3(4) of the OLAF Regulation (single legislative measure).

⁵² It was established by the Royal decree 802/2014 of 19 September which involved various anti-fraud measures, including the creation of the 'National Accounting Office' and updating of powers of various bodies (D.G. for Community Funds; Secretariat-General for Autonomous and Local Coordination; D.G. for Public Service; D.G. for Coordination of powers with the Autonomous Communities and Local Authorities).

conducting on-the-spot checks and taking statements from individual persons, while the control on the procedures for irregularity administration were transferred to the 'Irregularities reporting' sector. AFCOS staff have undergone training at OLAF. The creation of 'Administrative investigations sector' links up with the Directorate's statutory powers to conduct administrative investigations for the purpose of establishing irregularities.

The French AFCOS (la Délégation Nationale à la Lutte contre la Fraude, DNLF) used part of its website to improve communication on measures to prevent fraud against the European Union's financial interests. It contains information summarising the DNLF's role as an Anti-Fraud Coordination Service, action undertaken by relevant national administrations, a presentation of OLAF, an interactive map of Europe showing all European AFCOS that are DNLF partners (with a description and contact details) and, since December 2014, OLAF's press releases have been included on the site. The DNLF website improves communication on measures to prevent fraud against the European Union's financial interests by presenting the action of all the actors concerned and also by highlighting the European network of anti-fraud coordination services.

Romania reported the adoption of new definitions of fraud offences against the EU's financial interests and training on this matter. The amended legislation is a part of implementation rules of the new Romanian Criminal Code and aligns with EU trends on fraud definition. In this regard the Romanian AFCOS (Departmentul pentru Lupta Anti-Frauda, DLAF) has been involved in enhancing cooperation with judicial authorities and law enforcement agencies for targeting inspections and investigations and for the preparation of a proper implementation of antifraud preventive measures for the Multiannual Financial Framework for 2014-2020.

Malta reported the preparation of a Manual on the Financial Investigative Function and Operations of the Internal Audit and Investigations Department (IAID). The manual includes Malta's obligations under bilateral, multilateral and other international agreements/arrangements against irregularities and fraud.

2.3. Structured answers of 28 Member States – measures taken concerning the EXPENDITURE areas of the EU budget

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																			
Member State	Measure	DOMAIN										Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify								
BE	M3	Royal Decree of 26 January 2014 on measures to control cross-border movements of cash. Relates to money laundering.												LEGISLATIVE MEASURE					
			✓										x	New Legislation	Competences; Powers; Criminal sanctions (new); Other: Notification requirement	To clarify or consolidate existing rules; To enforce the rules in line with developments in EU law	Measures to control cross-border movements of cash: notification requirement – control measures, powers and record of notifications – punishment of infringements	26.01.2014	H
BE	M4	Royal Decree of 9 October 2014 implementing Article 3(2) of the Law of 15 September 2013 concerning the reporting of a suspected breach of integrity in a federal administrative authority by a member of its staff. The Decree lays down arrangements for the establishment, organisation, operation, responsibilities, powers, roles, functions, selection and all other necessary procedures for the smooth operation of the internal component of the reporting system (see additional measure for the Flemish Community).												LEGISLATIVE MEASURE					
		✓	✓	✓	✓	✓	✓	✓		✓	In the law (and of course in the Royal Decree), a suspected breach of integrity means: (a) an action or a failure to act by a staff member that infringes the laws, decrees, circulars, internal rules and internal procedures applying to the federal administrative authorities and their staff; (b) an action or a failure to act by a staff member which entails an unacceptable risk to the life, health or safety of people or the environment; (c) an action or failure to act.	x	New Legislation	Comptences; Powers	To clarify or consolidate existing rules; To remedy flaws	Royal Decree of 9 October 2014 implementing Article 3(2) of the Law of 15 September 2013 concerning the reporting of a suspected breach of integrity in a federal administrative authority by a member of its staff. The Decree lays down arrangements for the establishment, organisation, operation, responsibilities, powers, roles, functions, selection and all other necessary procedures for the smooth operation of the internal component of the reporting system.	09.10.2014	H	
BE	M5	Law of 15 May 2014 amending the Law on public procurement and certain works, supply and service contracts of 15 June 2006 and the Law of 13 August 2011 concerning public procurement and certain works, supply and service contracts in the fields of defence and security. Relates to public procurement.												LEGISLATIVE MEASURE					
		✓										x	Amendment	Other - Scope (in personae – exclusions): Right of access and qualitative selection of candidates and tenderers for public procurement; Technical specifications set out in public documents by public authority; Award procedures	To clarify or consolidate existing rules; To enforce the rules in line with developments in EU law	The law provides for the partial transposition of Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC, and Directive 2009/52/EC of the European Parliament and of the Council of 18 June 2009 providing for minimum standards on sanctions and measures against employers of illegally staying third-country nationals.	15.05.2014	H	

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	DOMAIN										Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure																																						
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify																																												
BE	Additional measure	<p>Like the Federal Government (see measure 4), the Flemish Government has had a whistle-blowing mechanism since 2004. The whistle-blowing mechanism is provided for in the Ombudsdecreet (decree of 7 July 1998 establishing the Ombudsman's Service) and in the protocols concluded between the Flemish Ombudsman and the Flemish Government and Audit Vlaanderen (formerly IVA, Internal Audit Department of the Flemish Administration).</p> <p>The decree establishing the Ombudsman's Service was amended to strengthen protection for whistle-blowers. On Friday 6 December 2013 the Flemish Government approved the revised regulation for the protection of whistle-blowers and on 9 May 2014 it concluded a new protocol with the Flemish Ombudsman. New features of the whistle-blowing system are:</p> <ul style="list-style-type: none"> - the Ombudsman is no longer bound by pre-determined deadlines for investigating reported irregularities and formally deciding to place a staff member under whistle-blower protection; - the Ombudsman no longer has to disclose at the start of the investigation the name of the protected staff member to the head of the authority concerned; - the authority concerned must show that any specific measure or disciplinary penalty against a protected staff member is unrelated to the whistle-blowing; - the option of voluntary relocation of the staff member in question is now expressly provided for. <p>A member of staff of the Flemish Government can thus ask the Flemish Ombudsman for whistle-blowing protection if he or she reports irregularities (Article II 3 VPS) and fears reprisals. Under the procedure provided for in the Ombudsdecreet, the Flemish Ombudsman can decide to place the person concerned under protection (Article 2a (2)). Such protection continues for two years after the end of the investigation. During the protection period the competent authority can only impose disciplinary penalties on or take other measures against the whistle-blower if they are unrelated to the reporting of the irregularity. Already ongoing administrative procedures are suspended and can only be resumed if the ombudsman's investigation shows that they are unrelated to the reporting of the irregularity.</p> <p>Note: There is no whistleblowing mechanism as yet in Wallonia or Brussels Capital.</p>																																																					
		BG	M1	<p>By a Decision of the Council of Ministers recorded under Minutes No 53, item 4, of 17 December 2014, the Government adopted a National Strategy, for the period 2014-2020, for preventing and combating irregularities and fraud affecting the financial interests of the EU. For the effective achievement of the strategic and operational goals set, specific activities will be set out in an Action Plan for 2015-2016 for the implementation of the National Strategy, with the responsible institutions being specified and the specific deadlines set.</p>	<p>The Strategy comprises 4 goals (areas):</p> <p>1-stepping up prevention (through new regulations, increased administrative capacity, transparency and access to information);</p> <p>2-increasing effectiveness in detecting and countering irregularities and fraud (strengthened cooperation between revenue authorities, enhanced internal control and interaction between State bodies, the private sector, non-governmental organisations and civil society);</p> <p>3-strengthening cooperation with OLAF and the competent institutions of the EU and the Member States;</p> <p>4-increasing the effectiveness of activities in the fields of investigation, recovery and penalties.</p>	<p>x</p> <p>LEGISLATIVE MEASURE</p> <table border="1"> <thead> <tr> <th>scope of legislation</th> <th>reasons for legislative measures</th> <th>brief description of the measure</th> <th></th> </tr> </thead> <tbody> <tr> <td>New legislation + Amd</td> <td>Competences; Powers; Definition of a specific topic; Recovery; Financial penalties; Other administrative penalties</td> <td>To clarify or consolidate existing rules; To remedy flaws; To enforce the rules in line with developments in EU law</td> <td>The National Strategy envisages the drafting and adoption of legislative acts relating to the application of European legislation already in force, the removal of shortcomings in the existing legislative framework and the further development of the national statutory rules protecting the financial interests of the EU.</td> <td>31.12.2016</td> </tr> </tbody> </table> <p>ADMINISTRATIVE MEASURE</p> <table border="1"> <thead> <tr> <th>scope of administrative measure</th> <th>reasons for administrative measure</th> <th>type of act within measure</th> <th></th> </tr> </thead> <tbody> <tr> <td>New measure + Update</td> <td>Management of funds; Monitoring/desk checks ; On the spot checks; Investigation; Irregularities reporting; Penalties; Recovery</td> <td>To clarify or consolidate existing rules; To enhance existing measure</td> <td>Other: Administrative measures are to be taken both in the implementation of the adopted strategy and under the 2015-2016 Action Plan.</td> <td>31.12.2016</td> </tr> </tbody> </table> <p>ORGANISATIONAL MEASURE</p> <table border="1"> <thead> <tr> <th>scope of organisational measure</th> <th>expected results in terms of resources</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>New measure + Update</td> <td>Competence; Inter- agency cooperation ; General trainings; Fraud awareness trainings; Simplification of procedures</td> <td>Increased resources</td> <td></td> <td>31.12.2016</td> </tr> </tbody> </table> <p>OPERATIONAL MEASURE</p> <table border="1"> <thead> <tr> <th>scope of operational measure</th> <th>expected results of operational measure</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>New measure + Update</td> <td>IT tools ("IT data feeding", "Other IT"); Web reporting/Hotline; Flagging practice; Risk indicators; Increased number of checks; Structured cooperation with law enforcement; Structured cooperation with judicial authorities</td> <td>Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks; Targeting of investigations; Enhanced ex-ante controls; Enhanced ex-post controls</td> <td></td> <td>31.12.2016</td> </tr> </tbody> </table>	scope of legislation	reasons for legislative measures	brief description of the measure		New legislation + Amd	Competences; Powers; Definition of a specific topic; Recovery; Financial penalties; Other administrative penalties	To clarify or consolidate existing rules; To remedy flaws; To enforce the rules in line with developments in EU law	The National Strategy envisages the drafting and adoption of legislative acts relating to the application of European legislation already in force, the removal of shortcomings in the existing legislative framework and the further development of the national statutory rules protecting the financial interests of the EU.	31.12.2016	scope of administrative measure	reasons for administrative measure	type of act within measure		New measure + Update	Management of funds; Monitoring/desk checks ; On the spot checks; Investigation; Irregularities reporting; Penalties; Recovery	To clarify or consolidate existing rules; To enhance existing measure	Other: Administrative measures are to be taken both in the implementation of the adopted strategy and under the 2015-2016 Action Plan.	31.12.2016	scope of organisational measure	expected results in terms of resources			New measure + Update	Competence; Inter- agency cooperation ; General trainings; Fraud awareness trainings; Simplification of procedures	Increased resources		31.12.2016	scope of operational measure	expected results of operational measure			New measure + Update	IT tools ("IT data feeding", "Other IT"); Web reporting/Hotline; Flagging practice; Risk indicators; Increased number of checks; Structured cooperation with law enforcement; Structured cooperation with judicial authorities	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks; Targeting of investigations; Enhanced ex-ante controls; Enhanced ex-post controls		31.12.2016													
scope of legislation	reasons for legislative measures	brief description of the measure																																																					
New legislation + Amd	Competences; Powers; Definition of a specific topic; Recovery; Financial penalties; Other administrative penalties	To clarify or consolidate existing rules; To remedy flaws; To enforce the rules in line with developments in EU law	The National Strategy envisages the drafting and adoption of legislative acts relating to the application of European legislation already in force, the removal of shortcomings in the existing legislative framework and the further development of the national statutory rules protecting the financial interests of the EU.	31.12.2016																																																			
scope of administrative measure	reasons for administrative measure	type of act within measure																																																					
New measure + Update	Management of funds; Monitoring/desk checks ; On the spot checks; Investigation; Irregularities reporting; Penalties; Recovery	To clarify or consolidate existing rules; To enhance existing measure	Other: Administrative measures are to be taken both in the implementation of the adopted strategy and under the 2015-2016 Action Plan.	31.12.2016																																																			
scope of organisational measure	expected results in terms of resources																																																						
New measure + Update	Competence; Inter- agency cooperation ; General trainings; Fraud awareness trainings; Simplification of procedures	Increased resources		31.12.2016																																																			
scope of operational measure	expected results of operational measure																																																						
New measure + Update	IT tools ("IT data feeding", "Other IT"); Web reporting/Hotline; Flagging practice; Risk indicators; Increased number of checks; Structured cooperation with law enforcement; Structured cooperation with judicial authorities	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks; Targeting of investigations; Enhanced ex-ante controls; Enhanced ex-post controls		31.12.2016																																																			

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	DOMAIN											Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure						
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify													
BG	M2	<p>The National Strategy for developing the public procurement sector in Bulgaria over the period 2014-2020, adopted by Decision No 498 of the Council of Ministers dated 11 July 2014. Implementation of the Strategy will lead to an improvement in the legislative and institutional framework in the field of public procurement, enhancing the degree of publicity and transparency in the awarding of such contracts. The Strategy contains measures covering five domains. For their implementation it is planned to carry out specific activities under the adopted Plan for the Implementation of the National Strategy, with the responsible institutions being specified and the specific deadlines set.</p>	✓											<p>The domains on which the Strategy will impact are:</p> <ol style="list-style-type: none"> 1. Legislation in the field of public procurement; 2. Application of the legislation in that field; 3. Publicity and transparency in public procurement; 4. Strengthening administrative capacity and professionalism in the sector; 5. Control system. 	<p>x</p> <p>LEGISLATIVE MEASURE</p> <p>scope of legislation</p> <p>reasons for legislative measures</p> <p>brief description of the measure</p>	<p>01.01.2016</p>	H							
																			<p>Competences, Powers, Definition of a specific topic, Financial penalties, Other administrative penalties+ Other: As part of the implementation of the National Strategy adopted in 2014, drafting work is under way on a new Framework Act on Public Procurement which is scheduled to enter into force as from 1 January 2016. The draft public procurement act will transpose the new European Directives 2014/24/EU and 2014/25/EU and the existing Directives 2009/81/EC and 2007/66/EC</p>	<p>To clarify or consolidate existing rules; To remedy flaws; To enforce the rules in line with developments in EU law</p>	<p>The new public procurement act (ZOP) will transpose the new European public procurement Directives 2014/24/EU and 2014/25/EU and the existing Directives 2009/81/EC and 2007/66/EC. It will open up possibilities for using e-procurement tools (including the electronic tendering stage), launching an electronic auction, using an electronic catalogue, a dynamic delivery system, etc., in accordance with the scope and time limits provided for in the European Directives.</p>			
																						ADMINISTRATIVE MEASURE		
																						<p>scope of administrative measure</p> <p>reasons for administrative measure</p> <p>type of act within measure</p>	<p>Other: The scope of the strategy for developing the public procurement sector in Bulgaria over the period 2014-2020 relates exclusively to the conduct of public procurement. It envisages: 1. the drawing up of practical manuals for applying legislation in the field of public procurement; 2. enhancing the effectiveness of penalties imposed in relation to irregularities in the field of public procurement.</p>	<p>To clarify or consolidate existing rules; Cross-cutting measure: The introduction of e-procurement concerns the conditions under which beneficiaries, in their capacity as contracting authorities, will be able to choose a contractor to carry out activities financed with EU funding under European funds and programmes. The implemented stages of e-procurement will be relevant for the conduct of procedures by all contracting authorities.</p>
																			ORGANISATIONAL MEASURE					
																			<p>scope of organisational measure</p> <p>expected results in terms of resources</p>			<p>Neutral on resources</p>	<p>31.12.2016</p>	
																			OPERATIONAL MEASURE					
																			<p>scope of operational measure</p> <p>expected results of operational measure</p>			<p>Enhanced information flow; Enhanced ex-ante controls; Enhanced ex-post controls</p>	<p>31.12.2016</p>	
																			<p>IT tools ("IT data feeding", "Other IT"); Other: It is planned to: revamp the design and structure of the public procurement portal; select a national model for e-procurement and adopt a conceptual approach with an action plan for the introduction of the selected e-procurement model in Bulgaria; introduce the mandatory use of the stages 'Electronic publication' and 'Electronic documentation'.</p>			<p>Enhanced information flow; Enhanced ex-ante controls; Enhanced ex-post controls</p>	<p>31.12.2016</p>	

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																									
Member State	Measure	DOMAIN										Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure								
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify														
BG	M3											At the AFCOS Directorate of the Ministry of the Interior, an 'Administrative Investigations' sector was established on 1 February 2014 . The staff there have undergone training at OLAF. The creation of this sector links up with the Directorate's statutory powers to conduct administrative investigations for the purpose of establishing irregularities and fraud affecting the EU's financial interests either on its own initiative or at OLAF's request. The measure referred to was adopted in the context of the AFCOS Directorate performing its functions and duties in connection with defending the financial interests of the EU.		The domains on which the Strategy will impact are: 1. Legislation in the field of public procurement; 2. Application of the legislation in that field; 3. Publicity and transparency in public procurement; 4. Strengthening administrative capacity and professionalism in the sector; 5. Control system.		Administrative MEASURE			31.12.2016	H					
																						scope of administrative measure	reasons for administrative measure	type of act within measure	
																						New measure	Monitoring/desk checks; On the spot checks; Investigation; Recovery; Other: The purpose of the measure is to increase the AFCOS Directorate's administrative capacity for the purpose of carrying out investigations and associated activities. These activities, carried out by the officials of the AFCOS Directorate's newly created "Administrative Investigations" sector in the performance of their duties, include verifying documents, requesting information and documents from State and local bodies and natural and legal persons, making on-the-spot checks and taking statements from individual persons.	To clarify or consolidate existing rules; To enhance existing measure; Cross-cutting measure, multi-agency measure/ measure with impact on various bodies	Other: Order № K-4139/19.12.2013 of the Interior Minister establishing the 'Administrative Investigations' sector' and dissolving the 'Administrative Controls' sector, in force since 1 January 2014.
																							ORGANISATIONAL MEASURE	scope of organisational measure	expected results in terms of resources
New measure	Reorganisation of existing bodies; Fraud awareness trainings; Other: In implementation of the above-mentioned Order of the Interior Minister, the AFCOS Directorate underwent reorganisation. As from 1 February 2014, the 'Administrative Controls' sector was dissolved, with the activities carried out by that sector being transferred to the 'Irregularities Reporting' sector. A new 'Administrative Investigations' sector was established. Its head and staff underwent a one-week training course at OLAF in March 2014 on the conduct of administrative investigations, the aim being to enhance administrative capability in the battle against fraud and in the underlying effort to defend the EU's financial interests.	Increased resources	01.02.2014																						
	OPERATIONAL MEASURE	scope of operational measure	expected results of operational measure																						
Update		IT tools ("IT data feeding", "Other IT"); Increased number of checks	Enhanced information flow; Targeting of checks; Targeting of investigations; Enhanced ex-ante controls Others: The further development of ISUN 2020 will enhance the system's analytical capabilities, increasing the scope for deriving information that can be used for prevention purposes in the battle against fraud, including in terms of double financing checks, supervision, analysis and evaluation. And it will provide an additional guarantee for the prevention and detection of fraud and irregularities in connection with operational programmes.	29.07.2014	Cohesion Policy																				

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN										Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify								
DK	M1	The paying agency for agricultural funds has established a web-portal for reporting fraud at: http://naturethverv.dk/tilskud-selvbetjening/anmeld-ulovligt-brug-af-eu-tilskud/																		
															x	New measure	scope of operational measure	expected results of operational measure		01.04.2014
DE	M1	Rules on the procurement procedure																		
														x	Update	scope of administrative measure	reasons for administrative measure	type of act within measure		
DE	M2	Working group on fraud prevention to produce guidance for paying agencies in the agricultural sector. Implementation of fraud prevention measures in the fishing sector (EMFF).																		
													x	Update	scope of operational measure	expected results of operational measure		30.09.2014	Agriculture / Fisheries	

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN										Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure											
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify																	
EE	M1	Amendments to the Penal Code, which also include fraud connected with the use of aid funds, the violation of public procurement rules and corruption offences. The full text of the Act can be found at: https://www.rigiteataja.ee/en/eli/522012015002/consolide	✓	✓		✓	✓						✓		A large number of the constituent elements of and punishments for crimes were specified in the Penal Code.	x	Amendment	Definition of a specific topic; Criminal sanctions (more)	To clarify or consolidate existing rules	A subsection 4 has been added to Section 210 of the Penal Code, which provides that courts will apply extended confiscation of assets acquired through benefit fraud under Section 832 of the Penal Code. The Code removed the distinction between gratuities and bribes (both in terms of passive and active corruption), i.e. in the case of bribery, from the point of view of classification it is no longer important whether the official activity for which the bribe was given was legal or illegal. In light of this, the range of sanctions provided for bribery has been amended. (§ 293 298). The criminal liability provision relating to breaches of the public procurement requirements has been amended (Section 300).	23.12.2014	H							
			LEGISLATIVE MEASURE																										
			scope of legislation	reasons for legislative measures	brief description of the measure																								
EE	M2	On 1 May 2014, a centrally-administered Economic Crimes Bureau was established under the aegis of the Police and Border Guard Board, one of its priorities being to investigate fraud connected with aid funds.	✓	✓												x					30.04.2014	Agriculture / Fisheries / Cohesion Policy							
			ORGANISATIONAL MEASURE																										
			scope of organisational measure	expected results in terms of resources																									
			Update	Reorganisation of existing bodies; Competence	Increased resources																								
OPERATIONAL MEASURE																													
scope of operational measure	expected results of operational measure																												
Update	Structured cooperation with law enforcement; Structured cooperation with judicial authorities;	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of investigations; Other: Improved coordination of the investigation of economic crimes and fraud, as well as cooperation with law enforcement authorities.																											

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN									Single Package or New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other						If other please specify	
IE	M1	Anti-Fraud Briefing Seminar delivered by Advisor from DG Agri Anti-Fraud in relation to EAFRD.	✓	✓		✓	✓	✓	✓				ORGANISATIONAL MEASURE			01.10.2014	Agriculture	
													scope of organisational measure	expected results in terms of resources				
IE	M2	Departmental Anti-fraud Policy Statement and Fraud Response Plan	✓	✓		✓	✓	✓					ADMINISTRATIVE MEASURE			01.10.2014	Agriculture	
													scope of administrative measure	reasons for administrative measure	type of act within measure			
IE	M3	Improved management and control procedures to gain reasonable assurance that the 2% threshold of errors is maintained throughout the ESF cascade.								✓	Reduction in ineligible expenditure being certified to the Commission in ESF claims.		ADMINISTRATIVE MEASURE			01.01.2014	Cohesion Policy	
													scope of administrative measure	reasons for administrative measure	type of act within measure			
													New measure	Management of funds; Monitoring/desk checks; On the spot checks; Investigation; Irregularities reporting; Penalty; Recovery	To enhance existing measure			Circulate/circular, Instructions, Guidelines, Manuals
													New measure	Management of funds; Monitoring/desk checks; On the spot checks; Audit checklist;	Cross-cutting measure, multi-agency measure/measure with impact on various bodies; Managing Authority will not accept any ESF claim where errors exceed the 2% threshold level. Errors uncovered must be removed from the ESF claim and audit, desk checks and on the spot checking procedures must be repeated until errors fall within the 2% threshold.			Action Plan
													ORGANISATIONAL MEASURE					
													scope of organisational measure	expected results in terms of resources				
New measure	Reorganisation of existing bodies; Inter- agency cooperation;	Increased resources																
OPERATIONAL MEASURE																		
scope of operational measure	expected results of operational measure																	
New measure	Risk indicators; Increased number of checks	Enhanced coordination; Targeting of checks; Enhanced ex-ante controls																

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN										Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure			
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify									
EL	M1	Setting up a Register of Fiscal Auditors and Auditors of the Fiscal Audit Committee (Auditing Authority)				✓							✓		ORGANISATIONAL MEASURE	scope of organisational measure	expected results in terms of resources	brief description of the measure	21.20.2014	H	Fisheries / Cohesion Policy / Migration and Asylum
													x	New measure							
EL	M2	Legislative reforms to repair the damage from wrongdoings relating to active and passive corruption: a) Paragraph 1E of Law 4254/2014 'Measures to support and develop the Greek economy in the context of implementation of Law 4046/2012 and other provisions'. b) Article 32 of Law 4258/2014 'Definition procedure and regulation of matters relating to water courses – urban planning arrangements'	✓	✓		✓									LEGISLATIVE MEASURE	scope of legislation	reasons for legislative measures	brief description of the measure	07.04.2014	H	
													x	Amendment							
EL	M3	Audit of declarations of assets and conflict of interest - Article 222 of Law 4281/2014 'Measures to support and develop the Greek economy, organisational issues of the Ministry of Finance and other provisions'.		✓		✓									LEGISLATIVE MEASURE	scope of legislation	reasons for legislative measures	brief description of the measure	08.08.2014	H	
													x	Amendment							

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN										Single Package New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure											
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of Interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify																
EL	M5	Law on the management, control and implementation of development interventions for the Programming period 2014-2020, some articles of which include measures for prevention and combat of fraud in structural actions under the NSRF 2014-2020 ; Law 4314/2014 (Government Gazette, Series I, No 265/23.12.2014)												x	New legislation	Other: Adapting the requirements of the European Union regulatory framework for the period 2014-2020	To enforce the rules in line with developments in EU law	The new law on the NSRF 2014-2020 includes provisions to prevent and combat fraud in structural actions. In particular, Article 52 includes: the formulation of a National Strategy and an Action Plan, which sets out measures pertaining to procedures of the Management and Control System applied by the authorities involved in the management of the Operational Programmes. Relevant provisions are also included in Articles 22, 38 and 57.	23.12.2014	H	Cohesion Policy							
			LEGISLATIVE MEASURE																									
			scope of legislation	reasons for legislative measures	brief description of the measure																							
ES	M1	Implementing Regulation for Law 10/2010 of 28 April 2010 on prevention of money laundering and terrorist financing ; Royal Decree 304/2014 of 5 May 2014.		✓	✓									x	Amendment	Competences; Definition of a specific topic	To clarify or consolidate existing rules; To remedy flaws	It completes the risk-based approach, which it sets out in greater detail; remodelling of procedural requirements; creation of a financial ownership file; revision of the institutional structure.	05.05.2014	H								
			LEGISLATIVE MEASURE																									
			scope of legislation	reasons for legislative measures	brief description of the measure																							
ES	M2	It regulates the functional and technical requirements of the accounting register of invoices provided for by Law 25/2013 of 27 December 2013; Order HAP/492/2014.	✓											x	New legislation	Competences; Definition of a specific topic	To clarify or consolidate existing rules; To enforce the rules in line with developments in EU law	It regulates the functional and technical requirements of the accounting register of invoices of the bodies that come under the scope of Law 25/2013 on electronic invoices.	27.03.2014	H								
			LEGISLATIVE MEASURE																									
			scope of legislation	reasons for legislative measures	brief description of the measure																							
ES	M3	Creation of the national Anti-Fraud Coordination Service and other administrative measures; Royal Decree 802/2014.									✓	✓	x	New legislation	Competences;	To enforce the rules in line with developments in EU law	Creation of the national Anti-fraud Coordination Service; updating of the powers of various bodies (D.G. for Community Funds; Secretariat-General for Autonomous and Local Coordination; D.G. for Public Service; D.G. for Coordination of powers with the Autonomous Communities and Local Authorities).	19.09.2014	H									
			LEGISLATIVE MEASURE																									
			scope of legislation	reasons for legislative measures	brief description of the measure																							

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																	
Member State	Measure	Title and description of measure	DOMAIN									Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other						
ES	M4	Measures to guarantee transparency in public subsidies by amending Law 38/2003 of 17 November 2003, the General Subsidies Act.															
ES	M5	Statute of the Transparency Council ; Royal Decree 919/2014															
ES	M5	Statute of the Transparency Council ; Royal Decree 919/2014															
EU	Additional measure	As stated in the document 'Follow-up recommendations to the Commission report on the protection of the EU's financial interest-fight against fraud, 2013', among the provisions notified by the Autonomous Communities there is a sizeable group which applies the state legislation on transparency. The main provisions notified by the Autonomous Communities are as follows: REGION OF MURCIA: Law 12/2014 of 16 December 2014 on transparency and civic participation. AUTONOMOUS COMMUNITY OF GALICIA: Law 14/2013 of 26 December 2013 on Rationalisation of the Public Sector in the Autonomous Community; the Institutional Code of Ethics of the Regional Government of Galicia. AUTONOMOUS COMMUNITY OF CASTILLE AND LEON: It has informed us of the following: an integrated administrative procurement platform has been set up by Decree 54/2014 of 23 October 2014 regulating the registering of invoices in Castille and Leon's accounting information system; the Duero system, an integrated administrative procurement system; promotion of the Autonomous Community's transparency and civic participation portal. AUTONOMOUS COMMUNITY OF THE BALEARIC ISLANDS: Law 4/2011 of 31 March 2011 on Good Administration and Governance of the Balearic Islands. EXTREMADURA: Law 1/2014 of 18 February 2014 regulating the Statute of Public Officials of the Government and Administration of the Regional Government of Extremadura. It has also informed us of the establishment of a communication channel with the tax authorities, as a measure to improve the quality of controls and audits. THE REGIONAL GOVERNMENT OF CATALONIA has informed us of Law 19/2014 of 29 December 2014 on Transparency, Access to Information and Good Governance, and Instruction 1/2014 of 9 January 2014 from the Director of the Office for the Supervision and Evaluation of Public Procurement aimed at increasing transparency and optimising aspects of public procurement procedures. As regards NAVARRE, it is worth noting its procedure for ensuring the reasonableness of costs on the basis of Article 58 of Regulation 1306/2013. The procedure is designed to establish anti-fraud measures and measures to verify the reasonableness of costs.															
FR	M1	The 2014 vademecum, distributed by the Inspection Coordination Committee (Commission de Coordination des Contrôles - CICC) for its operation controllers, highlighted the problem of conflicts of interest. When the inspection plan is drawn up, checks are made to ascertain whether they are in a situation of conflicts of interest (previous post or relations with persons inspected). Should this be the case, the CICC must be informed so that it can decide on the measures to take.															
FR	M1	The 2014 vademecum, distributed by the Inspection Coordination Committee (Commission de Coordination des Contrôles - CICC) for its operation controllers, highlighted the problem of conflicts of interest. When the inspection plan is drawn up, checks are made to ascertain whether they are in a situation of conflicts of interest (previous post or relations with persons inspected). Should this be the case, the CICC must be informed so that it can decide on the measures to take.															

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN								Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS							Other	
FR	M2	For the 2014-2020 programming period, the management of structural funds in France will largely fall within the remit of the Regional Councils. As the independent auditing authority for the designation procedure, the CICC has impressed upon the future Managing Authorities (MAs) and Certifying Authorities (CAs) the need to set out a framework for fraud prevention. The CICC translated and circulated to the MAs and CAs the checklist contained in Annex 3 of the guidance note on designation.											ORGANISATIONAL MEASURE					
								✓										
			x	New measure	Fraud awareness trainings; Other: Internal training measures	Neutral on resources		03.03.2014			Cohesion Policy							
FR	M3	The DNLF has used part of its website to improve communication on measures to prevent fraud against European Union interests. It contains information summarising the DNLF's role as an Anti-Fraud Coordination Service (AFCOS), action undertaken by relevant national administrations, a presentation of OLAF that has been approved by its communication service, an interactive map of Europe showing all European AFCOS that are DNLF partners (with a description and contact details) and, since December 2014, OLAF's press releases have been included on the site											ORGANISATIONAL MEASURE					
			x	New measure	Other: Institutional communication: the DNLF website improves communication on measures to prevent fraud against European Union interests by presenting the action of all the actors concerned and also by highlighting the European network of anti-fraud coordination services. This communication activity thus helps to prevent and detect fraud against the EU's interests	Neutral on resources		01.05.2014		H								
FR	M4	Updating of the guide to detection of financial operations that may be linked to corruption (authors of the guide: Central Service for the Prevention of Corruption (Service central de prévention de la corruption [SCPC] and TRACFIN, the national Financial Intelligence Unit under the Financial Action Task Force. The main purpose of this update is to take into account the amendments of the Law of 6 December 2013 on stepping up the fight against serious economic and financial crime. The first version of the guide was dated 2008. A new edition was published in March 2014.		✓									ADMINISTRATIVE MEASURE					
			x	Update	Irregularities reporting + Other: The guide contains: the legal framework for the fight against corruption; the system for detecting and combating corruption (missions of the SCPC and the operational organisation of the TRACFIN reformed by Order No 2009-104 of 30 January 2009 transposing into French law the third European Directive on the fight against money laundering and terrorist financing, anonymised description of the types of dossier handled by TRACFIN and presentation of some recent case law in the field of corruption and trading in influence. To enhance existing measure + Other: Incorporate the changes resulting from the Law of 6 December 2013 (stricter penalties and creation of protection for whistle-blowers) – A reminder of the mechanisms for detecting and combating corruption (SCPC: centralisation of information, notifying the administrative authorities and assisting the judicial authority, training ... TRACFIN: gathers, analyses and uses intelligence in order to establish whether an operation is criminal, obligation of professionals to be vigilant, indicators of vigilance, procedure for reporting suspicions).	Circulaire/Circular, Instructions, Guidelines, Manuals			H									

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN								Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure	
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS							Other
HR	M1	NATIONAL ANTI-FRAUD STRATEGY IN THE FIELD OF PROTECTION OF EU FINANCIAL INTERESTS FOR THE PERIOD 2014-2016											ADMINISTRATIVE MEASURE				
														scope of administrative measure	resons for administrative measure	type of act within measure	
										x		New measure	Other: The purpose of the Strategy is to ensure effective and efficient protection of the EU financial interests by strengthening the AFCOS system in the Republic of Croatia, by carrying out predefined measures and achievement of the set objectives.The Strategy describes the actual situation and defines objectives and measures to be taken in areas related to prevention, detection, treatment, reporting and follow-up of irregularities and fraud.	Other: The reasons of the administrative measure (Strategy) are to ensure an efficient and effective protection of the EU financial interests via the definition of objectives and measures defined on the basis of the established AFCOS system weaknesses.	Other: Strategy with accompanied Action plan		H
HR	M2	GUIDELINES ON MANAGEMENT OF IRREGULARITIES AND FRAUD IN THE CONTEXT OF STRUCTURAL FUNDS PROGRAMMES FOR THE PERIOD 2007-2013											ADMINISTRATIVE MEASURE				
														scope of administrative measure	resons for administrative measure	type of act within measure	
										x		New measure	Irregularities reporting	Other: The Guidelines are targeted at development of coherent practice in application of legal framework and further clarifications for handling fraud cases within projects financed from EU SF operational programmes 2007-2013.The Guidelines describe the methodology for comprehensive process of irregularity management, particularly for detection, examination, recording and reporting of irregularities and provide with the more detailed instructions for activities of irregularity management process and examples of the cases thereof.	Circulaire/circular, Instructions, Guidelines, Manuals		H
IT	M1	The measure concerns the prevention of conflicts of interest of staff of the Audit Authority and the assessment of the threshold by the MEF-DRGS-IGRUE for issuing the opinion on the designation of the audit. The notes IGRUE n. 47832 of 30.5.2014 and no. 56513 of 07/03/2014 indicate, inter alia, what aspects will be subject to checks before the opinion can be issued attesting that the Audit Authority complies with this requirement, and what procedure is to be followed by MEF-DRGS-IGRUE to carry out checks prior to issuing the opinion on the appointment.											ORGANISATIONAL MEASURE				
														scope of organisational measure	expected results in terms of resources		
										x		New measure	Other: The scope of the measure concerns strengthening management and control structures. In particular, ex ante checking of the condition of absence of causes of incompatibility and/or conflicts of interest guarantees that the staff of the Audit Authority are not led into collusive practices vis-à-vis persons involved in the management of the Structural Funds and the EMFF (management structures and beneficiaries) who might act or behave fraudulently.	Neutral on resources		30.05.2014	H

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																								
Member State	Measure	Title and description of measure	DOMAIN									Single	Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure						
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other								If other please specify					
IT	M2	Stepping up monitoring and control of critical issues of the project with the introduction of a new computer system for reporting at the Ministry of Education, Universities and Research (MIUR) (16 May 2014). The system introduces new procedures in the control process which is characterised by the parallels between the activities carried out by the actors involved. The information available on the system helps Project Officers to keep to deadlines, improves communication between actors and makes it possible to flag up problems encountered in order to share appropriate response efforts.													x	New measure	IT tools ("IT data feeding", "Other IT"); Web reporting/Hotline; Flagging practice; Increased number of checks;	Enhanced cooperation; Enhanced information flow; Other: To allow the various actors responsible for control activities to simplify the reporting of differing assessments also to the benefit of Project Officers, supporting them as much as possible in the overall management of projects and in sharing response efforts with the Managing Authority.	14.05.2014	Collision Policy				
			OPERATIONAL MEASURE																					
			scope of operational measure		expected results of operational measure																			
IT	M3	Extension of foreign exchange policing powers to the Guardia di Finanza's Special Unit for Public Spending and Combating EU Fraud for the purposes of controlling payments from the budgets of the EU, the Government, the Regions and local authorities.													x	Amendment	Competence; Powers	To clarify or consolidate existing rules; To enforce the rules in line with developments in EU law	The new law extends the far-reaching powers already available to the Special Foreign Exchange Police Unit also to the Special Unit for Public Spending and Combating EU Fraud, and the scope in which the latter unit can act is also extended, i.e. all the inspection activities concerning the protection of the budgets of the EU, the Government, the Regions and local authorities.	30.10.2014	Agriculture / Fisheries / Collision Policy			
			LEGISLATIVE MEASURE																					
			scope of legislation		reasons for legislative measures			brief description of the measure																
			OPERATIONAL MEASURE																					
			scope of operational measure		expected results of operational measure																			
														x	Update	Structured cooperation with law enforcement	Targeting of investigations + Other: Improvement of anti-fraud activity carried out by the Guardia di Finanza, both directly through the work of the Special Unit for Public Spending and Combating EU Fraud and through the possibility of delegating controls to the various tax police units.	25.11.2014	Agriculture / Fisheries					
IT	M4	Monitoring of EU funding in the agri-food sector by the Carabinieri for Food and Agricultural Policy												x	Update	Inter-agency cooperation; General trainings; Fraud awareness trainings; Simplification of procedures;	Neutral on resources	01.01.2014	Agriculture / Fisheries					
			ORGANISATIONAL MEASURE																					
			scope of organisational measure		expected results in terms of resources																			
OPERATIONAL MEASURE																								
scope of operational measure		expected results of operational measure																						
														x	Update	IT tools ("IT data feeding", "Other IT"); Web reporting/Hotline; Risk indicators; Increased number of checks; Structured cooperation with law enforcement; Structured cooperation with judicial authorities	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks; Targeting of investigations;	01.01.2014	Agriculture / Fisheries					

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN										Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure				
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	Single Package					New measure or Update			
IT	M5	Three-year plan for the prevention of corruption (PTPC) for the period 2013-2016, approved by Decision of the Regional Executive of Emilia Romagna No 66 of 27 January 2014.																		
LV	M1	The Amendments to the Latvian Administrative Violations Code entered into force on 1 September 2013. Since 2014 the Procurement Monitoring Bureau (PMB) has been imposing administrative penalties regarding violations of procedures in public procurement, PPP. According to the Law on Management of EU Structural Funds and the CF the PMB ensures selective ex-ante control of procurement procedures in order to evaluate if the documentation, process is in compliance with the national laws on public procurement, EU Directives and the jurisprudence of the ECJ thus reducing the risk of irregular payments.																		

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																				
Member State	Measure	DOMAIN										Single Package New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure				
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify									
LV	M2	All the measures are legislative contributing to more efficient application of legal framework stipulating criminal liability for public officials and applying coercive measures to legal persons; The Amendments to the Law on Prevention of Conflict of Interest in Activities of Public Officials, publication reference LV, 228 (5288), 15.11.2014., OP: 2014/228.8; the Amendments to the Criminal Law, publication reference LV, 105 (5165), 31.05.2014., OP 2014/105.2.				✓	✓	✓			✓	The Amendments to the Law on Prevention of Conflict of Interest in Activities of Public Officials stipulate to abolish the exception for MPs to enter into contract with state institutions; Scope of public officials in the Criminal Law has been extended, legal framework concerning liability of legal persons was improved and adjudicating offences of public officials holding managerial positions; Inter-institutional working group established to elaborate whistle-blowers' protection regulation.	x	LEGISLATIVE MEASURE						
														scope of legislation	reasons for legislative measures	brief description of the measure				
														Amendment	Definition of a specific topic	To clarify or consolidate existing rules; Other: Following the recommendation of the Council of Europe Group of States against Corruption and in order to comply with the requirements of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.	There have been several unrelated legislative amendments adopted in the Law on Prevention of Conflict of Interest in Activities of Public Officials, the Criminal Law and the Criminal Procedure Law with the objective to have more explicit and effective regulation concerning liability of public officials and legal persons. Inter-institutional working group established to elaborate 'whistle-blowers' protection regulation.	30.10.2014	H	
LV	M3	The Amendments to the Law On Prevention of Squandering of the Financial Resources and Property of a Public Person clarify the rules to which the audited entity is obliged to comply with.								✓	Management and control			LEGISLATIVE MEASURE						
												x	scope of legislation	reasons for legislative measures	brief description of the measure					
													Amendment	Other: Clarification of the obligations of the audited entity if its actions have been found (by the State Audit Office) not to be in accordance with the law "On Prevention of Squandering of the Financial Resources and Property of Public Person".	To clarify or consolidate existing rules	The amendments clarify the obligations of the audited entity or its supervising entity and the steps to be taken after finding a breach of law within its actions. The amendments prescribe that the audited entity, its supervising entity or responsible key officials are obliged to inform the State Audit Office (SAO) of Latvia about the results of the assessment of responsibility of officials within a time period of 5 months after the SAO has announced a decree on the audit report.	13.03.2014	H		
LV	Additional measure	Regarding the next planning period of 2014-2020 in the area of Agricultural and Fisheries Funds Regulations № 598 of the Cabinet of Ministers, adopted on 30 September, 2014 "Regulation on allocation, administration and monitoring of the State and European Union support for rural and fisheries development in 2014-2020 programming period." In cases of nonconformity and infringements, application of financial corrections is envisaged to projects supported within open calls for projects for the State and European Union support and for compensatory payments of rural and fisheries development measures. The Managing Authority for EU Structural Funds and Cohesion Fund has taken single administrative measure in 2014 in the domain of public procurement, conflict of interest and fraud definition. It includes updating a number of guidelines and methodologies that focuses on the strengthening of supervision of EU funded projects and protection of EU financial interests, for example Guidelines of Managing Authority No10.10 on Making Financial Corrections in Projects Financed from the European Union Funds, by integrating those conditions of guidelines of the European Commission of 19 December 2013 for determining financial corrections to be made to expenditure for non-compliance with the rules on public procurement, as well as adding a reference to OLAF Working Group 2013 on the guidelines for identifying conflicts of interests in public procurement procedures for structural actions. The organisational measures taken in 2014 concerning competence, inter-agency cooperation, general trainings and fraud awareness training: Bilateral trainings organized by the Managing Authority for EU Structural Funds and Cohesion Fund between institutions involved in the EU funds administration and law enforcement authorities for the purpose to strengthen capacity and cooperation with law enforcement authorities, to improve the knowledge and understanding of the fraud investigation process, identification of conflict of interest etc. In summer of 2014, representatives from the Division of Economic Crime Investigation of the State Police participated in the conference on fraud prevention matters organized by the Rural Support Service. Explanation was provided in person to the Prosecutor's Office, regarding administration of payments from EU funds. In the first half of 2014, a lecture was delivered to judges of administrative courts on the administration of EU funds.																		

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN							If other please specify	Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers							
LT	M1	Method for identifying artificially created conditions for obtaining aid.														
LT	M2	Publication of purchases by project promoters on the website of the National Paying Agency under the Ministry of Agriculture (hereinafter 'NPA') (the project management authority). Conditions and requirements have been established for publishing purchases on the NPA website (www.nma.lt) that are not required to be published under the relevant legislation. This ensures that EU funds are used rationally and that procurement is transparent.	✓													
LT	M3	Application of anti-fraud measures in administering EU Structural Funds, as required by Article 125(4)(c) of Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013.	✓			✓	✓		✓	✓	✓					
LT	M4	The Lithuanian National Anti-Corruption Programme for 2015-2025 has been adopted.				✓					✓					

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN								Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS							Other	
LU	M1	Area: Public procurement. Better monitoring, control and documentation of public contracts submitted by beneficiaries.	✓															
HU	M1	Contacts and exchange of information in order to improve cooperation among bodies and authorities involved in auditing EU aid , and making 'operative' cooperation (in individual cases) more effective		✓														
HU	M2	Activities of the Public Procurement Authority (PPA) to support effective implementation of public procurement law (issuing guidelines, continuously improving the IT system/portal)	✓															
HU	M3	Activities of the Public Procurement Authority that are aimed at combating corruption in public procurement (information, training, activities intended to increase transparency)				✓												

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN									Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure				
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other							If other please specify			
HU	M4	Government Decree No 272/2014 of 5 November 2014 on the rules for the use of aid from certain EU funds in the 2014-2020 programming period, adoption of anti-fraud measures, definition of the duties of the different institutions											x	LEGISLATIVE MEASURE							
															scope of legislation	reasons for legislative measures	brief description of the measure				
															New legislation	Competences; Powers; Definition of a specific topic; Recovery	To remedy flaws; To enforce the rules in line with developments in EU law	Ensuring correct and efficient use of aid from certain EU funds in the 2014-2020 programming period, adopting anti-fraud measures applying to the institutions concerned and laying down the duties of the actors involved in applying such measures.	05.11.2014		
																ORGANISATIONAL MEASURE					
																	scope of organisational measure	expected results in terms of resources			
																	New measure	Reorganisation of existing bodies; General trainings; Fraud awareness trainings	Increased resources		23.07.2014
																	OPERATIONAL MEASURE				
HU	M5	Circular No 5/2014 of 30 November 2014 of the Prosecutor-General on the procedure for criminal offences affecting the financial interests of the European Communities													scope of operational measure	expected results of operational measure					
																scope of operational measure	expected results of operational measure				
																New measure	Other: Opinions and measures issued by the public prosecutor's offices handling cases involving criminal offences affecting the financial interests of the European Communities	Other: Uniform practices in applying the law in such cases, and more effective procedures		30.11.2014	
MT	M1	Manual on the Financial Investigative Function and Operations of the Internal Audit and Investigations Department (IAID). The main objective of the Financial Investigations Unit within IAID is to protect the financial interest of the Government of Malta and of the EU, thus including Malta's obligations under bilateral, multilateral and other international agreements/arrangements against irregularities and fraud. The said manual is still draft but at a very advanced stage.													scope of operational measure	expected results of operational measure					
																	scope of operational measure	expected results of operational measure			
																	New measure	Risk indicators; Structured cooperation with law enforcement; Structured cooperation with judicial authorities	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of investigations; Enhanced ex-ante controls; Enhanced ex-post controls;		30.09.2014
MT	M2	Increase in the punishment related to offences listed under Article 308 (Obtaining money or property by false pretences), Article 309 (Other cases of fraudulent gain) and Article 310 (Scale of punishment according to the amount of the damage); amendment of Article 310A (Corporate liability for offences under this sub-title); addition of new Article in the Code re new offence contemplated under 310BA (Possession, making or supplying etc., of articles for use in fraud).													scope of legislation	reasons for legislative measures	brief description of the measure				
																	New legislation + Amendment	Financial penalties; Other administrative penalties; Criminal sanctions (more)	To clarify or consolidate existing rules	To amend and consolidate the Penal Laws and the Laws of Criminal Procedure.	01.08.2014

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																							
Member State	Measure	Title and description of measure	DOMAIN									Single Package New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure							
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other						If other please specify						
NL	IM1	This concerns the regular comparison of personal identification numbers (Burger Service Nummer - BSN). The verification also includes reports by supervisors of the Schools Inspectorate, which means that as much information as possible is available.										✓	The measures do not apply to one particular domain. It concerns new procedures for establishing the eligibility of the declared costs , using as much information as possible (such as Schools Inspectorate reports).	x	New measure	OPERATIONAL MEASURE scope of operational measure	expected results of operational measure			14.12.2014		Cohesion policy	
NL	IM2	Pursuant to Article 125(4)(c) of Regulation (EU) No 1303/2003 , the managing authorities (MAs) have implemented proportionate anti-fraud measures in their management and control system . The MAs will aim to control the risk of fraud (and combat fraud) by means of a proactive, structured and targeted approach using all the available anti-fraud measures for the four main elements in the anti-fraud cycle: prevention, detection, correction and recovery.										✓	Generally, the management and control system used by European Regional Development Fund MAs.	x	New measure	ADMINISTRATIVE MEASURE scope of administrative measure	asons for administrative measure	type of act within measure					Cohesion policy
AT	IM1	not specified										✓		x	Update	ORGANISATIONAL MEASURE scope of organisational measure	expected results in terms of resources			02.01.2014		Agriculture	
AT	IM2	not specified										✓	Fraud - irregularity reporting: checks and controls in IMS and procedural requirements for the staff	x	Update	ADMINISTRATIVE MEASURE scope of administrative measure	reasons for administrative measure	type of act within measure					Cohesion Policy

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																	
Member State	Measure	Title and description of measure	DOMAIN									Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other						
PL	M1	Decision No 3/2014 of the Chair of the Inter-departmental Group on Combating Fraud liable to damage the Financial Interests of the Republic of Poland or the European Union dated 7 November 2014 setting up a working group combating fraud in cohesion policy funds.												ADMINISTRATIVE MEASURE			
												x	New measure	Management of funds; Investigation	scope of administrative measure	asons for administrative measure	type of act within measure
PL	M3	Guideline No 94/1/2014 of the Minister for Agriculture and Rural Development dated 15 April 2014 on the use by Provincial Governments performing the tasks of Managing Authorities under the Rural Development Programme for 2007-2013 of procedures relating to the processing of applications for the granting of aid for small scale projects under Action 413 Implementation of local development projects.												ADMINISTRATIVE MEASURE			
												x	Update	Management of funds; Monitoring/desk checks	scope of administrative measure	asons for administrative measure	type of act within measure
PT	M1	Following the approval of the governance model for the European Structural and Investment Funds (ESIF) for 2014-2020 (Decree-Law No 137/2014 of 12 September 2014), the General Rules for applying the operational programmes (OP) and the Rural Development Programmes (RDP) financed by the ESIF were established.												LEGISLATIVE MEASURE			
												x	New legislation	Competences; Powers	scope of legislation	asons for legislative measures	brief description of the measure

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN								Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure			
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS							Other		
PT	M2	Seminars organised by the Audit Authority and the Agency for Development and Cohesion in May and October 2014 (both held in Lisbon) with the participation of the Commission. The objective was to improve the quality of expenditure at the end of the 2007-2013 programming period and to set up efficient systems for the prevention and detection of errors and fraud in the 2014-2020 programming period. Anti-fraud seminar, organised by IFAP in collaboration with DG AGRI (held in Lisbon) in November 2014 which dealt with situations that may point to fraud involving Community funds.	✓	✓			✓	✓	✓	✓			New measure	Flagging practice; Risk indicators; Increased number of checks; Structured cooperation with law enforcement	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks; Targeting of investigations; Enhanced ex-ante controls; Enhanced ex-post controls	01.01.2015	Agriculture / Fisheries / Cohesion policy		
PT	M4	Over the course of 2014, the Audit (Inspectorate-General of Finance) and Certifying (Development and Cohesion Agency) Authorities strengthened the procedures involved in auditing and certifying expenditure. This entailed checking the procedures in force to ensure that the Management Authorities monitor, prevent, detect and correct any instances of irregularity, fraud, conflicts of interest, etc. Wherever applicable, recommendations for improvement were made, which will be monitored over the course of the following year.	✓				✓	✓					New measure / Update	Flagging practice; Risk indicators; Increased number of checks; Structured cooperation with law enforcement	Enhanced coordination; Enhanced information flow; Targeting of checks; Targeting of investigations; Enhanced ex-ante controls; Enhanced ex-post controls	31.12.2014	Cohesion policy		
PT	M5	Over the course of 2014, IFAP drafted legislation on the process of identifying risk situations, or greater risk of fraud, and revised and amended the existing provisions on the procedure applicable in cases of complaints or suspicions of intentional non-compliance.	✓				✓	✓	✓				Update	Irregularities reporting; Penalty; Recovery	To clarify or consolidate existing rules; To enhance existing measure	Circulaire/circular, Instructions, Guidelines, Manuals	Agriculture / Fisheries		
															Update	Flagging practice; Risk indicators; Structured cooperation with law enforcement; Structured cooperation with judicial authorities		Enhanced cooperation; Enhanced information flow; Targeting of checks; Targeting of investigations;	31.12.2014

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																	
Member State	Measure	Title and description of measure	DOMAIN							Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers							AFCOS	Other
RO	M1	Public procurement: streamlining the public procurement, updating the implementation of proportionality principle on irregularities in public procurement from European funds, preparing the Public Procurement Strategy for MFF 2014-2020, strengthening crime prevention in public procurement, strengthening AFCOS coordination of national measures to identify risks in public procurement in MFF 2014-2020.	✓							✓							
			LEGISLATIVE MEASURE														
				scope of legislation	reasons for legislative measures	brief description of the measure											
				x	New legislation / A	Other: implementation of financial corrections in case of irregularities in public procurement from European funds	To enforce the rules in line with developments in EU law							aligning national legislation with EU Recommendation - C(2013) 9527 final COMMISSION DECISION of 19.12.2013 on the setting out and approval of the guidelines for determining financial corrections to be made by the Commission to expenditure financed by the Union under shared management, for non-compliance with the rules on public procurement		26.06.2014	
			x ADMINISTRATIVE MEASURE														
				scope of administrative measure	reasons for administrative measure	type of act within measure											
				New measure	Management of funds; Other: new Public Procurement National Strategy	Cross-cutting measure, multi-agency measure/ measure with impact on various bodies: Establishing Interministerial Group in order to set up a new Public Procurement Strategy in line with EU Directives on Public Procurement or other Public Policies in this matter. This measure is targeting all public institutions managing EU funds.							Decision, Resolution				
			x ORGANISATIONAL MEASURE														
				scope of organisational measure	expected results in terms of resources												
				New measure	Simplification of procedures	Other: By Government Emergency Ordinance No. 51/2014, was set up a good conduct guarantee in order to diminish the possibility of losing the EU financial assistance due to abusive complaints on public procurement procedures									28.06.2014		
x OPERATIONAL MEASURE																	
	scope of operational measure	expected results of operational measure															
	New measure	IT tools ("IT data feeding", "Other IT"); Flagging practice; Risk indicators; Structured cooperation with law enforcement	Enhanced coordination; Enhanced cooperation; Targeting of checks; Targeting of investigations; Other: preparing the necessary framework for a proper implementation of the mandatory preventive anti-fraud measures for MFF 2014-2020									01.04.2014					

Agriculture / Fisheries / Cohesion policy

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN								Single	Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure			
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS								Other		
RO	M2	Corruption: adoption of new definitions of corruption offenses , including those relating to public procurement in order to align them to the existing realities of the Member State and to the European trends										x	LEGISLATIVE MEASURE							
														scope of legislation	reasons for legislative measures	brief description of the measure				
														New legislation	Definition of a specific topic	To clarify or consolidate existing rules; To enforce the rules in line with developments in EU law	incriminating bid - rigging behaviour, or adapting the definition of corruption on Romanian state of play and complying them to EU trends	17.07.2009		
															ADMINISTRATIVE MEASURE					
															scope of administrative measure	reasons for administrative measure	type of act within measure			
															Update	Management of funds; Monitoring/desk checks; On the spot checks; Investigation; Recovery + Other: National Anticorruption Strategy 2012-2015, comprising an Action Plan and preventive measures in order to develop a proper conduct and approach of national institutions and to diminish corruption acts (including those that affect public procurement)	Cross-cutting measure, multi-agency measure/ measure with impact on various bodies; National Anticorruption Strategy gathers the efforts of all national institutions for a coherent and coordinated approach of anticorruption measures	Decision, Resolution		
RO	M3	Fraud Definition: Adoption of new definitions of fraud offences against the EU's financial interests and training in the matter.											x	LEGISLATIVE MEASURE						
														scope of legislation	reasons for legislative measures	brief description of the measure				
															Amendment	Definition of a specific topic	To clarify or consolidate existing rules; To enforce the rules in line with developments in EU law	The legislative measure is part of implementation rules of the new Romanian Criminal Code and aligns to EU trends on fraud definition	01.02.2014	
															ORGANISATIONAL MEASURE					
															scope of organisational measure	expected results in terms of resources				
															New measure	Inter- agency cooperation; General trainings	Neutral on resources			13.06.2014

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																			
Member State	Measure	Title and description of measure	DOMAIN								Single Package New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure				
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS						Other			
RO	M4	Financial offenses (including money laundering): adoption of new definitions of financial offenses and strengthening cooperation between prosecutor's offices and Fiscal administration		✓									x	LEGISLATIVE MEASURE					
															scope of legislative		reasons for legislative measures	brief description of the measure	
															New legislation/Amendment	Definition of a specific topic	To clarify or consolidate existing rules	the new definition of criminal offences are foreseen by new Criminal Code and its implementing rules and express the Romanian state of play	01.02.2014
															ORGANISATIONAL MEASURE				
															scope of organisational measure		expected results in terms of resources		
															New measure/Update	Reorganisation of existing bodies; Inter-agency cooperation; Simplification of procedures	Increased resources		10.02.2014
															OPERATIONAL MEASURE				
												scope of operational measure		expected results of operational measure					
												Update	IT tools ("IT data feeding", "Other IT"); Flagging practice; Risk indicators; Structured cooperation with judicial authorities; Other:enhancing recovery of criminal prejudices through data analysis on perpetrators assets and through exchanging information with similar structures for other Member States or other international networks	Enhanced coordination; Enhanced cooperation; Enhanced information flow;		15.07.2014			
RO	M5	Conflict of interests: strengthening preventive actions or sanctions on conflict of interest				✓								x	LEGISLATIVE MEASURE				
															scope of legislative		reasons for legislative measures	brief description of the measure	
															New legislation/Amendment	Definition of a specific topic	To clarify or consolidate existing rules	the legislative measure is a part of new Criminal Code and adapts the conflict of interest criminal offence definition to the new criminal public policy of the Member State	01.02.2014
															ADMINISTRATIVE MEASURE				
															scope of administrative measure		reons for administrative measure	type of act within measure	
															Update	Management of funds;	To enhance existing measure	Circulaire/circular, Instructions, Guidelines, Manuals	
															ORGANISATIONAL MEASURE				
												scope of organisational measure		expected results in terms of resources					
												Update	Inter-agency cooperation; General trainings	Neutral on resources		01.04.2014			
												OPERATIONAL MEASURE							
												scope of operational measure		expected results of operational measure					
												New measure	IT tools ("IT data feeding", "Other IT"); Risk indicators; Structured cooperation with law enforcement; Other: National Integrity Agency is developing an IT Tool "PREVENT", which is an ex-ante control mechanism of conflict of interests in public procurement (including those financed from EU funds); this IT tool will issue whistleblowings to respective stakeholders	Enhanced cooperation; Enhanced information flow; Targeting of checks; Enhanced ex-ante controls		10.10.2014			

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN									Single Package New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other					
SI	M1	Ministry of Finance: issue of instructions for effecting repayments of non-earmarked EU funds in 2014. AKTRP: operational measure - establishment of fraud register for rural development programme in Slovenia for 2014-2020 programming period. KPK: upgrade of IT tool to assist national bodies, general public and media, facilitating insight into public expenditure by public institutions on goods and services. SVRK: change in managing authority instructions regarding eligible costs: abolition of reporting by sector and reintroduction of mandatory documentary evidence, thus permitting 100% administrative control and more precise documentary evidence concerning the purchase of equipment.	✓			✓	✓	✓		✓		x	ADMINISTRATIVE MEASURE			
												Update	Eligibility criteria: Management of funds; Monitoring/desk checks; On the spot checks;	scope of administrative measure reasons for administrative measure type of act within measure	Cross-cutting measure, multi-agency measure/ measure with impact on various bodies: The monitoring institutions (managing authority's control unit, audit authority, European Commission and European Court of Auditors) have detected a type of irregularity relating to the instrument 'Development Centres of the Slovenian Economy'. To ensure proper implementation in future the managing authority has changed its instructions regarding eligible costs by abolishing reporting by sector and reintroducing mandatory documentary evidence, thus permitting 100% administrative control and more precise documentary evidence concerning the purchase of equipment. Those instructions are published on the MA's website.	Circulaire/circular, Instructions, Guidelines, Manuals
SI	M2	Certifying authority (CA): enhanced checking of achievement of operations' targets/indicators. In November 2014 a project group was designated to examine questions relating to public procurement. The managing authority ensures administrative capacity, additional jobs and training relating to public procurement.	✓				✓			✓		x	ORGANISATIONAL MEASURE			
											Update	Competence; Inter-agency cooperation; General trainings	scope of organisational measure expected results in terms of resources	Neutral on resources	11.11.2014	Cohesion policy / Migration and Asylum

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																
Member State	Measure	Title and description of measure	DOMAIN								Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS						
SK	M1	Act No 292/2014 of 17 September 2014 on the contribution received from the European Structural and Investment Funds and amending certain acts entered into force on 1 November 2014. Part of the Act amends Act No 502/2001 on financial control and internal auditing and amending certain other acts, as amended.														
			LEGISLATIVE MEASURE													
				scope of legislation	reasons for legislative measures	brief description of the measure										
	x		New legislation / Amendment	Powers; Definition of a specific topic; Recovery; Financial penalties; Other administrative penalties; Other: Legal relationships with regard to contributions in the programming period 2014-2020, procedure and conditions for granting the contribution, the competence of authorities and responsibility for infringements of the conditions for contributions, amendment of provisions connected with monitoring the financial resources provided.	To enforce the rules in line with developments in EU law; Other: Taking account of conditions in the new EU legislation for the programming period 2014-2020.	The basic changes include greater emphasis on an integrated and strategic approach to contributions, to increase the positive effect of expenditure. The changes also relate to control and management processes, with the aim of increasing transparency and restricting the scope for abuse of EU funds. The amendment linked to the control of contributions provided legislative consolidation for controls under a single piece of legislation, introducing new features such as the opportunity for an inspected entity to respond to shortcomings detected.	24.10.2014								Cohesion policy	
SK	M2	Act No 307/2014 on certain measures related to reporting of anti-social behaviour and amending certain acts entered into force on 1 January 2015.														
			LEGISLATIVE MEASURE													
				scope of legislation	reasons for legislative measures	brief description of the measure										
	x		New legislation	Other: The conditions for granting protection to persons in an employment relationship against victimisation in connection with reporting crime or anti-social behaviour and the rights and obligations of natural and legal persons when reporting anti-social behaviour.	Other: The legislative proposal is based on proposed measures to ensure implementation of the recommendations adopted by the OECD Working Group on Bribery in International Business Transactions for Slovakia under phase 3 of the evaluation. It is also based on the requirement to create more effective legal preconditions for preventing and detecting illegal or anti-social behaviour by adopting various protective measures for persons who have information on such behaviour and wish to notify the relevant authorities and identify the perpetrators (whistleblowing).	The aim is to provide preventive protection for employees who have played a significant role in identifying serious anti-social behaviour of which they have become aware in connection with their employment or role. Preventive protection also embodies an obligation for the authorities and employers with more than 50 employees to establish an internal control system for receiving and processing notifications of anti-social behaviour. In addition, subsequent measures have been proposed to protect employees against victimisation by employers in connection with a notification of anti-social behaviour.	14.11.2014								H	
SK	M3	System for the management of the European Structural and Investment Funds for the programming period 2014–2020 of 20 November 2014.														
			ADMINISTRATIVE MEASURE													
				scope of administrative measure	reasons for administrative measure	type of act within measure										
	x		New measure	Eligibility criteria; Management of funds; Monitoring/desk checks; On the spot checks; Other: Increased transparency	To enhance existing measure; Other: Amendment of the conditions with regard to the requirements for new EU legislation for the programming period 2014–2020, taking account of practical experience and existing implementation in Slovakia, and explanation and clarification of some existing rules.	Other: Document approved under a Government Resolution which has the nature of a binding document for entities involved in implementing the ESI Funds within the scope defined in the document.										Cohesion policy

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	Public procurement	Financial crime	Organised crime	DOMAIN								Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectorial measure		
						Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify									
SK	M4	System for the financial management of the Structural Funds, the Cohesion Fund and the European Maritime and Fisheries Fund for the programming period 2014–2020, version 1.0 of 5 November																			
SK	M5	System for the financial management of the European Agricultural Fund for Rural Development of 2 July 2014.																			
FI	M1	Adoption of regulations on national implementation of the Structural Funds 2014-2020																			

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																	
Member State	Measure	Title and description of measure	DOMAIN							Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers							AFCOS	Other
SE	M1	<p>The Swedish 'SEFI Council' [Council for the Protection of the EU's Financial Interests] (the Economic Crimes Authority - Ekobrottsmyndigheten, the Swedish Board of Agriculture - Jordbruksverket, the Västerbotten County Administrative Board - Länsstyrelsen Västerbotten, the Migration Board - Migrationsverket, the Police Authority - Polismyndigheten, the Swedish ESF Council - Svenska ESF-rådet, the Swedish Agency for Economic and Regional Growth - Tillväxtverket, the Financial Management Authority - Ekonomistyrningsverket) has approved guidelines to clarify what is meant by errors and suspected crime. The guidelines are intended to help authorities decide whether a particular act in connection with an aid application or an aid payment that is fully or partly financed from EU funds should be treated as a suspected crime. The target group is administrators and directors within the Swedish authorities who deal with EU funds.</p>															
SE	M2	<p>On 16 October the Economic Crimes Authority - Ekobrottsmyndigheten organised a one-day seminar for the authorities involved, aimed at improving effectiveness when preventing, detecting, investigating and taking measures with regard to the misuse of EU funds. The seminar shed light on regulatory simplification from a number of perspectives, including from the perspective of the European Court of Auditors. Government representatives from Finland and Denmark described how they audit EU funds. Public prosecutors from the Economic Crimes Authority - Ekobrottsmyndigheten presented their work on EU fraud. The aim of the day was mainly to offer an opportunity to exchange experiences and provide inspiration.</p>															
SE	M3	<p>On 16 October 2014 the government decided to designate the Economic Crimes Authority - Ekobrottsmyndigheten as the Swedish Anti-Fraud Coordination Service (AFCOS). The decision was implemented by means of an amendment to the authority's instructions and entered into force on 1 January 2015.</p>															

EXPENDITURE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN									Single Package New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure			
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other						If other please specify		
SE	M4	The authorities managing the Social Fund and the Regional Fund have together undertaken a major development effort to implement simplified cost options (Articles 67 and 68 of Regulation (EU) No 1303/2013). The aim is to reduce the administrative burden on aid recipients and free up resources for a more result-oriented approach at programme and project level . Sweden considers that simple, transparent accounting rules for project owners can ultimately reduce the risk of errors, irregularities and fraud.																	
UK	M1	The United Kingdom's agricultural sector: the systems and procedures to manage potential and actual fraud undertaken under the Common Agricultural Policy (CAP)																	
UK	M2	Anti Fraud Policy developed in line with requirements for the 2014-2020 Cohesion policy programmes																	

2.4. Structured answers of 28 Member States – measures taken in the REVENUE part of the EU budget

REVENUE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU																		
Member State	Measure	Title and description of measure	DOMAIN									Single	Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other							
BE	M1	Royal Decree of 19 March of 2014, MB 02/04/2014, lists the legal arrangements which are to be declared by BE residents . This disclosure obligation targets trusts, but also non-resident companies, corporations, associations, foundations that are located in tax havens, if the legal rights to the shares are held entirely or partially by a BE resident or if the beneficiary of the economic rights to the assets and capital is a BE resident. The list is based on the list in Annex 1 of the proposed directive amending the EU Savings Tax Directive although this list is more complete.																
BE	M1	Royal Decree of 19 March of 2014, MB 02/04/2014, lists the legal arrangements which are to be declared by BE residents . This disclosure obligation targets trusts, but also non-resident companies, corporations, associations, foundations that are located in tax havens, if the legal rights to the shares are held entirely or partially by a BE resident or if the beneficiary of the economic rights to the assets and capital is a BE resident. The list is based on the list in Annex 1 of the proposed directive amending the EU Savings Tax Directive although this list is more complete.																
BE	M2	Royal Decree implementing Article 2§1,13° b), second paragraph of the Income Tax Code 1992 inserted by the Act containing various provisions of July 30, 2013. The new law containing various provisions of July 30, 2013 adds to article 2§1 of the Income Tax Code 1992, the definition regarding the concept of legal construction . A legal construction means, under this definition, among others, a legal relationship that is created by an act of the founder, where goods or rights are controlled by a manager, for the benefit of beneficiary or for a specific purpose.		✓														
BG	M5	A Regulation has been issued by the Minister of Finance on the specific requirements applying to, and checks performed by the customs authorities on, equipment for measuring and testing excise goods, in implementation of the provisions set out in Article 103(2) of the Excise and Tax Warehouses Act (ZADS). The Regulation is aimed on the one hand at decreasing the administrative burden and costs for business, and on the other at ensuring that effective controls are carried out by the customs authorities on the placement, manufacture and storage of excise goods in, and their removal from, customs warehouses and other premises.																

REVENUE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN										Single Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify						
CZ	M1	In mid-2014, preparations were concluded for the establishment of a special team to tackle the most serious forms of tax and customs crime. This grouping, known as 'Kobra', has been incorporated in the existing structure of the police and customs authorities. It has been established as a permanent joint team bringing together the Corruption and Financial Crime Detection Section, the Directorate-General for Finance and the Directorate-General for Customs. The role of the team, which has a nationwide mandate and whose members are drawn in particular from the police and customs authorities, is to concentrate on the battle against tax evasion, tax offences and customs duty evasion.		✓	✓													
													x	New measure	Reorganisation of existing bodies; Competence; Inter-agency cooperation; Simplification of procedures	Increased resources		15.06.2014
CZ	Additional information	The main reason for setting up the team was to attempt to ensure effective and speedy exchange of information and coordination in joint police and customs operations, so that tax and customs duty evasion is promptly identified, investigated and brought to book. The joint team's main function is to ensure that taxes and customs duties are properly collected, that amounts unlawfully received are paid back to the state budget and that offenders are prosecuted; tackling such offences involving VAT and customs evasion is done in close cooperation with the authorities of the other Member States, with particular regard to fuel imports and miscellaneous raw materials. Work towards the establishment of the 'Kobra team' was intended to ensure greater effectiveness in tackling financial crime, in particular customs duty and VAT evasion. The focus of the team's work will be the most serious forms of such crime, including organised crime committed by criminal gangs.																
EE	M3	Changes in taxation law: 1) 1 July 2014 - Employment register; 2) 1 November 2014 - VAT form 'INF' - transactions with partners exceeding EUR 1000 a month must be declared; 3) 1 December 2014 - rules governing the use of company cars were clarified. The full text of the Act can be found at: https://www.riigiteataja.ee/en/eli/523012015008/consolide																
													x	Amendment	Competences; Powers; Definition of a specific topic; Recovery; Other administrative penalties;	To clarify or consolidate existing rules; Other: Changes in taxation law.	the Taxation Act.	23.12.2014

REVENUE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN										Single	Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure	
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other	If other please specify								
EL	M4	Application of risk analysis in customs controls for all goods - within the ICISnet customs information system, methodologies for carrying out targeted checks are applied in risk analysis		✓		✓														
CY	M1	AMENDED LAW 188(l) 2007 on money laundering		✓	✓															
LV	M4	The Amendments made to the law "On the Convention drawn up on the basis of Article K.3 of the EU Treaty, on mutual assistance and cooperation between customs administrations (Naples II Convention)"		✓																

REVENUE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN										Single	Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS	Other										
LV	M5	Work with following companies regularly carried out since 2013: with established "buffer-risks", which indicates that the mentioned companies can be involved in the transaction chain as "intermediaries" or "buffers". Within the framework is carried out work also with "missing traders"; whose declared purchases from other EU companies are larger or smaller than deliveries declared by other companies of EU countries in their country Summary statements that could be an indicator of illegally imported goods legalization in Latvia or risks of unpaid VAT in one of the countries of the EU.						✓							x	OPERATIONAL MEASURE					
																		scope of operational measure	expected results of operational measure		
																	Update	Risk indicators	Enhanced information flow; Targeting of checks; Other: To exclude from the VAT registry companies that are "missing traders" and "buffers", thus stopping the fraudulent activities of involved companies. To ensure that in relevant countries of the EU involved in transactions the VAT tax is correctly calculated and paid. In case of risk detection are sent SCAC forms.		31.01.2013
LT	M5	In order to avoid conflicts of public and private interests in the Customs area, the Order of the Director-General of Customs regulating restrictions on the acceptance and offering of gifts and services by Customs officers and state officials and employees and the mechanism laid down for accounting for gifts and services received has been amended. The list of Customs officials' posts for which officers are required to declare their private interests has also been amended.				✓	✓								x	LEGISLATIVE MEASURE					
																	scope of legislation	reasons for legislative measures	Legislative Act - number		
																Amendment	Definition of a specific topic; Other administrative penalties	To clarify or consolidate existing rules	Regional law/ decree/ order 1B-521	06.08.2014	Customs

REVENUE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN								Single	Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS								Other	
NL	M3	Anti-dumping solar panels (anti-dumping under Regulation (EU) No 1238/2013), pro-active and real time control of all imported solar panels after the antidumping was established.										x	ORGANISATIONAL MEASURE						
													scope of organisational measure	expected results in terms of resources					
														New measure	Other: A dedicated team of all involved custom offices and specialist is established. The measure has a wide scope in accordance with the competences of the Customs as laid down in the Dutch General Customs Law.	Increased resources		01.01.2014	
															OPERATIONAL MEASURE				
															scope of operational measure	expected results of operational measure			
												New measure	Risk indicators; Increased number of checks	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting of checks; Targeting of investigations; Enhanced ex-post controls		01.03.2015			
NL	M4	Intensified control on origin (certificates, declarations)											OPERATIONAL MEASURE						
													scope of operational measure	expected results of operational measure					
												x	New measure	Increased number of checks;	Targeting of checks		01.09.2014		
PL	M2	Guideline on 'Verifying the declared customs value of textile goods and footwear imported from Far Eastern countries (mainly from China)'											OPERATIONAL MEASURE						
														scope of operational measure	expected results of operational measure				
												x	New measure	Flagging practice; Risk indicators; Increased number of checks	Targeting of checks; Other: Reduction or elimination of the practice, employed by certain unscrupulous importers, of understating the customs value of textile goods and footwear imported from Far Eastern countries so as to have customs duties under-assessed or to avoid paying them altogether. The Guideline came into actual use as from the beginning of 2014.		24.12.2013		

REVENUE - Most important anti-fraud measures adopted by Member States in 2014 under Article 325 TFEU

Member State	Measure	Title and description of measure	DOMAIN								Single	Package	New measure or Update	Specify type of measure (legislative, administrative, operational and/or organisational)	date	Horizontal measure (H)	Sectoral measure		
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	Whistle-blowers	AFCOS								Other	
PL	M4	Act of 5 December 2014 amending certain Acts pertaining to the implementation of the Budget Act (amending the Excise Duty Act of 6 December 2008)																	
PL	M5	Act amending the VAT Act and other acts																	
PT	M3	In criminal law, they were enshrined in the 2015 Budget Law as customs crimes with the objective of punishing the perpetrator , regardless of the value of the tax due or the value of the goods involved in the offence, wherever there are indications of organised crime or crime with an international dimension.		✓	✓														
SI	M3	Due to organizational changes the number of inspectors has increased, which facilitates reallocation of staff (human) resources to priority areas such as fraud . In the context of the Financial Management Board are organized special departments, responsible for the preparation of misdemeanor and criminal actions, allowing uniformity of practice and relieve (a less workload burden for inspectors) of inspectors. Due to changes in the process of financial investigation more effective actions to remedy the consequences of fraud are enabled and the faster and more effectively dealing with (proceeding) large-scale fraud.		✓															

3. SPECIFIC PART OF THE QUESTIONNAIRE 2014: DEFINITIONS USED IN IRREGULARITY REPORTING BY THE MEMBER STATES

The purpose of this year's specific part was to identify differences among the Member States in applying the definitions relating to irregularity reporting, the timing in which the reporting is done and the timing of the reporting of 'suspected fraud'.

The information collected is analysed thoroughly by OLAF, with the aim of guiding the Member States toward a harmonised approach in the interpretation of such definitions and increasing the comparability of data reported by the Member States.

3.1. Summary of the replies

The purpose of this year's specific part was to identify differences among Member States in applying the definitions relating to irregularity reporting (fraudulent and non-fraudulent) and the timing of the reporting. The information collected is analysed by OLAF, with the aim of guiding the Member States toward a harmonised approach in the interpretation of such definitions and increasing the comparability of the data reported by the Member States.

Almost all Member States made reference to their Civil Servants Code or Penal Code regarding legal obligations for public officials to refer to law enforcement or a judicial authority on any crime an official becomes aware of in the execution of their tasks, while the remaining four Member States⁵³ have no such provision in their national legislation.

All Member States reported the existence, and use, of guidelines on irregularity reporting; Twenty Member States⁵⁴ provided details on which definitions are specifically included in their internal guidelines.

Seven Member States⁵⁵ reported the application of the definition of '*economic operator*' in line with the relevant Union sectorial Regulations and guidelines for their application⁵⁶, as well as consistent with the Council Regulation on the protection of the Union's financial interests⁵⁷, with exception of a Member State exercising its prerogatives as a public authority.

A national definition of the '*primary administrative or judicial finding*' (PACA), which determines the timing of the reporting of irregularities, was reported by sixteen Member States⁵⁸. The questionnaire ascertained some differences in the application of the 'primary administrative or judicial finding' (PACA) according to the sector and irregularity. While half of the Member States reported uniform application of the PACA in all sectors and types of irregularity (fraudulent or non-fraudulent)⁵⁹, uniform application for all types of irregularity but different applications per sector is applied in six Member States⁶⁰, in two

⁵³ Denmark, Ireland, Sweden and the United Kingdom

⁵⁴ Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Greece, Croatia, Italy, Cyprus, Latvia, Lithuania, Hungary, Malta, Netherlands, Poland, Romania, Slovenia, Slovakia, Finland and Sweden

⁵⁵ Belgium, Czech Republic, Estonia, Latvia, Netherlands, Poland and Romania

⁵⁶ Regulations (EC) Nos 1828/2006 and 1848/2006

⁵⁷ Article 7 of Regulation (EC, Euratom) No 2988/95.

⁵⁸ Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Greece, Italy, Cyprus, Latvia, Lithuania, Hungary, Netherlands, Poland, Romania, Slovakia and Finland

⁵⁹ Bulgaria, Germany, Estonia, Ireland, Croatia, Italy, Hungary, Malta, Austria, Poland, Romania, Slovenia, Sweden and the United Kingdom

⁶⁰ Belgium, Denmark, France, Cyprus, Lithuania and Netherlands

Member States⁶¹ there are different applications of PACA between types of irregularity but uniform application per sector and in five Member States⁶² there are different applications per sector and per type of irregularity. As regards the reporting of ‘suspected fraud’, all except two Member States⁶³ pointed out that they do not request authorisation from the judicial authority before reporting suspected fraud. Eight Member States⁶⁴ use the definition of ‘suspected fraud’, as set out in EU legislation, in their national guidelines.

Sixteen Member States⁶⁵ make explicit reference in national legislation to fraud against the EU budget, while twelve Member States⁶⁶ say that their national legislation contains general definitions of the behaviour, without any specific reference to the ‘victim’.

Half of the Member States⁶⁷ use an internal system for signalling suspected irregularities outside of the Irregularity Management System (IMS), used for reporting of irregularities by the Member States to the Commission. Ten Member States⁶⁸ rely upon IMS only and four Member States⁶⁹ do not use internal IT systems for signalling suspected irregularities at all.

There are differences in relation to the reporting of cases subject to criminal proceedings: eight Member States⁷⁰ report the follow-up to the Commission after indictment, seven Member States⁷¹ report the follow-up after the initial sentence, fifteen Member States⁷² say that they do so after the definitive sentence (final court decision) and seventeen Member States⁷³ specify an ‘other’ practice of follow-up reporting.

3.2. Legal obligation for public officials to refer to law enforcement or a judicial authority on any crime he/she becomes aware of in the execution of his/her tasks.

The Member States were asked to specify whether there is any legal obligation for public officials to inform a law-enforcement or a judicial authority about any crime he/she becomes aware of in the execution of his/her tasks. Twenty-four Member States referred to an Article of their Civil Servants Code or Penal (Procedure) Code regarding legal obligations for public officials to refer to law enforcement or a judicial authority on any crime he/she becomes aware of in execution of his/her tasks, while the remaining four Member States⁷⁴ answered no existence of such provision.

The replies received are detailed in Table 4.

61	Latvia and Slovakia
62	Greece, Spain, Luxembourg, Portugal and Finland
63	Italy requests authorisation systematically and Romania does so on a case-by-case basis.
64	Belgium, Bulgaria, Czech Republic, Estonia, Greece, Latvia, Romania and Slovakia
65	Belgium, Bulgaria, Czech Republic, Denmark, Greece, Spain, Croatia, Italy, Cyprus, Hungary, Malta, Portugal, Romania, Slovenia, Slovakia and Sweden
66	Germany, Estonia, France, Latvia, Lithuania, Luxembourg, Netherlands, Ireland, Austria, Poland, Finland, and the United Kingdom
67	Belgium, Bulgaria, Czech Republic, Estonia, Spain, Croatia, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, Romania and Slovakia
68	Germany, Ireland, France, Italy, Netherlands, Austria, Portugal, Slovenia, Finland and Sweden
69	Denmark, Greece, Poland and the United Kingdom
70	Belgium, Denmark, Germany, Greece, Latvia, Poland, Romania and Finland
71	Belgium, Germany, Greece, Latvia, Austria, Romania and Finland
72	Belgium, Denmark, Germany, Greece, Spain, Latvia, Luxembourg, Hungary, Malta, Austria, Poland, Romania, Slovenia, Slovakia and Finland
73	Belgium, Bulgaria, Czech Republic, Estonia, Ireland, France, Croatia, Italy, Cyprus, Lithuania, Netherlands, Austria, Poland, Portugal, Slovenia, Sweden, United Kingdom
74	Denmark, Ireland, Sweden and the United Kingdom

Table 4: Legal obligation for public officials to refer to law enforcement or judicial authority on crimes they become aware of in the execution of their tasks

Legal obligation for public officials to refer to a law enforcement or a judicial authority on any crime he/she becomes aware of in the execution of his/her tasks				
MS	YES	Article and title of Act	Date of entry into force	Comment
BE	✓	Section II The way prosecutors are supposed to act in the exercise of their function. Article 29 of the Code of Criminal Procedure (Art.29 al1 Sv.) Every public official, that in the performance of his duties, learns of a crime, is obliged to immediately give notice to the public prosecutor.	10.7.1967	The tax officer informs the public prosecutor (Art.29 al3 Sv.) or is asked to organize a concertation in the context of the law Una Via. No direct cooperation is possible between the tax and the criminal authorities (Charter of the Tax Payer, Aug. 1986); without prejudice of the general competence of criminal investigation and prosecution of the Customs and Excise Administration as for customs duties, offenses regarding the traffic of legally prohibited or restricted goods at import, export, and transit, and in excise procedures.
BG	✓	Art. 205, par. 2, Penal Procedure Code	29.4.2006	When a public official becomes aware of a crime (which is considered at that stage as a suspicion of fraud) they must notify immediately the pre-trial procedure authority.
CZ	✓	Section 8(1) of Act No 141/1961 on criminal procedure (the Code of Criminal Procedure): 'The state authorities shall without delay report to the public prosecutor or to the police authorities any facts indicating that a criminal act has been committed.'	1.9.1995	The reporting requirement is laid down in Section 25(4) of Act No 255/2012 on audits (the Audit Regulation) as a requirement generally to report activity to the authorities responsible for imposing penalties. The reporting requirement is also incumbent on all employees under the Labour Code (the notification of irregularities to the Tax Office and the Ministry of Finance being further governed by Section 22 of the Financial Control Act).
DK		No such provision		
DE	✓	Federal Government Guidelines on the Prevention of Corruption in the Federal Administration (Richtlinie der Bundesregierung zur Korruptionsprävention in der Bundesverwaltung): Point 10 - Reporting and measures in the case of suspected corruption.	30.7.2014	Reporting and measures in the case of suspected corruption: 10.1. When the suspicion of corruption is borne out by facts, the head of department must immediately notify the Public Prosecutor and the highest administrative authority. Also, internal investigations must be held, and measures to prevent a cover-up must be taken. 10.2. Every year the highest Federal authorities must provide information in the specified anonymous form to the Federal Ministry of the Interior - also in the case of subordinate sectors - regarding cases of suspected corruption in which procedures have been launched.
EE	✓	There is an obligation to report a criminal offence in the first degree (see Section 307, Estonian Penal Code on https://www.riigiteataja.ee/en/eli/522012015002/consolide) and incidents of corruption on the part of officials (see Section 6, Estonian Anti-Corruption Act on https://www.riigiteataja.ee/en/eli/529012015001/consolide).	12.7.2014	There is no obligation to report fraud where failure to comply with that obligation results in sanctions being imposed.

Legal obligation for public officials to refer to a law enforcement or a judicial authority on any crime he/she becomes aware of in the execution of his/her tasks				
MS	YES	Article and title of Act	Date of entry into force	Comment
IE		No such provision		
EL	✓	Article 37 of the Code of Criminal Procedure [Κώδικα Ποινικής Δικονομίας]	8.8.1986	Under Article 37 of the Code of Criminal Procedure: 1. Investigating officials have a duty to communicate without delay to the competent public prosecutor any information they obtain by any means regarding offences that may be prosecuted on the prosecutor's own initiative. 2. Other public officials and persons exercising public office temporarily are subject to the same duty with regard to the offences referred to in paragraph 1, if they became aware of them in the performance of their duties. 3. The communication must be in writing and must include all the available information concerning the offence, the perpetrators and the evidence.
ES	✓	Organic Law 10/1995 of 23 November 1995 on the Criminal Code : Article 408. Royal Decree of 14 September 1882 approving the Law on Criminal Procedure: Article 105 for officials of the Public Prosecutor's Office, Article 259 for 'naming and shaming' and Article 262 by virtue of post, profession and office.	14.9.1882	Article 408 of the Criminal Code: 'Any authority or public official who, failing in the obligations of his post, intentionally fails to seek the prosecution of offences of which he obtains knowledge or of those responsible for such offences, shall incur the punishment of specific disqualification from public employment or office for a period of six months to two years.' Article 262 of LECRIM (Law on Criminal Procedure): 'Anyone who by virtue of his post, profession or office becomes aware of a public offence shall report it immediately ... if the person who fails to report the offence is a public servant, his superior shall also be informed.'
FR	✓	Article 40(2) of the Criminal Procedure Code	25.10.1795	'Any established authority, public official or civil servant who, in the performance of his duties, becomes aware of a crime or offence is required to notify the Public Prosecutor of the Republic without delay and to send to this magistrate all the information, official reports and documents relating thereto.'
HR	✓	Article 14 a of Civil Servants Act	4.5.2012	Article 14 a of Civil Servants Act determines legal protection of the employee who reports suspicion of corruption. Furthermore, Articles 301 and 302 of Criminal Code (OJ 125/11, 144/12) determine obligation for every person to report preparation of a criminal offence and commission of a criminal offence.
IT	✓	Article 331 Code of Criminal Procedure 'Reporting of offences by public officials and public service employees'	22.9.1988	/

Legal obligation for public officials to refer to a law enforcement or a judicial authority on any crime he/she becomes aware of in the execution of his/her tasks				
MS	YES	Article and title of Act	Date of entry into force	Comment
CY	✓	Article 69A of the Public Service Act (Act 1/90), obligation of officials to report corruption	19.12.2013	/
LV	✓	Criminal Law , Section 315.Failing to Inform of Crimes(a serious or especially serious crime),01.04.1999.;Criminal Procedure Law,Section 6.Mandatory Nature of Criminal Proceedings,01.10.2005;Law on Prevention of Conflict of Interest in Activities of Public Officials,Article 20,21,21.1, 10.05.2002	1.4.1999	Other national regulations on reporting irregularities and internal procedures of institutions.
LT	✓	Paragraphs 73 and 84 of the Rules on the administration and funding of operational programmes , approved by Lithuanian Government Resolution No 1225 of 12 November 2008 on the approval of the Rules on the administration and funding of operational programmes (2007–2013 programming period).	30.11.2008	Other legislation: Paragraph 204 of the Rules on the administration of the operational programme for investments from the European Union Funds for 2014–2020, approved by Lithuanian Government Resolution No 1090 of 3 October 2014 on the approval of the Rules on the administration of the operational programme for investments from the EU Funds for 2014–2020 (entry into force: 15 October 2014).
LU	✓	Article 9 of the Law of 16 April 1979 laying down the general terms and conditions of employment for civil servants, as amended by Article 23 of the Criminal Code (Article 5 of 13 February 2011 stepping up measures to combat corruption...)	13.2.2011	Any duly constituted authority, public official or civil servant, and any employee or agent responsible for a public service mission, whether they be employed or mandated under public or private law, who, in the performance of their duties, becomes aware of facts that may constitute a crime or offence, is required to notify the Public Prosecutor without delay and to send to the Public Prosecutor all the information, notwithstanding any rule of confidentiality or professional secrecy that may be applicable to them.
HU	✓	Section 171(2) of Act XIX of 1998 on criminal procedure	1.1.2000	Legal obligation is also established by: (1) Section 86(4) of Government Decree No 4/2011 of 28 January 2011 on the rules for the use of aid from the European Regional Development Fund, the European Social Fund and the Cohesion Fund in the 2007-2013 programming period; (2) Section 160(5) of Government Decree No 272/2014 of 5 November 2014 on the rules for the use of aid from certain EU funds in the 2014-2020 programming period.

Legal obligation for public officials to refer to a law enforcement or a judicial authority on any crime he/she becomes aware of in the execution of his/her tasks				
MS	YES	Article and title of Act	Date of entry into force	Comment
MT	✓	Article 16 of the Internal Audit and Financial Investigations Act (cap. 461 of the Laws of Malta).	25.7.2003	If an entity has reason to suspect any irregularity and, or a suspected case of fraud of public funds, it shall refer the matter forthwith to the Director, and shall supply to the Director all information in his possession relating thereto.
NL	✓	Article 162 of the Code of Criminal Procedure . The Article is called 'Duty to report' and provides that any official who, in the performance of his duties, becomes aware of a crime has a duty to report it.	1984	/
AT	✓	Section 78 of the 1975 Code of Criminal Procedure - notification obligation, right to report and detain. Section 53 of the 1979 Civil Service Regulations (Beamtendienstrechtsgesetz) - notification obligation.	30.12.1975	/
PL	✓	Code of Criminal Procedure , Article 304 - Obligation to report a crime	6.6.1997	National and regional bodies which, in the course of their activities, have learned of the commission of a prosecutable crime have a duty to report that crime immediately to the prosecuting authorities or the police and to take, prior to the arrival of the law-enforcement authorities or prior to the issue by these authorities of appropriate instructions, the steps necessary to prevent the concealment of evidence and proof of the crime.
PT	✓	Article 242 of the Code of Criminal Procedure (Código do Processo Penal - CPP), approved by Decree-Law No 78/87 of 17 February 1987, as amended by Decree-Law No 317/95 of 28 November 1995.	28.11.1995	Public officials are required to report any crime they become aware of in the exercise of their duties or in their official capacity, even if the criminals are unknown. Article 243(3) of the CPP and Article 35(6) of the General Law on Tax Fraud (Regime Geral das Infrações Tributárias - RGIT), approved by Law No 15/2001 of 5 June 2001, provide that in the case of tax crimes, the official notice must be sent to the public prosecution service without delay, within a period not exceeding 10 days.

Legal obligation for public officials to refer to a law enforcement or a judicial authority on any crime he/she becomes aware of in the execution of his/her tasks				
MS	YES	Article and title of Act	Date of entry into force	Comment
RO	✓	Article 263 of the Romanian Criminal Code	21.6.1968	This Article was replaced by Article 267 of the new Romanian Criminal Code, which came into force on 1 February 2014.
SI	✓	10.a: YES with regard to FURS: Article 145 of the Code of Criminal Procedure , Article 17 of the Inspection Act; 10.b NO: Answer is NO with regard to SVRK and AKTRP.	14.11.2011	The national authority is required to report criminal offences In accordance with the aforementioned provision of the Code of Criminal Procedure. Under the provisions of the Inspection Act the inspector is especially liable if he does not notify the responsible authorities about instances of fraud.
SK	✓	Section 60(2)(g) of Act No 400/2009 on public service and amending and supplementing certain acts, as subsequently amended, in force from 1 November 2009.	1.11.2009	The obligation to report crimes laid down in Section 3(2) of Act No 301/2005 (the Code of Criminal Procedure), as amended, also applies to the state authorities and other legal persons. Section 340 of Act No 300/2005 (the Criminal Code), as amended (Crime: Failure to report a crime), applies to all persons. Obligation on employees of a control body (including government auditors) to report suspected criminal activity to the prosecution authorities within the meaning of Section 13 of Act No 502/2001 on financial control and internal auditing and amending certain other acts, as amended.
FI	✓	Act on the National Audit Office 676/2000, Section 17	14.7.2000	/
SE				No such provision
UK				No such provision

3.3. Guidelines regarding the application of definitions in irregularity reporting

The Member States were asked to clarify if there are any guidelines in use concerning the interpretation of the definitions and on which base they were elaborated. All Member States reported the existence and use of guidelines on irregularity reporting.

The majority of Member States reported the use of internal guidelines developed by the Member States, in some instances based on former guidelines provided by the European Commission⁷⁵ and in other instances based on guidelines provided by the European Commission along with national guidelines⁷⁶. Eight Member States⁷⁷ reported the use of guidelines provided by the European Commission only.

Table 5: Use of guidelines by Member States

Guidelines in use concerning interpretation of definitions			
MS	provided by the EC	developed by the MS	provided by the EC alongside national guidelines
BE			✓
BG			✓
CZ			✓
DK		✓	
DE	✓		
EE			✓
IE	✓		
EL			✓
ES	✓		
FR	✓		
HR		✓	
IT		✓	
CY		✓	
LV			✓
LT		✓	
LU	✓		
HU			✓
MT		✓	
NL			✓
AT	✓		
PL		✓	
PT	✓		
RO			✓
SI			✓
SK			✓
FI			✓
SE		✓	
UK	✓		

The table above shows what type of guidelines are in use in the Member States

⁷⁵ Denmark, Croatia, Italy, Cyprus, Lithuania, Malta, Poland and Sweden

⁷⁶ Belgium, Bulgaria, Czech Republic, Estonia, Greece, Latvia, Hungary, Netherlands, Romania, Slovenia, Slovakia and Finland

⁷⁷ Germany, Ireland, Spain, France, Luxembourg, Austria, Portugal and the United Kingdom

3.3.1. Internal guidelines on the interpretation of definitions in irregularity reporting developed by the Member States

The twenty Member States which have replied that they use internal guidelines (alongside those provided by the Commission or not) were asked to specify whether they have developed specific instructions on how to interpret certain specific concepts defined in the regulations. Three ‘concepts’ were identified and a fourth category allowed Member States to provide additional inputs:

- “economic operator”⁷⁸;
- “primary administrative or judicial finding (PACA)”⁷⁹;
- “suspected fraud”⁸⁰;
- “other definitions” to be further specified.

Table 6: Concepts and definitions specified in internal guidelines

Internal guidelines developed by the Member States				
MS	economic operator	PACA	suspected fraud	other definitions
BE	✓	✓	✓	
BG		✓	✓	✓
CZ	✓	✓	✓	
DK		✓		
EE	✓	✓	✓	✓
EL		✓	✓	
HR				✓
IT		✓		
CY		✓		✓
LV	✓	✓	✓	✓
LT		✓		
HU		✓		
MT				✓
NL	✓	✓		✓
PL	✓	✓		
RO	✓	✓	✓	✓
SI				✓
SK		✓	✓	✓
FI		✓		✓
SE				✓

The table shows what type of definition is used in the internal guidelines of the Member States

- **Definition of economic operator** was reported by Belgium, Czech Republic, Estonia, Latvia, Netherlands, Poland and Romania.
- **Definition of Primary administrative or judicial finding (PACA)** was reported by Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Greece, Italy, Cyprus, Latvia, Lithuania, Hungary, Netherlands, Poland, Romania, Slovakia and Finland.

⁷⁸ The concept of “economic operator” is linked directly to the definition of “irregularity”. For a legal definition, in relation to irregularity reporting, see, *inter alia*, article 27 (a) of Regulation (EC) No 1828/2006.

⁷⁹ The PACA is the triggering moment for the obligation to report an irregularity to the Commission. For a legal definition, in relation to irregularity reporting, see, *inter alia*, article 27 (b) of Regulation (EC) No 1828/2006.

⁸⁰ Suspected fraud is a specific subset of the irregularity concept. For a legal definition, in relation to irregularity reporting, see, *inter alia*, article 27 (c) of Regulation (EC) No 1828/2006.

- **Definition of suspected fraud** was reported by Belgium, Bulgaria, Czech Republic, Estonia, Greece, Latvia, Romania and Slovakia.
- **‘Other definitions’** were reported by Belgium, Bulgaria, Estonia, Croatia, Cyprus, Latvia, Malta, Netherlands Romania, Slovenia, Slovakia, Finland and Sweden (will be explained later).

3.3.1.1. Definition of economic operator

Seven Member States⁸¹ reported the application of the **definition of economic operator** and natural, or legal, person acting as a project applicant or beneficiary, in their national guidelines⁸². The definition is applied in line with the relevant EU Regulations and guidelines for their application issued by the European Commission (1828/2006, 1848/2006) and is in line with the Council Regulation on the protection of European Communities (Article 7 of Regulation EC, Euratom 2988/95).

Table 7: Interpretation of the definition of economic operator in internal guidelines

Internal guidelines developed by the Member States	
MS	Definition of economic operator
BE	'Economic operator' means any natural or legal person or other entity taking part in the implementation of assistance from the Funds , with the exception of a Member State exercising its prerogatives as a public authority (Article 27, Regulation (EC) No 1828/2006).
CZ	An 'economic operator' is any natural or legal person or other entity involved in the implementation of aid from EU funds, with the exception of the Member States in the exercise of public powers . In this connection it must be emphasised that operations carried out by state authorities for the purpose of implementing EU Structural Funds cannot be regarded as the exercise of public powers within the meaning of the above definition.
EE	The economic operator is any natural or legal person or other body involved in using the aid, including a Member State public authority . The guidelines can be found on the Ministry of Finance website: http://www.fin.ee/toetustega-seotud-rikkumised
LV	"Economic operator" means any natural or legal person or another entity taking part in the administration of assistance from EU funds , with the exception of Member States exercising their prerogatives as a public authority (the exception in practice in not application to the management of EU funds programmes and project implementation). For the purpose of these guidelines an economic operator is a project applicant, as well as a beneficiary (Guidelines of the Managing Authority of EU Structural Funds and Cohesion Fund (MA of EU funds) No.10.11 for Reporting on the Irregularities Identified during the EU Funds Implementation and Recovery of Irregular Expenditure in the Programming Period 2007-2013). "Economic operator" (beneficiary) shall mean any person who has applied to the financial support from European Union or state budget , as well as a person who has applied for and received the European Union or state budget funding (Internal procedure of Rural Support Service (RSS) No.3 of 8 December 2011 "Procedure for the reporting of irregularities/ undue payments and the recovery of undue payments in the Rural Support Service");
NL	Article 7 of Regulation (EC, Euratom) No 2988/95 refers to economic operators who are 'natural or legal persons and other entities on which national law confers legal capacity who are suspected of having committed irregularities, persons who took part in committing the irregularity and persons who are under a duty to take responsibility for the irregularity or to ensure that it is not committed'.
PL	Under the latest national guidelines concerning cohesion policy for the 2007-2013 financial perspective, the term 'economic operator' refers both to bodies engaged in implementing EU funds , whether as a party to a cofinancing agreement or as a recipient of aid (beneficiary) , and to bodies performing tasks in connection with the implementation of EU funds (tasks arising from their function in the management and control system). As a result, any breaches of rules resulting from acts of commission or omission by these bodies that also qualify as irregularities will be subject to obligatory reporting to the European Commission under the relevant regulations. As the definition of economic operator in Regulation 1848/2006 concerning the CAP is different , there is no such doubt as regards the interpretation of economic operator, which in this instance is synonymous with beneficiary .
RO	The term 'economic operator' has the meaning assigned to it by the applicable regulations and the guidelines for their application issued by the European Union

⁸¹ Belgium, Czech Republic, Estonia, Latvia, Netherlands, Poland and Romania

⁸² I.e. developed by the Member States or provided by the European Commission alongside national guidelines.

3.3.1.2. Definition of Primary administrative or judicial finding (PACA)

The Member States were asked to specify whether there is a specific interpretation of the definition of primary administrative and judicial finding (PACA) in the national guidelines. Sixteen Member States reported about such interpretation⁸³. The definitions are in line with the EU regulations in force and reflect specific national procedures applied and bodies involved. Denmark, Lithuania and Slovakia specifically reported guidance on PACA for the current programming period 2014-2020.

Concerning the date (or phase) of the primary administrative or judicial finding, more details are provided in the specific replies provided in relation to this question (see paragraph 3.4 on ‘Types of PACA’).

Table 8: Definition of the Primary administrative or judicial finding (PACA) in national guidelines on reporting

Internal guidelines developed by the Member States	
MS	Definition of PACA
BE	'Primary administrative or judicial finding' means a first written assessment by a competent authority , either administrative or judicial, concluding on the basis of specific facts that an irregularity has been committed, without prejudice to the possibility that this conclusion may subsequently have to be revised or withdrawn as a result of developments in the course of the administrative or judicial procedure (Article 27, Regulation (EC) No 1828/2006). This document must include the results of a hearing involving both parties.
BG	In the national legislation there is a provision that treats the application of PACA , art. 14, par. 1 of the Ordinance for establishing procedures for administering irregularities of funds, instruments, and programmes co-financed by the EU. Moreover, in national issued methodological guidelines it is described which document should be considered as PACA . It is the document issued by the Managing authority in which it is declared that an irregularity is established. This statement is based on a preliminary check as a result of which facts that prove a committed irregularity are found.
CZ	Primary administrative or judicial finding' means the competent administrative or judicial authority's initial written assessment in which – on the basis of specific facts – the authority comes to the opinion that irregularities have occurred , without prejudice to the possibility that such a conclusion may in the course of administrative or judicial proceedings be subsequently revised or withdrawn.
DK	During the 2014-2020 programme period, the working definition of PACA mentioned below serves as guidance for case handlers in the structural funds sector . Definition of the primary administrative or judicial finding (PACA). In practice, the Danish Business authority reports the cases in the statement of expenditure (request for payment) that is submitted to the Commission when a final audit report has been drawn up by verifying authorities such as the National Audit Office of Denmark, the Court of Auditors, the Commission, the audit authority or the administrative authority. The audit report should conclude that an irregularity has been committed, and propose the action to be taken in respect of the applicant. In cases where case handlers send a recovery order, this would also be considered "a primary administrative or judicial finding" . Irregularities due solely to the complete or partial failure to carry out an operation when an aid beneficiary goes bankrupt are not reported. Nor are cases reported in which the beneficiary voluntarily brings the matter to the attention of the administrative or certifying authority before one of them discovers it, regardless of whether the public contribution has already been paid. If fraud is suspected, a primary administrative or judicial finding is drawn up when it is decided to transfer the case to the Public Prosecutor for Serious Economic and International Crime (Danish acronym, SØIK).

⁸³

Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Greece, Italy, Cyprus, Latvia, Lithuania, Hungary, Netherlands, Poland, Romania, Slovakia and Finland

Internal guidelines developed by the Member States

MS	Definition of PACA
EE	A primary finding is deemed to be an assessment by the competent administrative or investigating authority in the initial written document (on-the-spot report, final audit report, etc.) where, on the basis of the facts, it can be concluded whether the rules have been infringed. Any infringement established or suspected must be reported within 10 working days of the official confirmation of the infringement or suspected infringement, i.e. with documents supporting these suspicions (a decision, on-the-spot report, cost statement, audit report, etc.). The guidelines can be found on the Ministry of Finance website: http://www.fin.ee/toetustega-seotud-rikkumis-ed
EL	There is a primary administrative or judicial finding when all of these three conditions are met: a) the amount to be recovered has been calculated, b) the identity of the debtor is known and c) the debtor has been duly informed of the debt.
IT	Primary administrative finding: assessment by the decision-making bodies of the data and evidence in the first record of findings or in the files so as to preclude the need requirement to forward cases every time that offences constituting irregularities or fraud have clearly not been committed. Primary judicial finding - this must be the point at which: in ordinary proceedings, the request is made to bring the case before the courts, or for alternative procedures, under Article 405 Code of Criminal Procedure; in proceedings before the general court sitting with a single judge, the public prosecutor serves a direct summons for trial by issuing a summons under Articles 550 and 552 Code of Criminal Procedure.
CY	The primary administrative finding is made in writing by the competent department. The document setting out the findings of the administration (department) must conclude , on the basis of specific events, that an irregularity was committed , i.e. that the applicant infringed a provision of national or EU legislation which resulted or could have resulted in the wrong and/or undue payment of Community aid to the applicant. For the document to be official, it must be signed by the head of the department.
LV	“primary administrative or judicial finding” means a first written assessment by a competent authority, either administrative or judicial, concluding on the basis of specific facts that an irregularity has been committed, without prejudice to the possibility that this conclusion may subsequently have to be revised or withdrawn as a result of developments in the course of the administrative or judicial procedure. For the purpose of Regulation No 2035/2005 a cooperation or responsible institution can also be a “primary administrative finding” . In the explanation provided in Article 1 of the Regulation “primary administrative or judicial finding” means a first written assessment by a competent authority, either administrative or judicial, concluding on the basis of specific facts that an irregularity has been committed, without prejudice to the possibility that this conclusion may subsequently have to be revised or withdrawn as a result of developments in the course of the administrative or judicial procedure. In this case it shall not be literally perceived that administrative or legal proceedings have been initiated, because the consideration of the case is subject to national regulatory acts. A cooperation or responsible institution is often the first identifying the irregularity, which is also recorded in writing (Guidelines on In the case of common agricultural policy in accordance “primary administrative or judicial finding” means a first written assessment by a competent authority, either administrative or judicial, concluding on the basis of specific facts that an irregularity has been committed, without prejudice to the possibility that this conclusion may subsequently have to be revised or withdrawn as a result of developments in the course of the administrative or judicial procedure.
LT	The Methodological recommendations for investigating and identifying irregularities, approved by Order No 1K-173 of 29 May 2009 by the Minister for Finance on the approval of the Methodological recommendations for investigating and identifying irregularities: Paragraph 15 of the Methodological recommendations lays down that the conclusion of an investigation is the first written assessment (the primary administrative or judicial finding - hereinafter PACA) concluding on the basis of specific facts that an irregularity has been committed, without prejudice to the possibility that this conclusion may subsequently have to be revised or withdrawn as a result of developments in the course of the administrative or judicial procedure, as indicated in Article 27(b) of Commission Regulation (EC) No 1828/2006 of 8 December 2006 setting out rules for the implementation of Council Regulation (EC) No 1083/2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and of Regulation (EC) No 1080/2006 of the European Parliament and of the Council on the European Regional Development Fund (OJ L 371, 2006, p. 1) as last amended by (Also, paragraph 210 of the Rules on the administration of the operational programme for investments from the European Union Funds for 2014–2020 lays down that the European Commission must be notified about any irregularities identified within two months following the end of the reference quarter. An infringement is identified when the institution has conducted an investigation into the infringement and has adopted a decision (equivalent to the PACA) that an infringement has been identified (paragraphs 314 and 318 of the Rules on the administration and funding of projects, approved by Order No 1K-316 of 8 October 2014 by the Minister for Finance on the approval of the Rules on the administration and funding of projects).

MS	Definition of PACA
HU	<p>1. The Agricultural and Rural Development Office, which is the body discharging the tasks of paying agency for aid from the European Fund for Agriculture and Rural Development (EAFRD) and the European Agricultural Guarantee Fund (EAGF), uses the definition laid down by Article 35 of Regulation 1290/2005/EC, but the internal written procedure also specifies which types of decision (e.g. decision establishing undue benefit, amending or revoking a decision, etc.) include an order to return undue aid.</p> <p>2. The document entitled 'Handbook for reporting irregularities relating to aid from the European Regional Development Fund, the European Social Fund and the Cohesion Fund in the 2007-2013 programming period', drawn up by the Hungarian anti-fraud coordination service (AFCOS) and available on the website of the National Tax and Customs Administration, states the following: "The "first administrative or legal finding" mentioned in Section 90(2)(a) of Government Decree No 4/2011 is based on the decision issued by the head of the body carrying out the procedure, pursuant to the irregularity report."</p>
NL	<p>A primary administrative finding is a report by a management authority, certifying authority, audit authority or other control department (it may also be an EU control), where enough facts are recorded which involve the irregularity detected. There is no set form to follow for this type of report (memo, letter, an entry in the Article 13 check-list). It only has to be recorded when: - the individual findings are final (and the adversary procedure has taken place) and - any amount to be corrected is identified.</p>
PL	<p>It is not possible from the wording of the definition to identify one type of document that can be considered a PACA to the exclusion of all others (not even at the level of a fund, sector or body). Under the relevant guidelines, the competent authority decides which of the documents drawn up and collected in a given case is to be recognised as meeting the criteria laid down in the definition of PACA. The national guidelines explain that a PACA will generally be a written assessment confirming the existence of an irregularity in a given case. The guidelines provide an indicative list of documents that can be recognised as a PACA, but it is no more than an aid and not exhaustive, so documents not mentioned therein can also serve as a PACA. The guidelines also state that, in the event of the receipt of anonymous information, press reports or other unconfirmed information from any source suggesting a possible irregularity, the competent authority is to carry out an investigation to verify the allegations made. The verification of the information will culminate in the drafting of a final official document which will, if justified, constitute a PACA or exclude the occurrence of irregularities.</p>
RO	<p>Under the current Emergency Order, the following are deemed to be primary administrative findings: a) the report identifying irregularities and establishing budget debts issued by the competent authorities and the document establishing the amount involved issued by the Audit Authority; b) the inspection document issued by DLAF and the inspection report issued by OLAF.</p>
SK	<p>Further guidance on interpreting the definition of a primary administrative or judicial finding can be found, for instance, in the Financial Management System for the Structural Funds, the Cohesion Fund and the European Maritime and Fisheries Fund for the programme period 2014-2020, version 1.0:</p> <p>'An irregularity is formally documented at national level upon the approval of a report on the detected irregularity, following the approval/discussion/forwarding/familiarisation with/delivery of an official document, depending on the type of control/audit/verification carried out, or the entry into force of an administrative decision.</p> <p>A suspected irregularity which has been detected, or the detection of an irregularity in an approved irregularity report, is justified in particular on the basis of:</p> <ol style="list-style-type: none"> I. a report on an administrative check/on-the-spot check of the inspected entity; II. findings and recommendations from a certification check; III. a sub-report received on a government audit of an audited entity; IV. a report received on a government audit of an audited entity, where no irregularities have been set out in the sub-report on the government audit; V. a final administrative decision by the financial control administration/Ministry of Finance; VI. familiarisation of the management body with the discussed report on the results of the checks carried out by the Public Procurement Office/final administrative decision by the management body; VII. a report received on an audit by the European Commission or European Court of Auditors; VIII. a report received on an investigation by the European Anti-Fraud Office (OLAF); IX. the discussed report on the results of the checks carried out by the Supreme Audit Office; X. the discussed report on the results of the checks carried out by the Government Office of the Slovak Republic; XI. the discussed report on the results of an internal check/internal audit; XII. receipt of a decision to institute criminal proceedings; XIII. a decision by the Anti-monopoly Office concerning a restrictive agreement within the meaning of Section 4(1) of Act No 136/2001'.
FI	<p>The definition has been clarified with practical examples on the types of findings:</p> <p>Primary administrative or judicial finding means the first written assessment on a detected irregularity. In practice this means that during audit or other control activities an irregularity has been detected based on concrete facts. Such written assessment can be, for example, an audit report, a report on on-the-spot control, a payment decision, a decision to suspend or finish the payments or a decision on recovery/withdrawal.</p>

3.3.1.3. Definition of suspected fraud

The Member States were asked to provide further information on the application of the ‘definition of suspected fraud’ in their national guidelines. Eight Member States (Belgium, Bulgaria, Czech Republic, Estonia, Greece, Latvia, Romania and Slovakia) reported information about the interpretation of such definition in their national guidelines⁸⁴.

The national legislation reflects the definitions used in the relevant EU legislation, i.e. the Article 1.1.(a) of the Convention on the Protection of European Communities’ Financial Interests drawn up on the basis of Article K.3 of the Treaty on European Union and Article 27 of Regulation (EC) No 1828/2006. In addition, Bulgaria reported using the ‘suspicion of irregularity’ and Slovakia reported a new procedure on IRQ3 irregularity qualification⁸⁵, in force as of 2015.

The replies provided are detailed in Table 9.

⁸⁴ The full version of definitions can be seen in the two tables below.

⁸⁵ IRQ3 Irregularity qualification refers to the specific code used in the Irregularity Management System (IMS) to indicate that a given irregularity is a “suspicion of fraud”.

Table 9: Application of the definition of ‘suspected fraud’ in internal guidelines on the reporting of eight Member States

Internal guidelines developed by the Member States	
MS	Definition of suspected fraud
BE	‘ Suspected fraud ’ means an irregularity giving rise to the initiation of administrative or judicial proceedings at national level in order to establish the presence of intentional behaviour, in particular fraud, as referred to in point (a) of Article 1(1) of the Convention on the protection of the European Communities’ financial interests (Article 27, Regulation (EC) No 1828/2006).
BG	The national legislation adopts the same definition as the one in the EU Regulations and PIF Convention 1995 , in par. 1, p. 3 of the Supplementing provisions of Ordinance for establishing procedures for administering irregularities of funds, instruments, and programmes co-financed by the EU. Moreover , in national issued methodological guidelines it is described that suspected fraud is a type of irregularity . That means an infringement should be found and if there is a suspicion that it was committed intentionally then the case is qualified as a suspected fraud . The focus is on the committed infringement because if there is only a suspicion of the infringement the case is said to be suspicion of irregularity .
CZ	Suspected fraud’ is an irregularity that prompts criminal proceedings at Member State level with a view to determining whether the activity in question was intentional and , in particular, whether fraud has been committed within the meaning of Article 1(a) of the Convention on the Protection of the European Communities’ Financial Interests , which was drawn up on the basis of Article K.3 of the Treaty on European Union. Such cases are also subject to the reporting requirement under Czech law – the audit authorities being required in particular to report to the authorities active in criminal proceedings any suspicion of criminal activity arising in the course of an audit.
EE	The Ministry of Finance must be informed of any suspected offence within 10 working days , irrespective of the amount of damages. An offence is a punishable act provided for in the Penal Code or another Act. (See Article 3 of the Estonian Penal Code on https://www.rigiteataja.ee/en/eli/522012015002/consolide). The guidelines can be found on the Ministry of Finance website: http://www.fin.ee/toetustega-seotud-rikkumised

Internal guidelines developed by the Member States	
MS	Definition of suspected fraud
EL	An irregularity is deemed to be suspected fraud if the case file has been sent to the competent public prosecutor .
LV	“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, in particular fraud , such as is referred to in Article 1(1), point (a), of the Convention on the protection of the European Communities’ financial interests ; a) in respect of expenditure, any intentional act or omission relating to: - the use or presentation of false, incorrect or incomplete statements or documents, which has as its effect the misappropriation or wrongful retention of funds from the general budget of the European Communities or budgets managed by, or on behalf of, the European Communities, - non-disclosure of information in violation of a specific obligation, with the same effect - the misapplication of such funds for purposes other than those for which they were originally granted. (Guidelines of the MA of EU Funds No.10.11)
RO	Fraud - an offence committed in connection with obtaining or using European funds and/or related national public funds, punishable under the Criminal Code or other specific laws; The term 'suspected fraud' has the meaning assigned to it by the applicable regulations and the guidelines for their application issued by the European Union .
SK	The Irregularities Notification Manual states that the IRQ 3 (suspected fraud) qualification is assigned where criminal proceedings are begun in connection with an irregularity and a decision or notification of the initiation of criminal proceedings is issued. It is also used where criminal proceedings are deferred pursuant to Section 216(1)(a) and (b) of the Code of Criminal Procedure, if a notification of the deferral of criminal proceedings has been issued. Building on expertise in practical application in accordance with Article 27 of Regulation (EC) No 1828/2006 and Article 2 of Regulation (EC) No 1848/2006, with effect from 1 January 2015 the setting of the IRQ 3 irregularity qualification is determined as follows: 'An irregularity is qualified as suspected fraud on the basis of a control report/the results of the assessment of a reply by the MA/IBMA/PU to the findings and the recommendations from the certification check/system and operational audits/report on the Commission's audit/OLAF investigation to the prosecution authorities. IRQ 3 qualification is assigned to a irregularity demonstrating the sending of relevant documentation to the prosecution authorities. If the irregularity is caused by the MA, only the written version of the irregularity is processed without being registered in the ITMS, and that is sent to the CA and the OLAF Central Contact Point. If the criminal proceedings are instigated by a person or public authority, the MA registers a change of qualification of the irregularity from IRQ 2 to IRQ 3 or a new IRQ3 irregularity on the basis of a 'decision/notification of criminal proceedings', requested from the prosecution authorities at the time when it is informed by a third party that criminal proceedings have begun in connection with the implementation of the operational programme managed by it'. Comment on practice of reporting: From 1 January 2015 – For fraudulent irregularities, the date of the first administrative or judicial finding in the case of an initiative by the public authorities is the date of submission of the irregularity to the prosecution authorities and, in the case of an initiative by natural and legal persons other than the public authorities, following completion of the initial phase of the investigation'.

3.3.1.4. Other relevant definitions in use

‘Other definitions’ in use concerning the reporting of irregularities in their national guidelines were reported by the following ten Member States: Bulgaria, Estonia, Croatia, Latvia, Malta, Netherlands, Romania, Slovakia, Finland and Sweden.

These include clarifications about the definitions of:

- irregularity (the notion of irregularity, the suspicion of irregularity or suspected infringement of the EU law)
- bankruptcy (insolvency proceedings in line with the Council Regulation (EC) No 1346/2000).

The replies are detailed in Table 10.

Table 10: Other definitions in use by ten Member States in their national guidelines on the reporting of irregularities

Internal guidelines developed by the Member States	
MS	Other definitions in use
BG	In the national legislation there is a legal definition of “suspicion of irregularity” in par. 1, p. 4 of the Supplementing provisions of Ordinance for establishing procedures for administering irregularities of funds, instruments, and programmes co-financed by the EU. It states that suspicion of irregularity is any incoming information, including from an anonymous source, for a committed irregularity. The information should at least give reference about the project, financing programme, an administrative structure and a description of the irregularity. In methodological guidelines it is specified that the information should give enough ground to consider there is an irregularity. The follow-up actions require a check of the information and subsequently a decision is made by the Managing authority, issuing PACA, whether to establish irregularity (fraudulent or not fraudulent) or not.
EE	<ol style="list-style-type: none"> 1. An infringement of Community law also includes not complying with the requirements of national law and compulsory procedure. 2. ‘...would damage...’ - when no infringement is established and the aid would be paid out, i.e. an infringement can occur also before the aid is paid out. 3. An infringement means not complying with the requirements set in law, in a decision to grant aid and the annexes thereto, or in procedural guidelines, which can be quantified in money - activities or costs (whether planned or not) linked to an infringement are not eligible for EU aid. 4. Cases of financial loss – there are infringements where it is not possible to assess the exact size of the loss but an infringement report must be provided within 10 working days. In such cases, it is written in the report that there has been a suspected infringement, that the exact amount of the damages is being established and that the amount indicated is the total for the project or for the particular action or transaction. 5. Case management - case management is generally handled by the body that made the decision to grant the aid. If necessary, other competent bodies (investigating authorities, the Tax and Customs Board, etc.) are also involved; in such cases, the decision-maker has the obligation to review the management of the case and submit infringement reports. The Ministry of Finance monitors case management through these reports and, if necessary, targets and provides information. 6. Closing cases - an infringement case is closed when all the circumstances behind the infringement have been resolved and all corrective actions have been taken (for example, the court has made its decision, the amounts have been recovered, the decision to grant aid has been cancelled or modified, etc.). <p>The guidelines can be found on the Ministry of Finance website: http://www.fin.ee/toetustega-seotud-rikkumised</p>
HR	All the relevant definitions including the definitions of economic operator, PACA and definition of suspected fraud are embedded in national Guidelines from relevant EC Regulations (Commission Regulation 1828/2006, Commission Regulation 1848/2006, Commission Regulation 498/2007).
LV	Bankruptcy means insolvency proceedings within the meaning of Article 2, point (a), of Council Regulation (EC) No 1346/2000. Within the meaning of Article 120 of the Insolvency Law „bankruptcy” means completion of insolvency proceedings with a court decision without initiation of legal protection proceedings. (Guidelines of the MA of EU Fund No.10.11) Concerning the Latvia-Lithuania Cross-border cooperation Programme and the Estonia - Latvia - Russia Cross Border Cooperation Programme within European Neighbourhood and Partnership Instrument 2007 – 2013 only guidelines provided by the European Commission regarding application of definitions in the irregularity reporting are in use .
MT	Definition of 'irregularity' according to the Internal Audit and Financial Investigations Act (cap. 461 of the Laws of Malta): "means whichever act or omission which unlawfully diminishes public funds and whatever is not consonant with the proper management thereof". In the Criminal Code , we find the following: a. Misappropriation (Article 293); b. Obtaining Money by false pretenses (Article 308); and c. Other Fraudulent Gain (Article 309). According to the Permanent Commission against Corruption Act (cap. 326 of the Laws of Malta), 'corrupt practice' is defined in Article 6.

Internal guidelines developed by the Member States	
MS	Other definitions in use
NL	The definition given to the notion of 'irregularity' is rather broad. The definition includes, among other things, the following points: operations which have led to negative financial consequences for the EU or which could lead to negative financial consequences; both intentional and unintentional operations; operations which are systematic or incidental. Where an operation in or of a project (or a final beneficiary) is in breach of European law, this constitutes an irregularity. Often, irregularities consist of expenditure which has already been incurred or may still be incurred and which is or would possibly be included in a statement of expenditure to be declared to the European Commission, even though the expenditure is not eligible for financing from the structural funds (financial irregularities). Technical mistakes and clerical errors also have to be considered as irregularities and must therefore be recorded.
RO	Irregularity - any deviation from legality, from regularity or from conformity with national and/or European provisions or contractual provisions, or other legal commitments entered into on the basis of such provisions, that results from action or inaction on the part of a beneficiary or an authority responsible for managing European funds and has been or could be detrimental to the budget of the European Union and/or related national public funds through an amount being unduly paid; Irregularities of a systemic/systematic nature - irregularities which are generated by the manner in which the key requirements of the management and control systems are met, and which stem either from flaws in the design of the management and control procedures, from systematic errors in the application of the management and control procedures or the non-correlation of national legislative provisions with European Union regulations; Reporting of irregularities - any activities that lead to the European Commission, European Anti-Fraud Office (OLAF), being informed, in accordance with Romania's obligations as an EU Member State, of an irregularity having been ascertained on the basis of a primary administrative finding. The terms 'management authority', 'intermediate body', 'operation', 'eligibility', 'conflict of interests', 'systemic irregularity', 'error materiality threshold', 'detriment', 'administrative verification', 'delegated project', 'OLAF inspection report', 'debtors ledger', 'primary administrative finding', as well as the principles of free competition, equal and non-discriminatory treatment and transparency, have the meanings assigned to them by the applicable regulations and the guidelines for their application issued by the European Union
SK	At national level there are, for example, the following types of irregularity: <ul style="list-style-type: none"> • an irregularity in the 'initial screening' where administrative/judicial/criminal proceedings are incomplete and the initial information on the irregularity must be registered and also notified to the OLAF office; • an irregularity with no financial impact, where the irregularity (suspected fraud, public procurement infringement or systemic shortcomings) was found prior to payment being made to the beneficiary or partner, or one which cannot be quantified in monetary terms or for which there is no obligation to settle the funding (e.g. false accounting); • an irregularity with financial impact on the state budget, where the irregularity (suspected fraud) was found prior to the approval of the expenditure concerned in the combined payment request/exceptional combined payment request; • an irregularity with financial impact on the expenditure approved in the combined payment request, where the irregularity was found during the phase when the expenditure concerned had been approved in the combined payment request/exceptional combined payment request and had not been recognised in the statement of expenditure in the application for payment to the European Commission; • an irregularity with financial impact on the expenditure declared to the European Commission where the irregularity was found during the phase when the expenditure concerned had already been recognised in the statement of expenditure in the application for payment to the European Commission; • an irregularity combined with financial impact and also with no financial impact, where the irregularity was found during the phase when part of the expenditure concerned had already been paid to the beneficiary/approved in the combined payment request/exceptional combined payment request/recognised in the application for payment to the European Commission and part of the financial correction concerns future expenditure declared by the beneficiary in applications for payment (in particular cross-cutting infringements/shortcomings, especially public procurement infringements).
FI	The definition on an irregularity has been clarified with practical examples: An irregularity means that the aid has been granted or paid unjustly to the beneficiary due to irregular activity with regard to the valid regulations. The actor conducting the irregularity can be both the intermediate body that has granted or paid the aid and the beneficiary. Technical errors, such as spelling or typing errors, are not considered as irregularities.
SE	A guidance document on handling suspicious criminality in connection with management of EU funds was adopted by the Swedish Council for the protection of the European Union's financial interests in October 2014 and has been distributed to all agencies concerned. The guidance document is used to guide the administrators in how to detect frauds and errors and in which case they are supposed to report a crime to the Swedish Economic Crime Authority. The guidance document includes the definitions of different suspected crimes. It also informs about the obligation to report irregularities to OLAF

3.4. Definition of Primary administrative or judicial finding (PACA)

All Member States were asked to give information on how the concept of primary administrative or judicial finding (PACA) is applied and specify the relevant procedures in place.

The questionnaire proposed four types of possibilities:

- TYPE A, applying a uniform procedure in all sectors and types of irregularity, was answered by fourteen Member States⁸⁶;
- TYPE B, applying a uniform procedure for all types of irregularity, however differently per sector, was answered by six Member States⁸⁷;
- TYPE C, applying different procedures between types of irregularities but uniform per sector, was answered by two Member States⁸⁸;
- TYPE D, applying different procedures per sector and per type of irregularity, was answered by five Member States⁸⁹.

3.4.1. TYPE A: Uniform application of Primary administrative or judicial finding (PACA) in all sectors and types of irregularity

In Malta and Slovenia the PACA is the date of the **first information or document** (based on the management verification, audit report before contradictory phase, etc.).

In Bulgaria, Estonia, Croatia, Romania and the United Kingdom it is the date of the **first officially confirmed information** or document (on the basis of the final on the spot report, final audit report etc.).

In Germany and Austria the Primary administrative and judicial finding is defined by the **date of the recovery order**.

Ireland, Italy, Hungary, Poland and Sweden reported **other type of uniform** procedure of PACA.

⁸⁶ Germany, Bulgaria, Estonia, Croatia, Ireland, Italy, Hungary, Malta, Austria, Poland, Romania, Slovenia, Sweden and the United Kingdom

⁸⁷ Belgium, Denmark, France, Cyprus, Lithuania and Netherlands

⁸⁸ Latvia and Slovakia

⁸⁹ Greece, Spain, Luxembourg, Portugal and Finland

Table 11: Application of PACA for type A ('uniform application')

UNIFORM APPLICATION FOR ALL SECTORS AND TYPES OF IRREGULARITY				
Definition of Primary administrative or judicial finding (PACA)				
MS	Date of the first information/document	Date of the first officially confirmed information/document	Date of the recovery order	Other - please specify
BG		✓		
DE			✓	
EE		✓		
IE				✓
HR		✓		
IT				✓
HU				✓
MT	✓			
AT			✓	
PL				✓
RO		✓		
SI	✓			
SE				✓
UK		✓		
MS	Other definitions of Primary administrative or judicial finding (PACA)			
IE	Date of the first officially confirmed information/document is applicable except in the case of the ESF where an irregularity is reported when management has concluded its examination to determine whether or not reportable irregularities exist.			
IT	Administrative: upon completion of the assessment by the decision-making bodies of the data and evidence in the first record of findings or in the files. Judicial: in ordinary proceedings, when the request is made to bring the case before the courts, or for alternative procedures, under Article 405 Code of Criminal Procedure, and in proceedings before the general court sitting with a single judge, when the public prosecutor serves a direct summons for trial by issuing a summons under Articles 550 and 552 Code of Criminal Procedure.			
HU	The date of the decision establishing an irregularity .			
PL	As explained in point 11.b.2, the date of the PACA is the date of the earliest official document drawn up in a case by the competent authority , in which it identifies the possible occurrence of an irregularity within the meaning of the relevant regulation. The competent authorities take decisions concerning PACA at their own discretion, depending on the circumstances accompanying the finding of irregularity and their assessment of the case (case-by-case).			
SE	Irregularities shall be reported to OLAF and several managing authorities have developed internal guidelines for this purpose. Regarding suspected criminality, a report shall be done to the Economic Crimes Bureau as soon as there is a suspicion that an action may be criminal (no crime needs to be established beforehand).			

3.4.2. *TYPE B: Uniform application of Primary administrative or judicial finding (PACA) for all types of irregularity but different application per sector*

Belgium, Denmark, France, Cyprus, Lithuania, Netherlands reported uniform procedure of PACA for all types of irregularity, however differing per sector.

3.4.2.1. Agriculture sector

Table 12 shows the definition of PACA used by some Member States for type B (uniform procedure for all types of irregularity, but differing per sector) in the AGRICULTURE sector.

Table 12: Application of PACA for type B - Agriculture

UNIFORM APPLICATION FOR ALL TYPES OF IRREGULARITIES BUT DIFFERENT PER SECTOR - AGRICULTURE			
Definition of Primary administrative or judicial finding (PACA)			
MS	Final audit report	The date of recovery order	Other
BE		✓	
DK		✓	
FR			✓
CY			✓
LT			✓
NL	✓		
MS	Other		
FR	<p>With respect to control of market measures (EAGF), the date of the PACA is the date of reception by the paying agency of the control report before the adversarial procedure (Article 54 of Regulation (EU) No 1306/2013 on the financing, management and monitoring of the CAP). There are two types of control in the rural development sector: administrative controls, where the date of the PACA is the date of the decision revoking the entitlements, and on-the-spot controls, where the date of the PACA is the date of the final report (after the adversarial phase).</p>		
CY	<p>Direct Payments and Rural Development Units: the date on which the IACS department, as the competent authority, concludes, following the conduct of the checks and the examination of the findings, that there is an irregularity. The following applies to the KOAEPP Unit (unit responsible for EU policies, within the CY PA): the date on which the irregularity is detected, based on the signing of the check-list entitled 'assessment of whether the findings relating to a potential irregularity establish the irregularity' in the Unit's manual on the application of the irregularities procedure.</p>		
LT	<p>1. In cases where no investigation is carried out into a suspected irregularity, the initial identification date of the irregularity is deemed to be the date on which the application or payment request is assessed.</p> <p>2. Where an investigation is carried out into a suspected irregularity, the initial identification date of the irregularity is deemed to be as follows: a. where the penalty for the irregularity is up to LTL 100 000, the PACA is the date of the decision on the irregularity by the committee of the National Paying Agency under the Ministry of Agriculture (the project administration authority); b. where the penalty for the irregularity exceeds LTL 100 000, the PACA is the date of the decision on the irregularity by the committee of the Ministry of Agriculture (the managing authority).</p>		

3.4.2.2. Fisheries sector

Table 13 shows the definition of PACA used by some Member States for type B (uniform procedure for all types of irregularity, but differing per sector) in the FISHERIES sector.

Table 13: Application of PACA for type B - Fisheries

UNIFORM APPLICATION TO ALL TYPES OF IRREGULARITIES BUT DIFFERENT PER SECTOR - FISHERIES			
Definition of Primary administrative or judicial finding (PACA)			
MS	Final audit report	The date of recovery order	Other
BE		✓	
DK		✓	
FR	✓		
CY	✓		
LT			✓
NL	✓		
MS	Other		
LT	<p>1. In cases where no investigation is carried out into a suspected irregularity, the initial identification date of the irregularity is deemed to be the date on which the application or payment request is assessed.</p> <p>2. Where an investigation is carried out into a suspected irregularity, the initial identification date of the irregularity is deemed to be as follows: a. where the penalty for the irregularity is up to LTL 100 000, the PACA is the date of the decision on the irregularity by the committee of the National Paying Agency under the Ministry of Agriculture (the project administration authority); b. where the penalty for the irregularity exceeds LTL 100 000, the PACA is the date of the decision on the irregularity by the committee of the Ministry of Agriculture (the managing authority).</p>		

3.4.2.3. Cohesion policy sector

Table 14 shows the definition of PACA used by some Member States for type B (uniform procedure for all types of irregularity, but differing per sector) in the COHESION POLICY sector.

Table 14: Application of PACA for type B – Cohesion policy

UNIFORM APPLICATION FOR ALL TYPES OF IRREGULARITIES BUT DIFFERENT PER SECTOR - COHESION POLICY			
Definition of Primary administrative or judicial finding (PACA)			
MS	Final audit report	The date of recovery order	Other
BE			✓
DK			✓
FR	✓		
CY	✓		
LT			✓
NL	✓		
MS	Other		
BE	From the closure of the adversary proceedings lasting a maximum of three months . This is not always an audit in the strict sense of the word (e.g. a first-level document check).		
DK	Final audit reports or the date of the recovery order.		
LT	The European Commission must be notified of all irregularities relating to the administration of the EU Structural Funds. PACA date – the date of the conclusion of the investigation into the irregularity (2007–2013) or the date of the decision on the irregularity (2014–2020) . Reports to the European Commission must be provided as stipulated in Article 28 of Regulation (EC) No 1828 or Article 122 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013.		

3.4.3. *TYPE C: Different application between types of irregularities but uniform application per sector*

Two Member States, Latvia and Slovakia, replied that they apply different procedures between types of irregularities but have uniform application per sector.

Table 15: Application of PACA for type C

DIFFERENT APPLICATION BETWEEN TYPES OF IRREGULARITIES BUT UNIFORM PER SECTOR			
PACA: 'Simple' (non-fraudulent) irregularities			
MS	Final audit report	The date of recovery order	Other
LV		✓	
SK	✓		
PACA: Suspected or established fraud			
MS	After the preliminary phase of investigation	Referral to law enforcement	Other
LV		✓	
SK	✓		

3.4.4. *TYPE D: Different application per sector and per type of irregularity*

Five Member States, Greece, Spain, Luxembourg, Portugal and Finland, reported different procedures per sector and type of irregularity.

3.4.4.1. Agriculture - simple irregularities and suspected or established fraud

Table 16 shows the application of PACA for type D in the agriculture Sector as regards simple irregularities and suspected or established fraud used by five Member States.

Table 16: Application of PACA for type D - Agriculture

DIFFERENT APPLICATION PER SECTOR AND PER TYPE OF IRREGULARITY - AGRICULTURE SECTOR				
PACA: 'Simple' (non-fraudulent) irregularities				
MS	Final audit report	The date of recovery order	After preliminary phase of investigation	Other
EL				✓
ES		✓		
LU		✓		
PT				✓
FI		✓		
MS	Other			
EL	The date of the official document of the competent authority informing the auditee of the offence and initiating the administrative procedure for recovering the amounts wrongly or unduly paid.			
PT	Notification is effected in the quarter in which the preliminary hearing document is sent to the beneficiary, notifying them of the intention to establish the recovery of the unduly received amount and of the period available to them for responding. This is the document preceding the 'reimbursement order' (namely the final decision).			
PACA: Suspected or established fraud				
MS	Referral to law enforcement	Referral to a judicial authority	After preliminary phase of investigation	Other
EL				✓
ES			✓	
LU				✓
PT		✓		
FI	✓			
MS	Other			
EL	In cases of suspected fraud, the Financial Control Committee (EDEL) refers the case either to the Public Administration Inspectorate/Audit Office under the cooperation protocol of 13 August 2012 or to the judicial authorities .			
LU	Suspected fraud is declared on the date of the recovery order and notified to the judicial authorities. It is then up to a court do decide whether there is an established fraud or not; hence a court decision is needed prior to declaring an established fraud.			
MS	Comment			
PT	Irregularities involving suspected fraud are notified to OLAF in the quarter in which the notification is sent to the public prosecution service for investigation, even if the preliminary hearing document has not been issued.			

3.4.4.2. Fisheries - simple irregularities and suspected or established fraud

Table 17 shows the application of PACA for type D in the FISHERIES SECTOR as regards simple irregularities and suspected or established fraud used by five Member States.

Table 17: Application of PACA for type D - Fisheries

DIFFERENT APPLICATION PER SECTOR AND PER TYPE OF IRREGULARITY - FISHERIES SECTOR			
PACA: 'Simple' (non-fraudulent) irregularities			
MS	Final audit report	The date of recovery order	Other
EL	✓		
ES	✓		
LU			✓
PT			✓
FI		✓	
MS	Other		
LU	N/A		
PT	In the quarter of the date of the first information/document signed by the head of the entity that detected the situation (for example: final report of on-site inspection, final audit report, etc.)		
PACA: Suspected or established fraud			
MS	Referral to law enforcement	Referral to a judicial authority	Other
EL			✓
ES		✓	
LU			✓
PT		✓	
FI	✓		
MS	Other		
EL	In cases of suspected fraud, the Financial Control Committee (EDEL) refers the case either to the Public Administration Inspectorate/Audit Office under the cooperation protocol of 13 August 2012 or to the judicial authorities.		
LU	N/A		
MS	Comment		
PT	In the quarter of the date of the first information/document signed by the head of the entity that detected the situation (for example: final report of on-site inspection, final audit report, etc.) At the same time, the public prosecution service will have been notified.		

3.4.4.3. Cohesion policy - simple irregularities and suspected or established fraud

Table 18 shows the application of PACA for type D in the COHESION POLICY SECTOR as regards simple irregularities and suspected or established fraud used by five Member States.

Table 18: Application of PACA for type D – Cohesion policy

DIFFERENT APPLICATION PER SECTOR AND PER TYPE OF IRREGULARITY - COHESION POLICY			
PACA: 'Simple' (non-fraudulent) irregularities			
MS	The date of the first information/document	Final audit report	Other
EL		✓	
ES		✓	
LU	✓		
PT			✓
FI	✓		
MS	Other		
PT	In the quarter of the date of the first information/document signed by the head of the entity that detected the situation (for example: final report of on-site inspection, final audit report, etc.)		
PACA: Suspected or established fraud			
MS	Referral to law enforcement	Referral to judicial authority	Other
EL			✓
ES		✓	
LU		✓	
PT		✓	
FI	✓		
MS	Other		
EL	In cases of suspected fraud, the Financial Control Committee (EDEL) refers the case either to the Public Administration Inspectorate/Audit Office under the cooperation protocol of 13 August 2012 or to the judicial authorities .		
MS	Comment		
ES	Communication , if any, at the time of referral to the judicial authorities		
LU	Referral to judicial authority		
PT	In the quarter of the date of the first information/document signed by the head of the entity that detected the situation (for example: final report of on-site inspection, final audit report, etc.) At the same time, the public prosecution service will have been notified.		
FI	The police are asked to investigate if fraud is suspected or established. The National Audit Office is notified.		

3.5. Reporting of suspected or established fraud (irregularities reported as fraudulent)

Twenty-six Member States replied that they do not request authorisation from the judicial authority before reporting suspected fraud, Italy requests it systematically and Romania does so on a case by case basis.

Table 19 shows the replies of the Member States on whether there is an authorisation requested from the judicial authority before reporting suspected fraud.

Table 19: Requesting authorisation to Judicial Authorities before reporting suspected fraud

Suspected or established fraud (irregularities reported as fraudulent)			
Do you request authorisation from the judicial authority before reporting suspected fraud?			
MS	YES, systematically	YES, case by case	NO
BE			✓
BG			✓
CZ			✓
DK			✓
DE			✓
EE			✓
IE			✓
EL			✓
ES			✓
FR			✓
HR			✓
IT	✓		
CY			✓
LV			✓
LT			✓
LU			✓
HU			✓
MT			✓
NL			✓
AT			✓
PL			✓
PT			✓
RO		✓	
SI			✓
SK			✓
FI			✓
SE			✓
UK			✓

3.6. Reference in national legislation to fraud against the EU budget

On the specific reference in national legislation to *fraud against the EU budget*, sixteen Member States⁹⁰ replied positively, while twelve Member States⁹¹ replied ‘no’, their national legislation contains general definitions of the behaviour without any specific reference to the ‘victim’ (the ‘EU financial interests’, in this context).

Table 20 details the replies provided by Member States.

⁹⁰ Bulgaria, Czech Republic, Denmark, Greece, Spain, Croatia, Italy, Cyprus, Hungary, Malta, Portugal, Romania, Slovenia, Slovakia and Sweden.
⁹¹ Germany, Estonia, France, Latvia, Lithuania, Luxembourg, Netherlands, Ireland, Austria, Poland, Finland, and the United Kingdom.

Table 20: Specific reference in national legislation to 'fraud against the EU budget'

Specific reference in national legislation to fraud against the EU budget		
MS	YES	NO
BE	✓	
BG	✓	
CZ	✓	
DK	✓	
DE		✓
EE		✓
IE		✓
EL	✓	
ES	✓	
FR		✓
HR	✓	
IT	✓	
CY	✓	
LV		✓
LT		✓
LU		✓
HU	✓	
MT	✓	
NL		✓
AT		✓
PL		✓
PT	✓	
RO	✓	
SI	✓	
SK	✓	
FI		✓
SE	✓	
UK		✓

3.7. Internal system of signalling of suspected irregularity, developed outside Irregularity Management System (IMS), in use

Fourteen Member States⁹² reported that they use an internal system of signalling of suspected irregularity developed outside of IMS⁹³. Ten Member States⁹⁴ replied that they rely solely on IMS to signal suspected irregularities, while four Member States⁹⁵ replied no application of suspected irregularity signalling.

Table 21 shows the replies of the Member States.

⁹² Belgium, Bulgaria, Czech Republic, Estonia, Spain, Croatia, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, Romania and Slovakia.

⁹³ the full answers are to be seen on the pp.74-77.

⁹⁴ Germany, Ireland, France, Italy, Netherlands, Austria, Portugal, Slovenia, Finland and Sweden.

⁹⁵ Denmark, Greece, Poland and the United Kingdom.

Table 21: Use of an internal system of signalling of suspected irregularity (outside IMS)

Internal system of signalling of suspected irregularity (developed outside IMS)			
MS	YES	NO, we rely on IMS	NO
BE	✓		
BG	✓		
CZ	✓		
DK			✓
DE		✓	
EE	✓		
IE		✓	
EL			✓
ES	✓		
FR		✓	
HR	✓		
IT		✓	
CY	✓		
LV	✓		
LT	✓		
LU	✓		
HU	✓		
MT	✓		
NL		✓	
AT		✓	
PL			✓
PT		✓	
RO	✓		
SI		✓	
SK	✓		
FI		✓	
SE		✓	
UK			✓

The Member States which indicated that they have an internal system outside IMS to signal suspected irregularities were requested to specify how it functions. Table 22 shows the detailed replies.

Table 22: Answers describing internal systems of signalling suspected irregularities (developed outside IMS) in use in fourteen Member States

Internal system of signalling of suspected irregularity (developed outside IMS)	
MS	YES - Please specify how it functions
BE	AGENTSCHAP LANDBOUW EN VISSERIJ (Agency for Agriculture and Fisheries): The technical services' control systems are designed to signal suspected irregularities, e.g. through the sampling method for determining where on-the-spot checks will take place or through the systematic analysis of certain data, e.g. stoppages of operations or recurrences of similar incidents involving the same client. The finance department has a system for listing all letters of formal notice and compensation payments from a specific period. ERDF: The findings of case handlers (relating to the certification of expenditure, below threshold transactions, etc.) are systematically added to an internal list of detected errors stored on a shared network drive. NB: ESF Flanders and the SPW's Structural Funds Coordination Department both answered no to question 15.
BG	The national legislation adopts the procedure for administering signals in the Ordinance for establishing procedures for administering irregularities of funds, instruments, and programmes co-financed by the EU. According to the procedure Managing authority is obliged to keep record for any information that is defined as a signal of irregularity. They maintain electronic registers and files with all the documentation concerning a case. All Managing authorities send the registers to AFCOS at a quarterly basis. In that way AFCOS creates a database for signals at national level. Some sectors have electronic systems in which they can insert information for signals and AFCOS has access or can request information from them. These signals are followed up and subsequently a decision is made by the Managing authority whether to establish irregularity or not.
CZ	All authorities responsible for state administration – including authorities auditing the drawing of EU resources and finance authorities administering taxes and proceedings in cases involving the infringement of budgetary discipline (which encompasses matters relating to the legality of drawing subsidies, including those co-financed by the EU) in accordance with the Tax Code – are legally obliged (under Section 8 of the Code of Criminal Procedure) to report to the competent public prosecutor or police authority any justified suspicion concerning the commission of a criminal act relating inter alia to the drawing of EU resources, where such suspicion arises in the course of their activities. This obligation is incumbent upon all state authorities, irrespective of whether they are part of the IMS system. If such an irregularity (suspected commission of a criminal act) is reported to a police authority or to a public prosecutor, the authorities active in criminal proceedings are legally obliged to investigate such suspicion thoroughly. Following a preliminary investigation, a decision is taken either to file the case (if the statement of the facts does not indicate the possibility that a criminal act has been committed) or to instruct the police authority to initiate criminal proceedings (thereafter supervised by the public prosecutor). If criminal proceedings are initiated, the fact will be reported to OLAF by the Supreme Public Prosecutor's Office.
EE	All project information is held in a web-based information system (SFOS). Any infringement, including suspected fraud, must be entered into the system within 10 working days of the facts having been recorded in an official document (on-the-spot report, final audit report, etc.). All cases of damages amounting to over EUR 10 000 must be uploaded to the IMS.

Internal system of signalling of suspected irregularity (developed outside IMS)

MS	YES - Please specify how it functions
ES	(1) For Structural and Cohesion Funds: regardless of the amount of irregular expense, irregularities are recorded in the European Funds national management applications (Fondos 2007 for ERDF; FSE for ESF), in which there is a module for monitoring them. (2) For agricultural funds: there is a system that receives the irregularities communicated by the different paying agencies; the irregularities are recorded in the system and the communication to be imported into the IMS module is extracted from it.
HR	Every relevant body within the system for managing and controlling of EU funds keeps Register on suspected irregularities which contain information received either anonymously or by identified persons via post, e-mail and telephone. All registers are reported to Service for Combating Irregularities and Fraud on quarterly basis.
CY	An irregularities notification form is filled in and submitted to the competent authority for notification to OLAF.
LV	The Managing Authority of EU structural and Cohesion Fund has an internal management information system (MIS) which is used to collect all projects information, including detected irregularities with financial impact (also below threshold) and all suspected fraud and established fraud cases. Intermediate bodies collect information in their own systems or documents about signals of irregularities (in other words – possible irregularities) and irregularities without financial impact and inform the managing authority by semi-annual monitoring reports if it is necessary. In accordance with the internal procedure set by the Rural Support Service after the evaluation of irregularity or when an undue payments is detected employee who detected the irregularity/undue payment, or employee, to whom it has been determined in accordance with the allocated functions, immediately shall enter the necessary information in Integrated administration and control system sub-module "Irregularity register". The quarterly meeting is organized to review all cases of irregularity, int.al. where there is a suspicion of fraud and to decide whether to report them further to OLAF, as an irregularity or suspected fraud. The Latvia-Lithuania Cross-border cooperation Programme and the Estonia - Latvia - Russia Cross Border Cooperation Programme within European Neighbourhood and Partnership Instrument 2007 – 2013 (ETC programmes) have their own data bases where all cases with possible irregularities are collected. Then these cases are investigated and irregularity is approved or not. If case is identified as suspected fraud, than information regarding this case have to be submitted to OLAF. Recovery in all irregularity cases is the same.

Internal system of signalling of suspected irregularity (developed outside IMS)

MS	YES - Please specify how it functions
LT	<p>Information relating to projects (and also on investigations carried out and irregularities identified) is registered in the computerised information management and monitoring system for the EU Structural Funds (SFMS). Having conducted their investigations into irregularities, the project administration authorities register the results in the SFMS and within one month following the end of each quarter provide the managing authority by means of the SFMS with reports on the irregularities identified during that quarter, along with any updated information on previously identified irregularities where any information has changed. The managing authority, having reviewed the reports provided and taking into account Articles 28–31 and 36 of Regulation (EC) No 1828, which stipulate the cases that must be notified to the European Commission, enters the relevant report information into the information management system and forwards it to the European Commission. The same procedure applies with regard to the 2014–2020 funding period. Certain authorities responsible for administering EU support, for example the National Paying Agency under the Ministry of Agriculture (hereinafter 'the NPA'), also have their own internal systems. Where a suspected irregularity needs to be investigated, the NPA staff member who suspects the irregularity completes a suspected irregularity questionnaire and forwards this using the Document Management System (DMS) to the unit responsible for investigating irregularities. Upon receipt of the questionnaire, the desk officer charged with investigating the irregularity enters the information in the logbook for suspected/identified irregularities located in the system. At the end of the investigation the information is updated and supplemented.</p>
LU	depending on the authority
HU	<p>The Irregularity module of the Single Monitoring Information System ensures effective, unified, and transparent handling and monitoring of irregularities relating to projects that have received aid, and the monitoring carried out for the purpose of preparing the official irregularity report submitted to the European Commission, and supports the performance of the reporting duties of various institutions. The public reporting system available at www.anti-lop.hu supports lawful and transparent use of EU funds and offers a way to report and investigate corrupt practices and illegal acts detected in relation to the aid granted, and to inform whistleblowers of the measures taken following their reports.</p>

Internal system of signalling of suspected irregularity (developed outside IMS)	
MS	YES - Please specify how it functions
MT	The Financial Investigations Unit within the Internal Audit and Investigations Department receives all irregularities and cases of suspected fraud from the Managing and Audit Authorities. Then, the Unit analyse all cases received and reports to OLAF via IMS according to set thresholds. Such a centralized set-up, helps the Financial Investigations Unit in conducting its risk assessment to identify areas / cases which deserve to be further investigative work.
RO	The authorities responsible for managing European funds are obliged to complete a 'Suspicion of irregularity/Suspicion of fraud' form for all findings with financial implications or possible financial implications and for all referrals meeting legal conditions. The form is submitted to the competent inspection bodies. It is used for all programmes except those for which the European Commission has already approved a form with a different content. The authorities responsible for managing European funds are obliged to record suspicions of irregularities in an Irregularities Register, except in the case of programmes for which the European Commission has already approved a register with a different content. The 'Suspicion of irregularity/Suspicion of fraud' form is completed only for amounts paid by the authorities responsible for managing European funds or by bodies with payment functions acting on their behalf, bodies implementing measures in the field of transport under the ex-ISPA Programme and beneficiaries of projects financed under the European Commission's centralised system from European funds and/or from related national public funds. Under EU regulations and the agreements on the financial management and control of operational programmes, the authorities responsible for managing European funds are obliged to report to the certifying authorities, using the 'Suspicion of irregularity/Suspicion of fraud' form, all cases which they have referred to the Romanian Government's Anti-Fraud Department ('DLAF'). The authorities responsible for managing European funds are obliged to record suspicions of fraud in the Irregularities Register.
SK	The IT monitoring system (ITMS) is a central information system for the registration, subsequent processing, export and monitoring of data on programming and on project and financial management for the Structural Funds and the Cohesion Fund and communication with grant applicants/ beneficiaries. It also contains part of the register of irregularities. These are registered as part of the project management information. An irregularity report is subsequently generated, and its creation is linked to the legal implications for the entities involved. In the field of irregularities, the system is also linked to the accounting records. Within 15 calendar days of the date on which the irregularity was detected, the Managing Authority submits the approved irregularity report from the ITMS to the Certifying Authority, the Intermediate Body under the Managing Authority, the Paying Unit and the Beneficiary. The Audit Authority and cooperating bodies submit the approved irregularity report from the ITMS to the Certifying Authority, the Managing Authority and the Paying Unit: a) in the event of an irregularity with financial impact and a systemic irregularity, by the 15th calendar day of the month following the month in which the system audit/operational audit report was received by t b) in the event of an irregularity with no financial impact, where the measures adopted in respect of the irregularity have not been adequately implemented, by the 15th calendar day of the month following the month in which a report on the verification of compliance with the adopted measures and the taking into account of recommendations was drawn up. The MA forwards irregularities with a financial impact on the statement of EU expenditure to the Government Office of the Slovak Republic (AFCOS), which declares to the OLAF office irregularities subject to the reporting requirement. In the event of irregularities relating to the CAP, these are registered and entered in the accounts using the SAP economic information system. For the CAP sector, the register of irregularities is drawn up in the AGIS information system and the accounts for irregularities in the ISUF system.

3.8. Follow-up concerning cases reported to the European Commission in the Irregularity Management System (IMS) under criminal proceedings

On the follow-up concerning cases under criminal proceedings reported to the European Commission in the IMS, eight Member States⁹⁶ replied that they proceed so ‘after indictment’, one Member State (Austria) replied ‘after the initial sentence’, six Member States⁹⁷ replied ‘after the definitive sentence’ (final court decision) and seventeen Member States⁹⁸ specified ‘other’ circumstances⁹⁹, including more of the above mentioned options. It is to be noted that there are certain differences concerning the reporting periodicity, also in relation to the role of the Public Prosecutor, on the basis of completion of each stage of criminal proceedings, or depending on the funds involved.

Table 23 shows the follow-up stage of cases under criminal proceedings reported by the Member States to the EC via the Irregularity Management System (IMS) and Table 24 provides the detailed information concerning the ‘Other’ replies.

Table 23: follow-up stage of cases under criminal investigation via IMS

Follow-up concerning cases reported to the EC which are under criminal proceedings				
MS	After indictment	After initial sentence	After definitive sentence - Final court decision	Other
BE	✓	✓	✓	✓
BG				✓
CZ				✓
DK	✓		✓	
DE	✓	✓	✓	
EE				✓
IE				✓
EL	✓	✓	✓	
ES			✓	
FR				✓
HR				✓
IT				✓
CY				✓
LV	✓	✓	✓	
LT				✓
LU			✓	
HU			✓	
MT			✓	
NL				✓
AT		✓	✓	✓
PL	✓		✓	✓
PT				✓
RO	✓	✓	✓	
SI			✓	✓
SK			✓	
FI	✓	✓	✓	
SE				✓
UK				✓

⁹⁶ Belgium, Denmark, Germany, Greece, Latvia, Poland, Romania, Finland

⁹⁷ Spain, Luxembourg, Hungary, Malta, Slovenia, Slovakia

⁹⁸ Bulgaria, Czech Republic, Estonia, Ireland, France, Croatia, Italy, Cyprus, Lithuania, Netherlands, Portugal, Sweden and the United Kingdom

⁹⁹ full answers are on pp.80-83

Table 24: 'Other' stages of the follow-up reporting reported by thirteen Member States

Follow-up concerning cases reported to the EC which are under criminal proceedings	
MS	Other
BE	All significant stages in the case are notified. Each stage of the procedure is covered by a follow-up sheet.
BG	The completion of every stage of the criminal proceedings procedure are notified in the IMS. The follow-up is notified in IMS after the completion of every stage of the criminal proceedings (exp. end of pre-trial proceedings, court decision, appeal etc).
CZ	A special report on the state of all new and previously notified criminal-law irregularities (current criminal proceedings in cases relating to the EU's financial interests) is sent regularly (every quarter-year) to the European Commission or to OLAF. Criminal-law irregularities are notified – through inclusion in the quarterly report – after criminal proceedings have actually been initiated, the information being subsequently updated as the proceedings (which may include the initiation of criminal prosecution, the bringing of charges or the delivery of a verdict) unfold. The report is drawn up and dispatched by the Supreme Public Prosecutor's Office, which for this purpose has appropriate mechanisms to satisfy the information requirement within the public-prosecution system and works closely with – inter alia – the Czech police force's Corruption and Financial Crime Detection Unit. Furthermore, the Supreme Public Prosecutor's Office – as the sole AFCOS network contact point – regularly communicates with OLAF and supplies it with information concerning criminal proceedings in accordance with OLAF's specific requirements.
EE	For all cases, follow-up reports are submitted regularly (when new developments occur) to both the national database and the IMS, until the cases are closed.
IE	Option a (after indictment) applies except in the case of ERDF and ESF where in the case of suspected fraud, all related expenditure is removed from the subsequent claim to safeguard the EU budget. As a separate exercise, the member state follows up on those cases to protect the national budget.

Follow-up concerning cases reported to the EC which are under criminal proceedings

MS	Other
FR	All cases of irregularity are forwarded to OLAF. Pursuant to Article 40 of the Code of Criminal Procedure, the Public Prosecutor of the Republic receives the complaints and denunciations either directly via the paying agencies or via the control bodies. The Public Prosecutor decides to: either launch legal proceedings or implement a procedure other than legal proceedings pursuant to Articles 41-1 and 41-2 or to dismiss the proceedings where warranted by the circumstances of the case. There is both a criminal and administrative follow-up to cases.
HR	Within the IMS, Service for Combating Irregularities and Fraud notifies all stages of criminal proceedings (starting with stages before indictment according to the Criminal Procedure Act (OJ 152/08, 76/09, 80/11, 121/11, 91/12, 143/12, 56/13, 145/13, 152/14))
IT	Cases can be entered in IMS immediately with the classification code IRQ2. Then, when one of the conditions described in the reply to 12.a is fulfilled, the cases can be reclassified with the code IRQ3 but updating the relevant IMS forms under Article 5.
CY	AGRICULTURAL FUNDS: Notification as the case progresses. STRUCTURAL FUNDS: Notification once the case is closed.
LT	There are no provisions in the legislation governing the administration of the EU Structural Funds relating to the necessity to notify the European Commission only when a specific stage of court proceedings has been launched/concluded. With regard to information on any case which has already been notified to the European Commission (and also cases where court proceedings are ongoing), where new significant information emerges (for example, where the court has adopted a decision not to bring a case, or has adopted a decision in the case, etc.), an updated report on the infringement must be drawn up and notified to the Commission in accordance with standard procedures.
NL	This has never happened. Therefore not applicable.

Follow-up concerning cases reported to the EC which are under criminal proceedings

MS	Other
AT	No information.
PL	Reporting on follow-up takes place in accordance with the requirements of the relevant EU regulations. This means that in the wake of irregularities that have already been reported (IRQ2) national bodies submit follow-up reports when there is a change in classification (to IRQ3), informing the Commission of the administrative or criminal proceedings initiated in respect of suspected fraud and then of major developments in the cases, e.g. that proceedings have been concluded by a final court decision (IRQ5) and penalties imposed or that proceedings have been closed. Additional comment: As when the very first report on a case contained information on suspected fraud (IRQ3), subsequent reports concerning the case are sent as above, in accordance with the requirements of the relevant regulations, which means that the Commission receives information on major developments in administrative or criminal proceedings aimed at imposing penalties, i.e. that proceedings have been concluded by a final court decision (IRQ5) and penalties or that proceedings have been closed.
PT	With regard to cases involving amounts to be recovered, OLAF is notified of all the stages and/or decisions considered relevant occurring during the judicial or criminal proceedings, e.g. indictment/dismissal; opening of an inquiry/decision to adjudicate/decision not to adjudicate; application to join proceedings as a civil party; lodging of a claim for civil damages; judgement; conviction/acquittal decision; lodging of an appeal; decisions on appeals; etc.
SI	Whenever there is any substantive change in irregularities that have already been reported, irrespective of the stage or progress of the procedure, the individual Ministries responsible report this to the managing authority, which then enters it in the IMS.
SE	To our knowledge, currently no cases under criminal proceedings are notified in IMS.
UK	As information becomes available from the paying agencies, the UK Co-ordinating Body will update the IMS

3.9. Reporting of irregularities where the beneficiary is a public authority/body

All Member States replied that they apply equal treatment of the reporting of irregularities where the beneficiary is a public authority/body, as in other cases, irrespective of the type of beneficiary.