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Statistical evaluation of irregularities reported for 2013 Own Resources, Natural Resources, Cohesion Policy, Pre-accession and Direct expenditure

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 2013**

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LIST OF ABBREVIATIONS

CAP	Common Agricultural Policy
CF	Cohesion Fund
CFP	Common Fishery Policy
CN	Combined Nomenclature (Customs)
CP	Cohesion Policy
DetE	Detection Efficiency
DG	Directorate General
EAFRD	European Agricultural Fund for Rural Development
EAGF	European Agricultural Guarantee Fund
EC	European Commission
EFF	European Fishery Fund
ER	Error Rate
ERDF	European Regional Development Fund
ESF	European Social Fund
EU	European Union
EU-10	The ten Member States having acceded the EU in 2004
EU-12	The twelve Member States having acceded the EU between 2004 and 2007
EU-15	The fifteen Member States of the EU before the 2004 accession
EU-2	Bulgaria and Romania
EU-27	The 27 Member States before Croatian accession
EUR	Euro
FDR	Fraud Detection Rate
FFL	Fraud Frequency Level
GNI	Gross National Income
HRR	Historical Recovery Rate

NR	Natural Resources
OLAF	European Anti-Fraud Office (<i>Office pour la Lutte Anti-Fraude</i>)
OWNRES	Web application for communication of irregularities in the field of Traditional Own Resources
RepE	Reporting Efficiency
RR	Recovery Rate
SME	Small and Medium Sized Enterprise
TFEU	Treaty on the Functioning of the European Union
TOR	Traditional Own Resources

1. INTRODUCTION

1.1. Scope of the document

The present document¹ is based on the analysis of the notifications provided by national authorities of cases of irregularities and suspected or established fraud. The reporting is performed in fulfilment of a legal obligation enshrined in sectoral European legislation.

The document accompanies the Annual Report adopted on the basis of article 325 of the Treaty on the Functioning of the European Union (TFEU), according to which “The Commission, in cooperation with Member States, shall each year submit to the European Parliament and to the Council a report on the measures taken for the implementation of this article”.

For this reason, this document should be regarded more as an analysis of the achievements of Member States.

The methodology (including the definition of terms and indicators), the data sources and the data capture systems are explained in detail in the Commission Staff Working Document – Methodology for the Statistical Evaluation of Irregularities.

1.2. Structure of the document

The present document is divided in two parts.

The first part is dedicated to the analysis of irregularities reported in the area of the Traditional Own Resources (Revenues).

The second part, concerning the expenditure part of the budget, is composed of three sections, dedicated, respectively, to shared, decentralised and centralised management modes.

The section dedicated to shared management, covers the natural resources (agriculture, rural development and fisheries) and the cohesion policy. Decentralised management refers to the pre-accession policy, while the centralised management section mainly deals with internal and external policies for which the Commission directly manages the implementation.

The document is completed by 27 country factsheets, which summarise, for each Member State, the main indicators and information that have been recorded through the analyses.

15 Annexes complement the information and data of this document, providing a global overview of the irregularities reported according to the relevant sector regulations. Annexes from 1 to 10 concern Traditional Own Resources, Annexes 11 and 12 Natural Resources and Annexes from 13 to 15 the Cohesion Policy.

¹ This document does not represent an official position of the Commission.

Part I - REVENUES

2. TRADITIONAL OWN RESOURCES

2.1. Introduction

For more information about how information concerning irregularities and fraud related to Traditional Own Resources are collected and analysed, see paragraph 1.3 of the Commission Staff Working Document ‘Methodology’.

Charts TOR1 –TOR4 provide an overview of the number of cases of fraud and irregularities per reporting year, established amounts and recovery rates as published in the previous years’ reports and to compare them with the reporting trends observed for the 2008-2012 period.

The following analysis is based on the data available on the cut-off date (7 April 2014) and aims to provide an overview of the reported cases of fraud and irregularities reported for 2013 together with their financial impact.

2.2. General analysis – Trend analysis

2.2.1. *Reporting Years 2008-2013: Cases of fraud and irregularities*

The number of cases reported via OWNRES for 2013 (4777) is currently almost as high as the average number of cases of fraud and irregularities reported for the 2008-2012 period (4812).

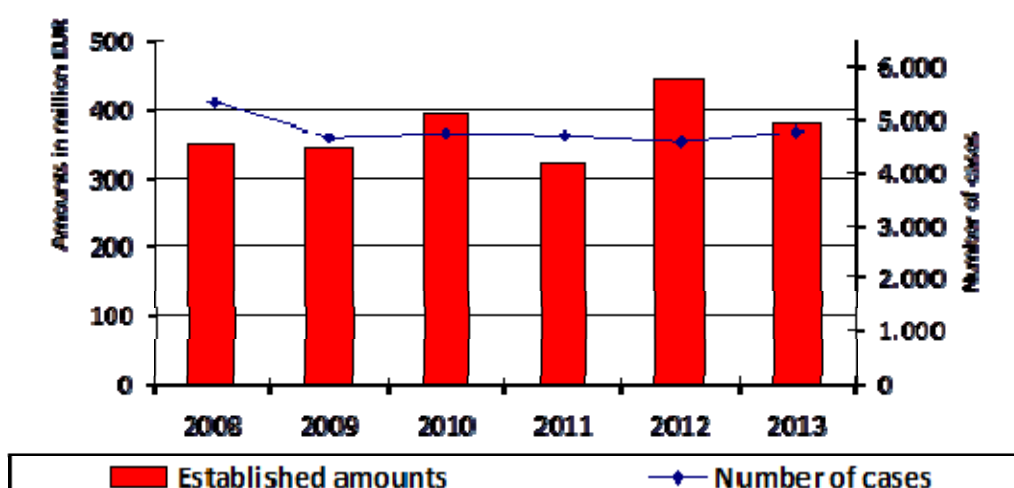
The total established amount of TOR involved (EUR 380 million) is about 2 % higher than the average established amount for years 2008-2012 (EUR 371 million).²

In 2013, two big cases³ totalling to the amount of EUR 29 million were reported comparing to 2012, when six big cases with a total established amount of about EUR 104 million affected the total established amount.

² For comparability reasons, the figures for the 2008-2012 period are based on the data used for the reports of those years.

³ Cases with an established amount of TOR exceeding EUR 10 million.

Chart TOR1: Total cases of fraud and irregularities and amounts affected (2008-2013)



When the number of cases of fraud and irregularity are compared with those published in the previous report, it appears that there is a time gap between the detection of the cases and their reporting via the OWNRES application. For 2012, there has been an increase in the number of fraud and irregularity cases (totalling to 668) since the last report. Although the efforts by Member States in constantly updating the information on cases of fraud and irregularities is to be welcomed, the timely input of new reports and updates should nevertheless be respected.

Annex 1 shows the situation on the cut-off date (7 April 2014) for years 2008-2013.

2.2.1.1. Irregularities reported as fraudulent

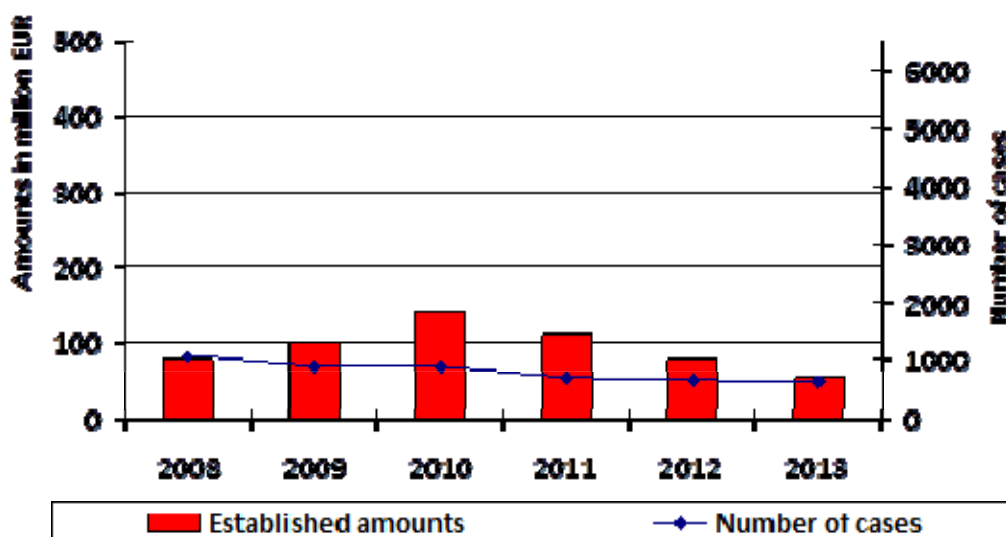
The number of fraud cases registered in OWNRES for 2013 (633) is currently 26 % *lower* than the average number of fraud cases reported for the 2008-2012 period (851).

The total established amount of TOR involved (EUR 54 million) represents almost half of the average established amount for the years 2008-2012 (EUR 100 million).⁴

For 2013, Estonia, Luxemburg, Slovakia and Sweden did not communicate any case of fraud exceeding an amount of EUR 10000.

⁴ For comparability reasons, the figures for 2008-2012 are based on the data used for the reports of those years.

CHART TOR2: Cases of fraud and established amounts (2008-2013)



On the cut-off date, only 13 % of all cases detected in 2013 were classified as fraud, whereas the figure for 2008 was 22 %.⁵ Since 2008 this percentage has decreased (for cases detected after 2008). It is not clear whether this is due to a shift toward the detection of irregular cases or the way in which Member States classify cases. Other possible reasons could be new fraud prevention measures implemented in Member States to identify vulnerabilities, or Member States might pursue financial interest without further investigation of the potential criminal offence or Member States' control strategies would need to include more dynamic factors to better adjust to the changing environment. Member States need to ensure that well targeted, risk based customs controls are in place allowing effective detection of fraudulent import operations.

Annex 2 shows the situation on the cut-off date for years 2008-2013.

2.2.1.2. Irregularities not reported as fraudulent

At the same time, the number of irregularities communicated via OWNRES for 2013 (4 144) was 5 % *higher* than the average number reported for 2008-2012 (3 962).

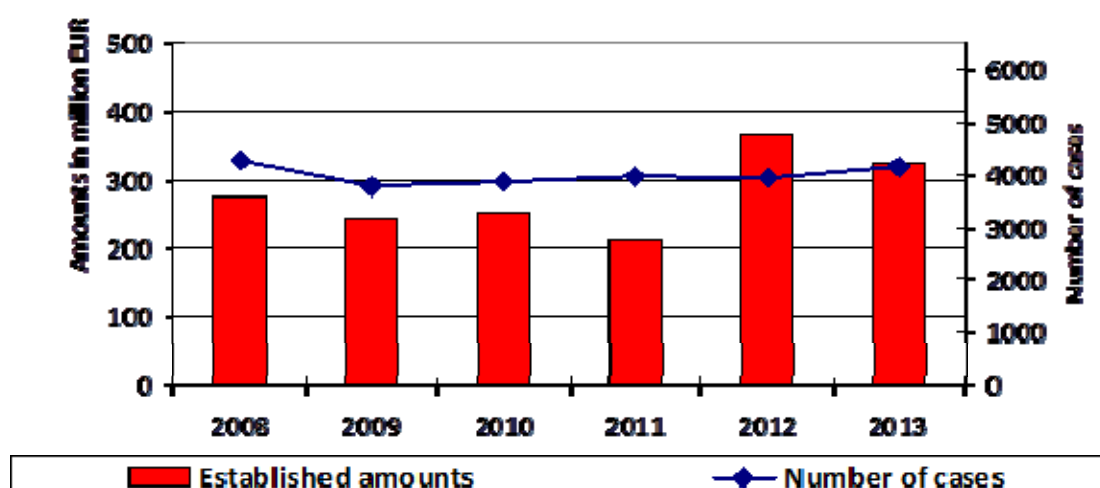
The total established amount of TOR (EUR 326 million) was 20 % higher than the average established amounts for the years 2008-2012 (EUR 271 million).⁶

Greece, Luxemburg and Malta did not report any cases of irregularity exceeding an amount of EUR 10 000 for 2013.

⁵ 20 % based on the data used in the 2008 report.

⁶ For comparability reasons, the figures for 2008-2012 are based on the data used for the reports of those years.

CHART TOR3: Cases of non-fraudulent irregularities and established amounts (2008-2013)



Annex 3 shows the situation on the cut-off date for years 2008-2013.

2.2.2. Established and estimated amounts

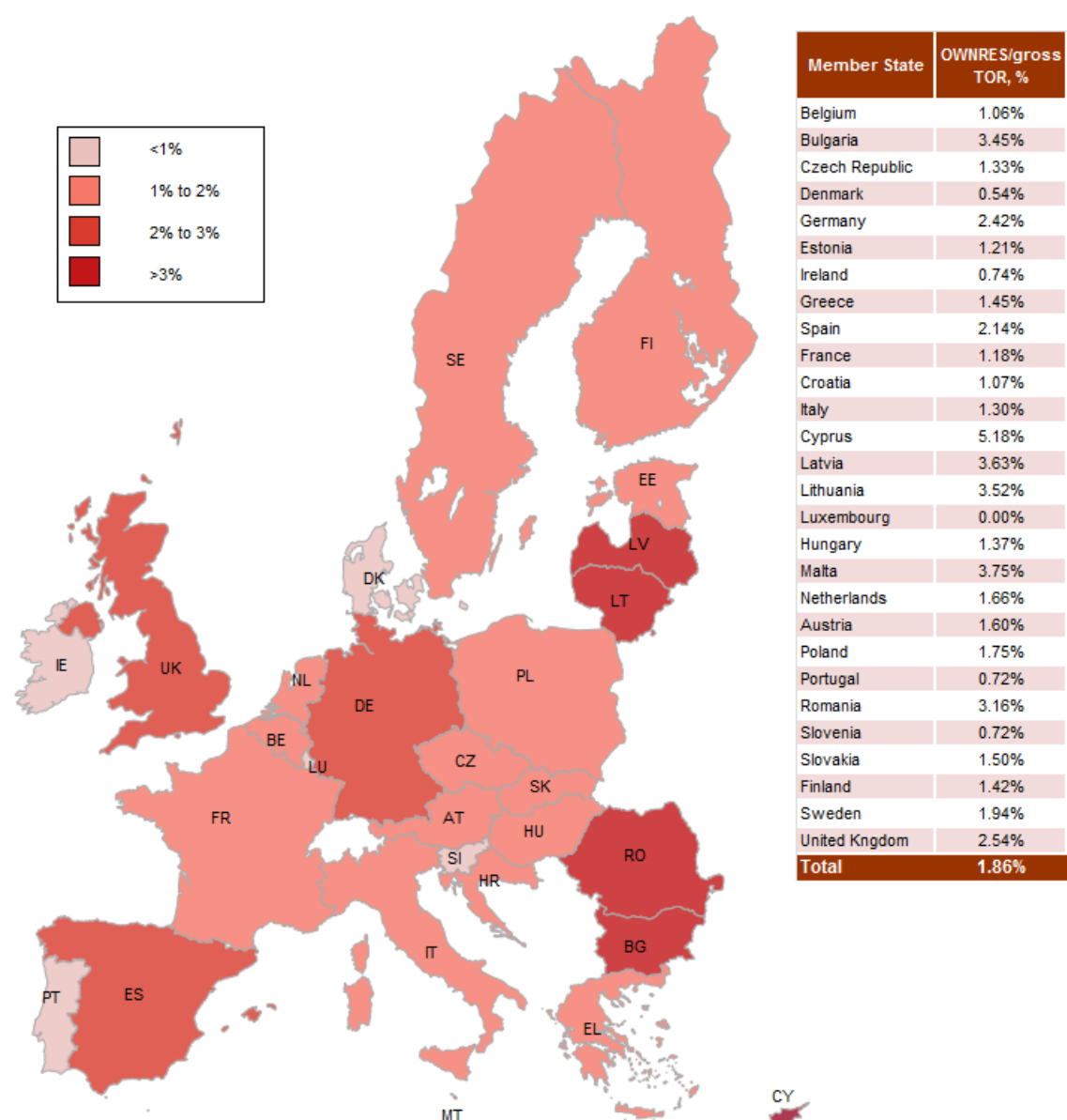
In 2013, the total established amount of TOR (gross) was EUR 20.9 billion and the greater part of it (98%) was recovered without any particular problem and made available to the Commission via the A-account. In comparison with the total amount established, according to the OWNRES data, around EUR 388 million has been *established and estimated* by the Member States in connection with detected cases of fraud and irregularities where the amount at stake exceeds EUR 10000.

The total established and estimated amounts reported in OWNRES represent 1.86% of the total established amount of TOR (gross) for 2013.⁷ This proportion has decreased compared with 2012 when it was 2.05%. A percentage of 1.86% indicates that of every EUR 100 of TOR (gross) established, an amount of EUR 1.86 is registered as irregular or fraudulent in OWNRES. There are differences among the Member States. In 10 Member States, the percentage is above the average of 1.86%. The highest percentage for 2013 can be seen in Cyprus with 5.18%. The proportion of established and estimated OWNRES amounts to established TOR in 2013 compared to 2012 increased from 0% to 3.75% for Malta, from 0.61% to 5.18% for Cyprus and from 0.4% to 1.21% for Estonia. For Romania, the proportion of established and estimated OWNRES amounts to established TOR decreased in 2013 from 14.3% to 3.16% compared to the previous year.

For the seven Member States which established and made available most of the TOR amounts, the percentage of the established and estimated OWNRES amounts to established TOR for 2013 was equal to 1.91%. In comparison with the previous year, this represents a decrease of 0.14 percentage points.

TOR MAP1: Showing the percentage of established and estimated amounts in OWNRES of established TOR in 2013

⁷ See Annex 4.



2.2.3. Recovery

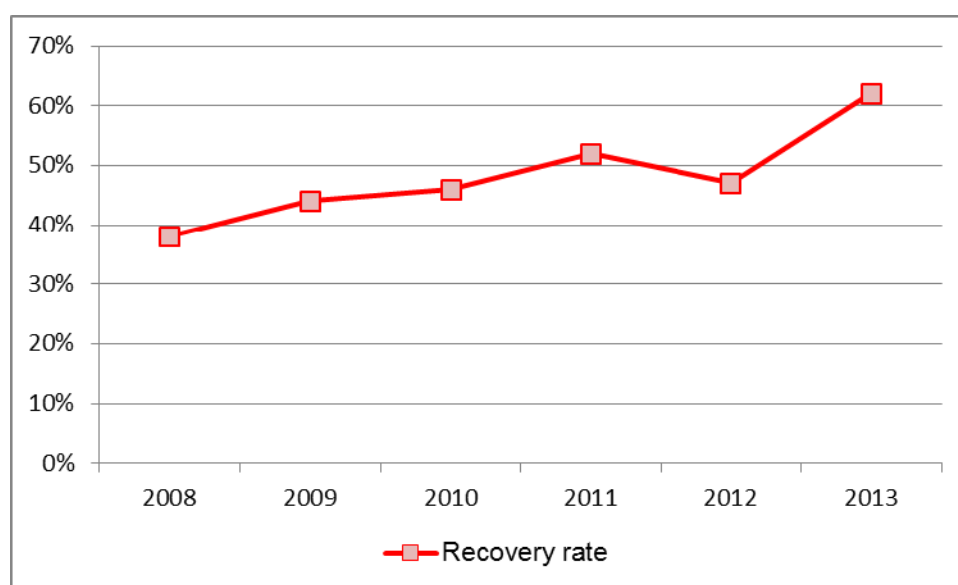
The fraud and irregularity cases detected in 2013 show an established amount of EUR 380 million. EUR 221 million of this was recovered in cases where an irregularity was at issue and EUR 13 million in fraud cases. In total EUR 234 million was recovered by all Member States for all cases which were detected in 2013. In absolute numbers, Germany recovered the highest amount in 2013 (EUR 85 million) followed by the United Kingdom (EUR 64 million). In addition, Member States continued their recovery actions related to the detected cases of previous years. The EU-28 recovered EUR 130 million in 2013 which related to cases detected between 1989 and 2012.

2.2.3.1. Recovery rates

Over the past, five years the annual RR has varied between 38 % and 52 % (see Chart TOR4)⁸. The recovery rate for 2013 is currently 62 %⁹ which is the best recovery result reported in the past decade. In other words, of every amount over EUR 10000 of duties established and reported for 2013 in OWNRES, approximately EUR 6200 has already been paid.

Since the overall recovery rate for 2012 recorded in the last year's report has climbed from 47 % to 59 %, it can be expected that the overall recovery rate for 2013 will also increase in the future. On the cut-off date, the overall RR for all years 1989-2013 was 55 %.¹⁰

CHART TOR4: Annual recovery rates 2008-2013



Recovery rates vary among the Member States. The highest recovery rates for 2013 are in Estonia and Slovakia (100 %), Hungary (87 %), Portugal (85 %), Sweden (84 %), Germany (80 %), Bulgaria, Slovenia and Finland (78 %). Differences in recovery results may arise from factors such as the type of fraud or irregularity, or the type of debtor involved. Because recovery is ongoing, it can be expected that the recovery rate for 2013 will also go up in the future.

2.3. Specific analysis

2.3.1. Irregularities reported as fraudulent

2.3.1.1. Modus operandi

In 2013, most of the fraud cases (83 %) and the majority of established amounts¹¹ (93 %) for fraud cases in the EU-28 are related to the customs procedure 'release for

⁸ For comparability reasons the figures of 2008-2012 are based on the data used for the reports of those years.

⁹ See Annex 5.

¹⁰ This calculation is based on 79 711 cases, an established amount of EUR 5.7 billion and a recovered amount of EUR 3.2 billion.

¹¹ See Annexes 6 and 7.

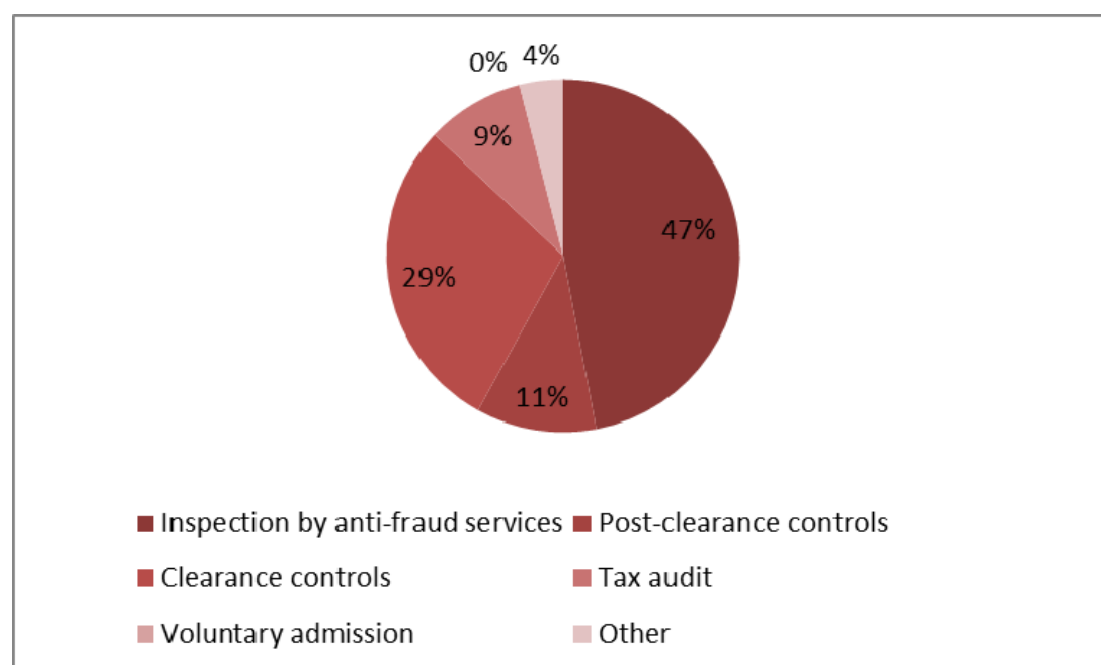
free circulation'. A total of 6 % of all cases and 2 % of all established amounts in OWNRES fraud cases registered for 2013 involve the transit procedure. The percentage of established amounts for fraud cases involves customs warehousing and inward processing — 4 % and 1 % respectively.

A breakdown of frauds by mechanism type reveals that most cases of fraud relate to false declarations. Incorrect use of preferential arrangements, incorrect origin or country of dispatching, or classification are most frequently mentioned. Smuggling as a fraud mechanism ranked second place in 2013.

2.3.1.2. Method of detection of fraud cases

In 2013¹², most fraud cases were revealed during inspections by anti-fraud services (47 %) and customs controls at the time of clearance of goods (29 %). Other methods that featured frequently were post-clearance controls (11 %) and tax audits (9 %).

CHART TOR5: Fraud cases - % of the method of detection by cases in 2013

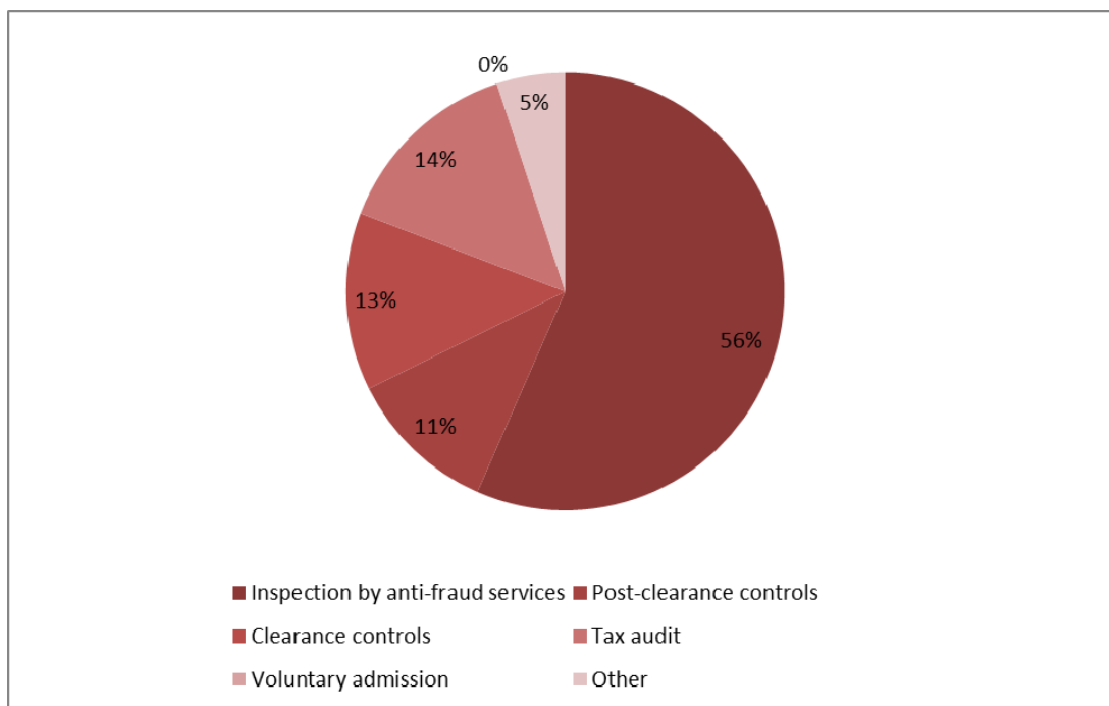


In monetary terms, of the EUR 54 million established in fraud cases registered for 2013, around 56 % were discovered by anti-fraud services, 14 % by tax audits, 13 % during a clearance control and 11 % during post-clearance controls. Only in Spain, were tax audits the most important detection method for fraud cases in monetary terms. In Belgium, the Czech Republic, Greece, Germany, France, Italy and Romania more than 50 % of all established amounts in fraud cases were detected by anti-fraud services. As regards amounts, clearance controls were the most important method for detecting fraud in Croatia, Latvia, Finland and the United Kingdom.

CHART TOR6: Fraud cases - % of the method of detection by amounts established in 2013

¹²

See Annexes 8 and 9.



2.3.1.3. Smuggled cigarettes

In 2013, there were 133 cases of smuggled cigarettes registered (CN code¹³ 24 02 20 90) involving estimated TOR of around EUR 7 million. In 2012 the number of cases of smuggled cigarettes was 224, totalling around EUR 25 million.

Table TOR1: Cases of smuggled cigarettes in 2013

MS	Cases	TOR - Estimated or established amount
	N	EUR
BE	1	276 307
BG	5	182 048
CZ	3	45 098
DE	14	510 760
IE	1	47 916
EL	13	1 282 078
HR	1	34 388
IT	9	1 153 683
LV	10	493 132
LT	12	311 848
HU	4	118 076
MT	1	17 218
NL	6	369 121
AT	5	100 011
PL	15	734 975
RO	6	99 973
FI	5	351 061
UK	22	741 066
Total	133	6 868 760

¹³

Combined nomenclature or CN –nomenclature of the Common Customs Tariff.

The highest number of cases was reported by the UK (22). The highest amount was reported by Greece (EUR 1.3 million).

No cases were reported by Denmark, Estonia, Spain, France, Cyprus, Luxembourg, Portugal, Slovenia, Slovakia and Sweden.

2.3.1.4. Fraud cases by amount category

In 2013, the established amount was below EUR 50 000 in 460 cases of fraud (73 % of all fraud cases), whereas it was above EUR 50 000 in 173 cases (27 %).

Table TOR2: Fraud by amount category in 2013

Category	Cases	Established amount
	N	EUR
< 50 000 EUR	460	7 727 163
>= 50 000 EUR	173	46 370 753
Total	633	54 097 916

The total established amount in fraud cases where the amount at stake was above EUR 50 000 amounted to EUR 46 million (86 % of all the established amounts in fraud cases).

2.3.2. Irregularities not reported as fraudulent

2.3.2.1. Modus operandi

In 2013 most of the established amounts in OWNRES in the EU-28 (87 %) for irregularity cases related to the customs procedure ‘release for free circulation’.¹⁴ In all, 7 % of all established amounts in OWNRES cases in 2013 involved inward processing, 4 % related to customs warehousing and only 1 % to transit procedure. A high amount was established and reported in connection with inward processing by the United Kingdom (EUR 17 million).

A breakdown of irregularities by mechanism type confirms that most cases of irregularity relate to incorrect declarations (incorrect classification, value, country of origin or use of preferential arrangements) and formal shortcomings (failure to fulfil obligations or commitments).

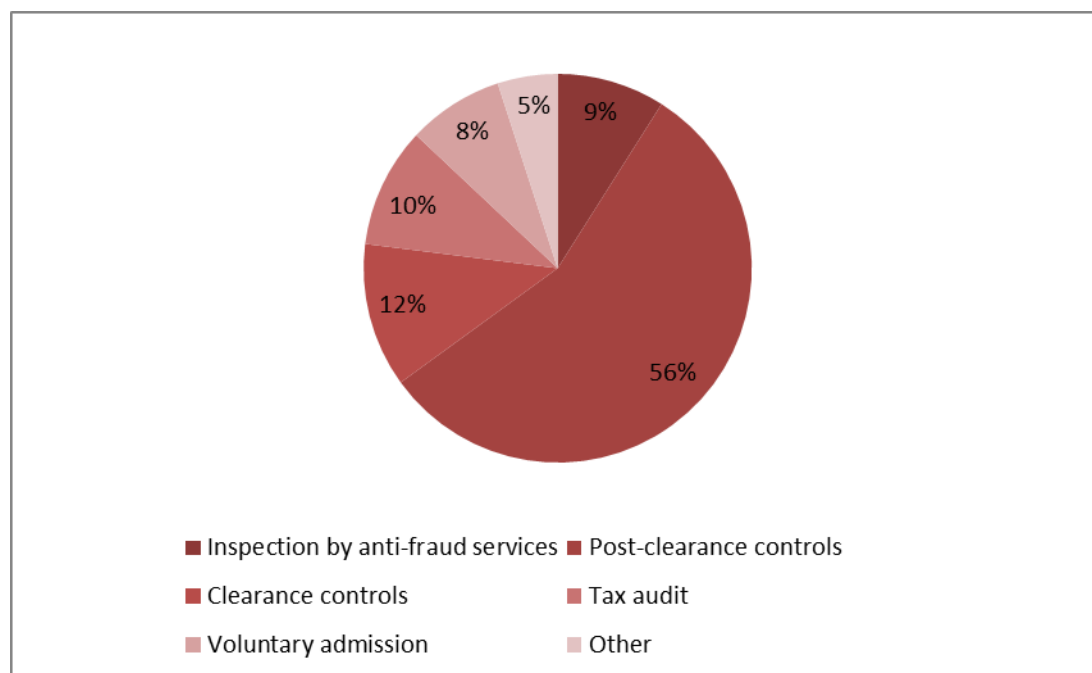
2.3.2.2. Method of detection of irregularity cases

In 2013, most irregularity cases (56 %) were revealed during post-clearance customs controls. Other methods of detection for irregularities that featured frequently were clearance controls (12 %), tax audits (10 %) followed by anti-fraud services (9 %).¹⁵

¹⁴ See Annexes 6 and 7.

¹⁵ See Annexes 8 and 9.

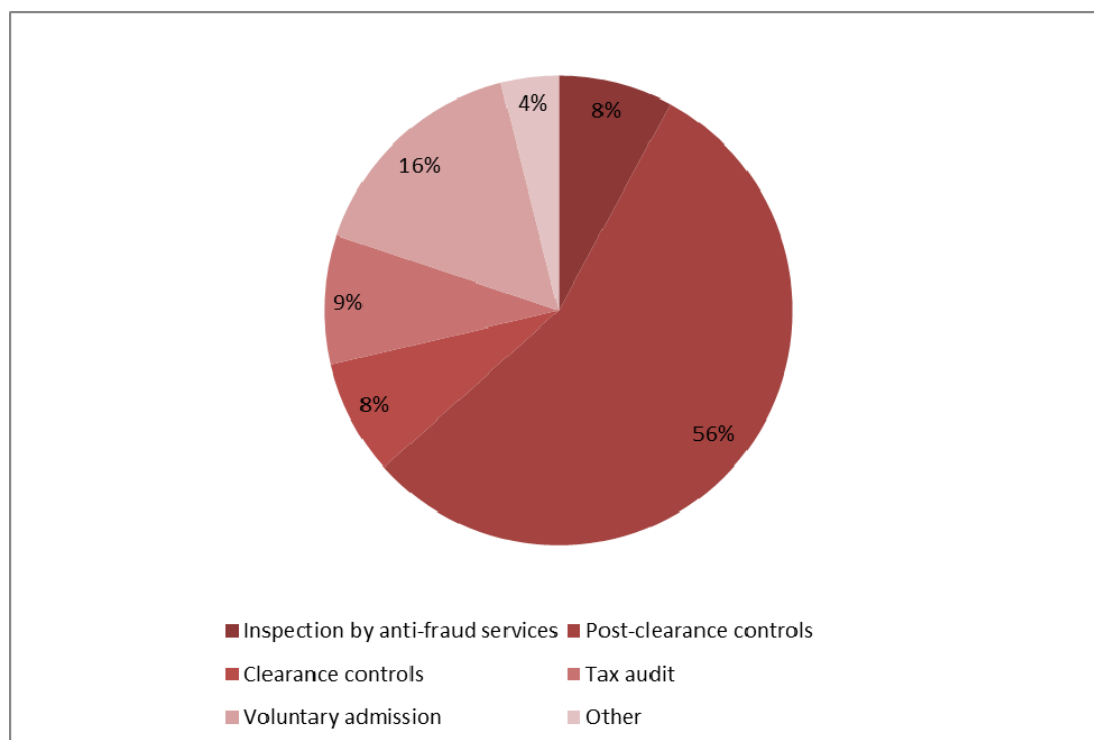
CHART TOR7: Non-fraudulent irregularity cases - method of detection of irregularity by number of cases in 2013



Considering the *established amounts*, around 56% of all irregularity cases registered for 2013 were discovered by post-clearance controls, whereas 16% were related to voluntary admission, 9% to tax audits, 8% to inspections by anti-fraud services and 8% to controls at the time of clearance of goods. In 10 Member States, more than 50% of all irregularity cases — in amounts — were detected by post-clearance controls.¹⁶ In France, Portugal and Romania more than 50% of the amounts relating to irregularity cases were detected by anti-fraud services. Significant amounts were reported as irregularities following voluntary admission by Germany (EUR 37 million), the UK (EUR 10 million) and the Netherlands (EUR 2 million).

¹⁶ The Czech Republic, Estonia, Cyprus, Hungary, the Netherlands, Austria, Poland, Slovakia, Sweden and the United Kingdom.

CHART TOR8: Non-fraudulent irregularity cases - method of detection of irregularity by amounts in 2013



2.3.2.3. Non-fraudulent irregularities by amount category

In 2013, the established amount was below EUR 50 000 in 3100 cases of irregularity (75 % of all irregularity cases), whereas it was above EUR 50 000 in 1 044 cases (25 %).

The total established amount in irregularity cases where the amount at stake was above EUR 50 000 amounted to EUR 267 million (82 % of all the established amounts in irregularity cases).

Table TOR3: Non-fraudulent irregularities by amount category in 2013

Category	Cases	Established amount
	N	EUR
< 50 000 EUR	3100	58 560 258
>= 50 000 EUR	1044	267 427 126
Total	4 144	325 987 384

2.4. Member States' activities

2.4.1. Member States' classification of cases of fraud and other irregularities and related rates

For 2013, Member States classified 633 cases as fraud out a total of 4777 cases reported via OWNRES, which indicates a Fraud Frequency Level (FFL) of 13 %. The differences between Member States are relatively large. In 2013 most Member States

categorised between 10-50 % of all cases as fraud. However, four Member States did not categorise any cases as fraud.¹⁷ Six Member States categorised less than 10 % of cases as fraud.¹⁸ Seven Member States registered more than 50 %¹⁹ of cases as fraud.

In 2013, the total established and estimated amount affected by fraud in the EU was EUR 61 million and the overall fraud detection rate was 0.29 %. For 2013, the highest percentages can be seen in Malta with 3.75 % and Lithuania 2.52 %.²⁰

The total established and estimated amount affected by irregularities was more than EUR 328 million which indicates an irregularity detection rate of 1.57 %. The highest percentages can be seen in Cyprus (4.81 %) and Bulgaria (3.06 %).²¹

There are large differences between Member States' classifications, which may partly depend on their classification practices. This can influence the comparison of the amounts involved in fraud and irregularities by Member States. Moreover, individual bigger fraud cases detected in a specific year may affect annual rates significantly. Factors such as the type of traffic, type of trade, the level of compliance of the economic operators, the location of a Member State can influence the rates significantly. Bearing in mind these variable factors, the detection rates can also be affected by the way a Member State's customs control strategy is set up to target risky imports and to detect TOR-related fraud and irregularities.

2.4.2. *Recovery rates*

2.4.2.1. Fraud

Over the 1989-2013 period, OWNRES shows that, on average, 18 % (1989-2013) of the initially established amount was corrected (cancelled). The recovery rate (RR) for all years (1989-2013) is 28.25 %.²² The RR for fraud cases detected in 2013 was 23.74 %²³ which is below the average rate of 33.5 % for fraud cases for the 2008-2012 period.²⁴ The RR in fraud cases is clearly much lower than that for irregularities.

2.4.2.2. Other Irregularities

OWNRES shows that on the cut-off date, an average 36 % (1989-2013) of the initially established amount in relation to irregularities has been corrected (cancelled) since 1989. The RR for irregularity cases reported for 2013 is 67.9 %.²⁵ On the cut-off

¹⁷ Estonia, Luxembourg, Slovakia and Sweden.

¹⁸ The Czech Republic (5 %), Germany (5 %), Cyprus (6 %), the Netherlands (4 %), Portugal (5 %) and the UK (2 %).

¹⁹ Greece (100 %), Croatia (63 %), Italy (50 %), Cyprus (50 %), Latvia (58 %), Lithuania (51 %) and Malta (100 %).

²⁰ See Annex 4.

²¹ See Annex 4.

²² This calculation is based on 15 517 cases, an established amount of EUR 1.74 billion (after already processed corrections) and a recovered amount of EUR 0.5 billion.

²³ See Annex 10.

²⁴ On the cut-off date, for years 2008-2012, the annual RR for fraud cases varied between 21 % and 58 %.

²⁵ See Annex 10.

date, the annual RR for the last five years has varied between 60 % and 82 %. The overall RR for all years (1989-2013) for all irregularity cases is 67.34 %.²⁶

2.4.2.3. Historical recovery rate

Also in the long term, the HRR reveals an equally strong relation as annual recovery rates, showing that recovery in fraud cases is generally much less successful than in cases of irregularity (see table TOR4). Classification of a case as fraud is thus a strong indicator for forecasting short- and long-term recovery results.

Table TOR4: Historical recovery rate (HRR)

Irregularities	HRR 1989 – 2010
	%
Reported as fraudulent	43.26%
Reported as not fraudulent	87.76%
Total	75.33%

2.4.3. Commission's monitoring

2.4.3.1. Examination of the write off reports

In 2013, 19 Member States submitted 144 new write-off reports to the Commission. In 2013, the Commission processed 203 cases in all totalling EUR 83 million, including cases that had been reported previously for which Member States had sent additional information. In 47 of these cases amounting to EUR 22 million, Member States were asked to pay the outstanding amounts as they were not considered diligent in recovering the debts.

Examination of Member States' diligence in write-off cases constitutes a very effective mechanism for gauging their activity in the field of recovery. It encourages national administrations to step up the regularity, efficiency and effectiveness of their recovery activity, since any lack of diligence leading to failure to recover results in individual Member States having to foot the bill.

2.4.3.2. Commission's inspections

In its TOR inspections, the Commission has put a special emphasis on Member States' customs control strategies and closely monitors their actions in relation to the observations made during the inspections. Member States show their willingness to adapt their control strategies and to progressively implement systems that provide for efficient and effective risk analysis to protect the EU's financial interests. Thematic reports consolidating the results of the inspections and evaluating and comparing Member States' performance are frequently prepared and discussed with the Member States with a view to remedying the individual shortcomings found. One general conclusion drawn by the Commission from its inspections in Member States in recent years is that their control strategies are increasingly shifting from customs controls at

²⁶

This calculation is based on 64 194 cases, an established amount of EUR 4.0 billion (after already processed corrections) and a recovered amount of EUR 2.66 billion.

the time of clearance of goods to post-clearance customs controls. For transit procedure, a decreasing number of irregularities have been observed which is also due to fully automated processing of transit shipments following the introduction of Phase 4 of NCTS.

2.4.3.3. Particular cases of Member State failure to recover TOR

If TOR are not established because of an administrative error by a Member State, the Commission applies the principle of financial liability.²⁷ Member States have been held financially liable in 2013 for over EUR 14.7 million, and new cases are being given appropriate follow-up.

²⁷ Case C-392/02 of 15/11/2005. These cases are identified on the basis of Articles 220(2)(b) (administrative errors which could not reasonably have been detected by the person liable for payment) and 221(3) (time-barring resulting from Customs' inactivity) of the Customs Code, Articles 869 and 889 of the Provisions for application of the Code, or on the basis of non-observance by the customs administration of Articles of the Customs Code giving rise to legitimate expectations on the part of an operator.

Part II - EXPENDITURE

SECTION I - SHARED MANAGEMENT

Natural Resources

Success in previous decades in guaranteeing sufficient food production, has led to a shift in emphasis to, producing higher quality food for consumers, increasing farms' profitability, diversifying the rural economy and protecting the natural environment. There is a direct management component but the majority of expenditure is disbursed by Member States under the following shared management funds.

- The European Agricultural Guarantee Fund (EAGF) which finances direct payments to farmers and measures to respond to market disturbances, such as private or public storage and export refunds.
- The European Agricultural Fund for Rural Development (EAFRD) which finances the rural development programmes of the Member States.
- The European Fishery Fund (EFF) which provides funding and technical support for initiatives that can make the fishery industry more sustainable.

Table NR1 shows the financial resources available for this policy area.

Table NR1: Financial instruments and 2013 appropriations for the Natural Resources Policies

Financial instrument	Management mode	Appropriations 2013		As % of total budget	
		Commitments	Payments	Commitments	Payments
		EUR billion	EUR billion	%	%
EAGF	Shared	45.3	44.8	30.0%	33.7%
EAFRD	Shared	14.8	13.0	9.8%	9.8%
EFF	Shared	0.7	0.5	0.5%	0.4%
TOTAL		60.8	58.3	40.3%	43.9%

3. COMMON AGRICULTURAL POLICY (CAP)

3.1. Introduction

For the last 50 years the Common Agricultural Policy (CAP) has been the European Union's (EU) most important common policy. This explains why traditionally it has taken a large part of the EU's budget, although the percentage has steadily declined over recent years.

The CAP is financed by two funds, EAGF and EAFRD, which form part of the EU's general budget.

Under the basic rules for the financial management of the CAP, the Commission is responsible for the management of the EAGF and the EAFRD. However, the Commission itself does not make payments to beneficiaries. According to the principle of shared management, this task is delegated to the Member States, who themselves work through national or regional paying agencies. Before these paying agencies can claim any expenditure from the EU-budget, they must be accredited on the basis of a set of criteria laid down by the Commission.

The paying agencies are, however, not only responsible for making payments to the beneficiaries. Prior to doing so, they must, either themselves or through delegated bodies, satisfy themselves of the eligibility of the aid applications. The exact checks to be carried out are laid down in the different sectoral regulations of the CAP and vary from one sector to another.

The expenditure made by the paying agencies is then reimbursed by the Commission to the Member States, in the case of the EAGF on a monthly basis and in the case of EAFRD on a quarterly basis. Those reimbursements are, however, subject to possible financial corrections which the Commission may make under the clearance of accounts procedures.

Table NR2 shows the financial resources available for the CAP.

Table NR2: Financial instruments and 2013 appropriations for the CAP

Financial instrument	Management mode	Appropriations 2013		As % of total budget	
		Commitments	Payments	Commitments	Payments
		EUR billion	EUR billion	%	%
EAGF	Shared	45.3	44.8	30.0%	33.7%
EARDF	Shared	14.8	13.0	9.8%	9.8%
TOTAL		60.1	57.8	39.8%	43.5%

3.2. General analysis – Trend analysis

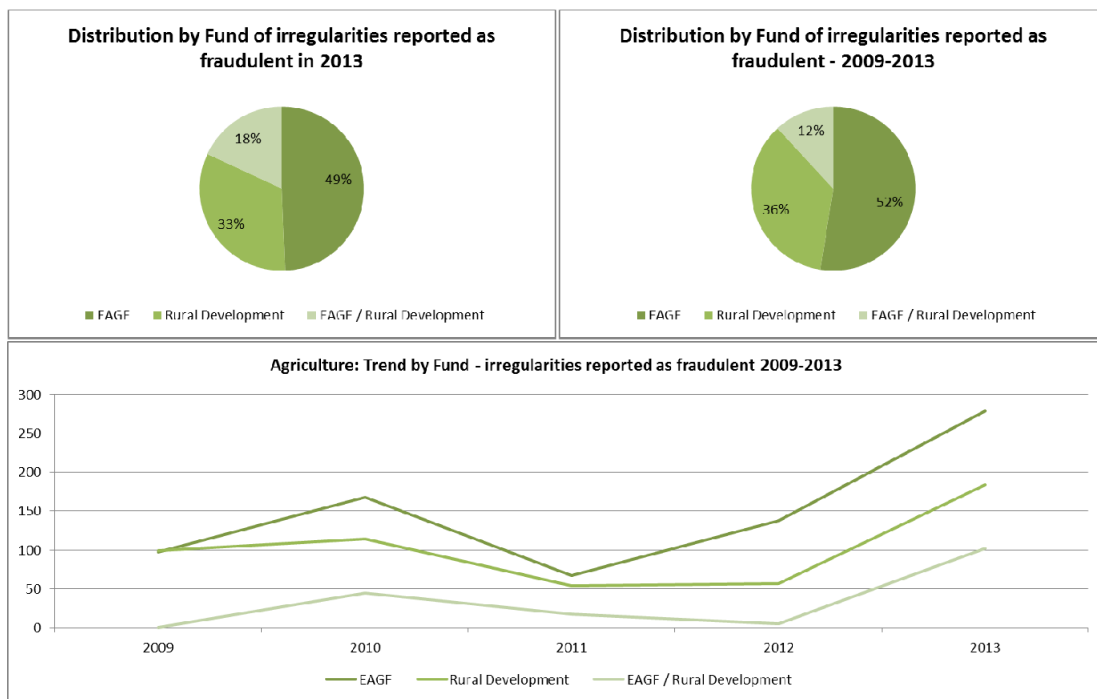
3.2.1. Irregularities reported as fraudulent

Table NR3 presents the trend of the irregularities reported as fraudulent by Member States for the period 2009-2013 in relation to the fund concerned. This shows a significant increase in relation to 2012 for the both funds: irregularities reported as fraudulent doubled for the EAGF and quadrupled for the EAFRD. The most significant increase, however, concerned those irregularities related to beneficiaries of both funds, which have committed violations in relations to both schemes.

As a result, about half of the irregularities reported as fraudulent in the period 2009-2013 affect the EAGF and about one third the EAFRD. The remaining part consists of irregularities committed by beneficiaries of both funds.

Table NR3: Irregularities reported as fraudulent by Fund –2009-2013 for the CAP

FUND	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
	N	N	N	N	N	N
EAGF	97	168	67	138	279	749
Rural Development	99	114	54	57	184	508
EAGF / Rural Development	0	45	17	5	102	169
TOTAL	196	327	138	200	565	1 426



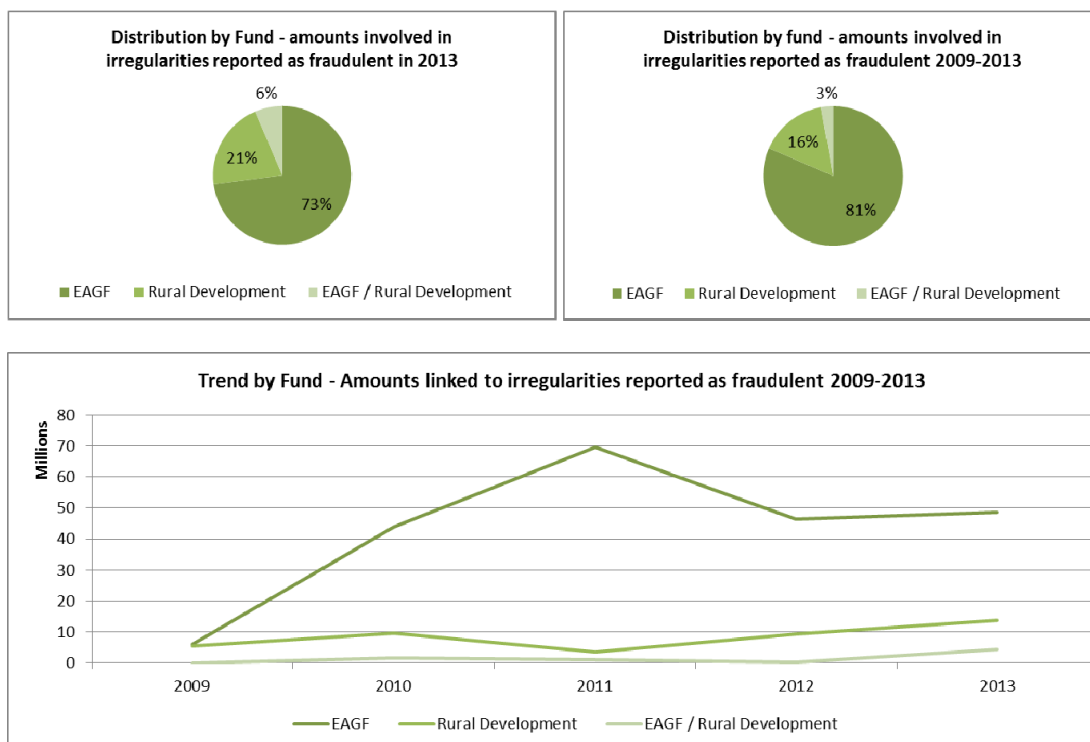
The three entries of Table NR3 have significantly increased in 2013 in comparison with previous years. This increase is mainly due to the results communicated by four Member States (Bulgaria, Denmark, Italy and Romania) which represent about 75% of the total number of irregularities reported as fraudulent in 2013. Apart from these four Member States, other five contribute significantly to the total number of reported cases (Czech Republic, Greece, Spain, France and Poland). The nine countries together have reported about 94% of the total fraudulent irregularities.

Table NR4 provides in the same form of Table NR3 information about the trends linked to the amounts involved in cases reported as fraudulent and confirms the generalised increase in comparison with the previous year.

The shares related to the two funds do not diverge significantly with the distribution of available resources among them (see Table NR2).

Table NR4: Financial amounts involved in irregularities reported as fraudulent by Fund –2009-2013 for the CAP

FUND	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
	N	N	N	N	N	N
EAGF	5 957 681	43 853 862	69 719 406	46 453 177	48 509 714	214 493 840
Rural Development	5 417 990	9 593 650	3 455 523	9 282 100	13 726 051	41 475 314
EAGF / Rural Development	0	1 654 240	1 155 873	152 723	4 273 642	7 236 478
TOTAL	11 375 670	55 101 753	74 330 802	55 887 999	66 509 407	263 205 632



The trend analysis about the financial amounts can be misleading as it can be greatly influenced by single observations of significant. For instance, the “distance” observed in 2011 between the two funds, finds entire explanation in very few cases involving high amounts linked to the EAGF, which determine the divergence from the trend highlighted in Table NR3.

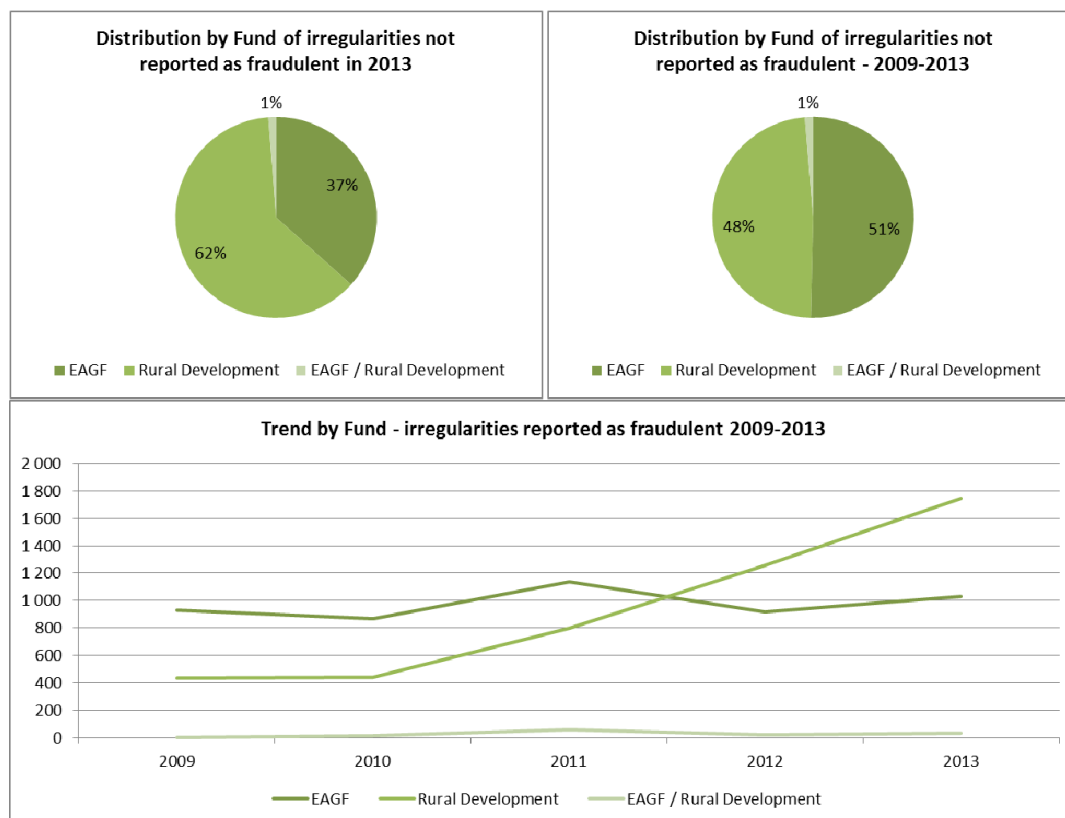
3.2.2. Irregularities not reported as fraudulent

Regarding irregularities not reported as fraudulent, the number of those reported relating to EAFRD has been constantly increasing (see Table NR5), while those related to EAGF has remained relatively stable. Consistently with this trend, also the irregular amounts linked to the rural development instrument have been increasing (as highlighted in Table NR6), but with a trend that is more evident in the last three years.

Contrary to the irregularities reported as fraudulent, only 1% of those not reported as fraudulent involves violations in both funds.

Table NR5: Irregularities not reported as fraudulent by Fund – 2009-2013 for the CAP

FUND	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
	N	N	N	N	N	N
EAGF	928	867	1 140	919	1 031	4 885
Rural Development	434	443	800	1 259	1 748	4 684
EAGF / Rural Development	1	15	58	19	35	128
TOTAL	1 363	1 325	1 998	2 197	2 814	9 697



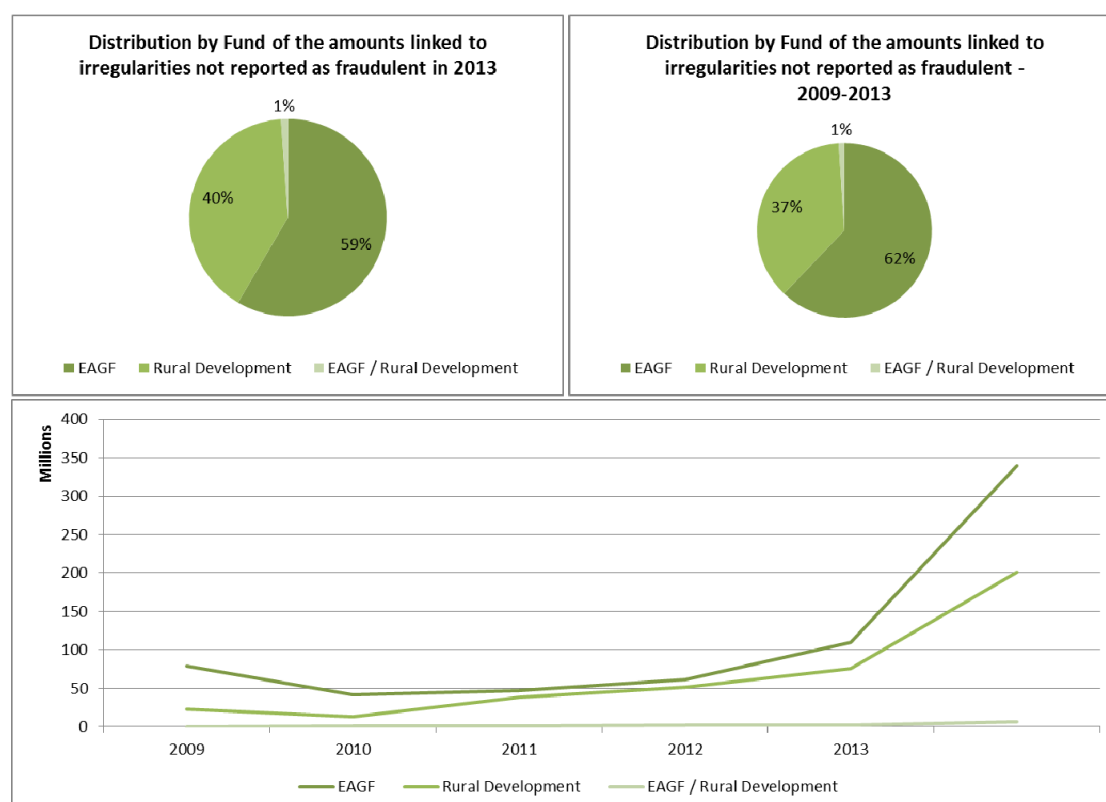
Unlike fraudulent irregularities the largest share, in terms of numbers, in 2013 is for the EAFRD, while for the period 2009-2013, the share of the two funds is almost evenly balanced.

The increase in the irregular amounts related to the EAFRD is also determining the situation that 2012 represents the highest peak in relation to irregular amounts linked to non-fraudulent irregularities of the last five years.

Table NR5 shows the information concerning the years 2009-2013.

Table NR5: Financial amounts linked to irregularities not reported as fraudulent by Fund – 2009-2013 for the CAP

FUND	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
	N	N	N	N	N	N
EAGF	79 021 013	41 500 339	47 524 193	61 139 894	109 935 715	339 121 155
Rural Development	23 149 913	13 063 156	37 651 276	51 088 430	76 031 571	200 984 347
EAGF / Rural Development	72 124	1 139 449	1 008 721	1 365 439	2 150 696	5 736 429
TOTAL	102 243 051	55 702 944	86 184 191	113 593 763	188 117 982	545 841 930



3.3. Specific analysis

3.3.1. Irregularities reported as fraudulent

3.3.1.1. Modus operandi

Table NR7 compares the types of irregular / *modi operandi* linked to fraudulent cases detected in 2013 with those detected from 2009 to 2013 (included).

The most recurrent *modus operandi* is related to the infringement related to documentary proofs, and in particular, to the use of 'false or falsified declarations', 'false or falsified documents' and 'false or falsified request for aid', 'declaration of fictitious product, species and/or land' in line with what reported in general for the whole period 2009-2013. 'Quantities outside permitted limits, quotas or thresholds' (related, respectively to products, species or land) remained a significant reported type of breach, resulting again from the reporting by the Danish authorities as in 2012 and, probably linked to the follow-up to the same investigation.

Another significant infringement reported in 2013 refer to the ‘*beneficiary not having the required quality*’ (51 occurrences), which represents a new development in relation to the previous years.

Table NR7: Types of irregularities in relation to the CAP

Type of irregularity	irregularities reported as fraudulent in 2013		Irregularities reported as fraudulent 2009-2013	
	N	EUR	N	EUR
documentary proof \ documents false and/or falsified	169	18 837 915	333	58 834 532
product, species and/or land \ overdeclaration and/or				
declaration of fictitious product, species and/or land	45	4 372 125	144	7 665 922
request \ false or falsified request for aid	47	16 866 184	115	23 530 958
product, species and/or land \ quantities outside permitted limits, quotas, thresholds	55	1 897 359	106	3 099 815
product, species and/or land \ overdeclaration and/or				
declaration of fictitious product, species and/or land (non-)action \ action not implemented	37	1 502 327	67	2 426 899
beneficiary \ operator/beneficiary not having the required quality	51	1 438 936	61	2 349 473
documentary proof \ documents missing and/or not provided			53	1 307 639
(non-)action \ other actions not carried out in accordance with regulations, rules, contract conditions, etc.	28	1 769 432	46	2 816 493
other irregularities (to be specified)	9	219 831	38	5 677 486
product, species and/or land \ variation in quality or content			34	7 873 379
beneficiary \ other irregularities concerning the operator/beneficiary	4	1 041 110	26	3 099 946
product, species and/or land \ inexact quantity			25	3 270 424
other irregularities (to be specified) product, species and/or land \ overdeclaration and/or declaration of fictitious product, species and/or land	25	806 635	25	806 635
request \ incorrect or incomplete request for aid product, species and/or land \ overdeclaration and/or declaration of fictitious product, species and/or land			23	435 949
product, species and/or land \ fictitious use or processing				
product, species and/or land \ overdeclaration and/or declaration of fictitious product, species and/or land			19	746 685
request \ incorrect or incomplete request for aid			19	610 434
(non-)action \ infringement of rules concerned with public procurement	15	1 704 744	18	1 949 776
documentary proof \ documents incorrect			15	1 892 941
documentary proof \ other irregularities concerning documentary proof	5	286 653	15	678 747
request \ product, species, project and/or activity not eligible for aid product, species and/or land \ fictitious use or processing			12	239 988
request \ false or falsified request for aid documentary proof \ documents false and/or falsified	1	22 316	10	332 351
OTHER	52	15 743 840	195	133 559 160
TOTAL	543	66 509 407	1399	263 205 632

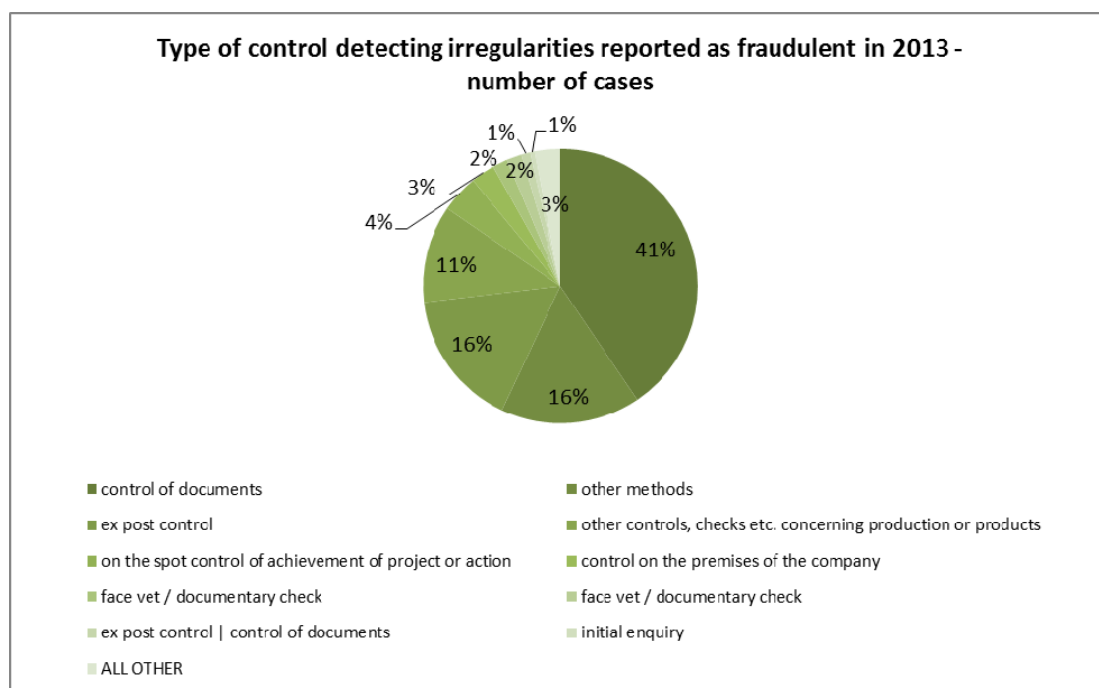
A single case of corruption has been reported (it is included within the category 'OTHER') and involves an amount of over EUR 6.3 million (on the 15.7 million of that group). This case, reported by the Netherlands, is related to the financial year 1999 and due to its complexity and the secrecy of investigations has been reported only in 2013.

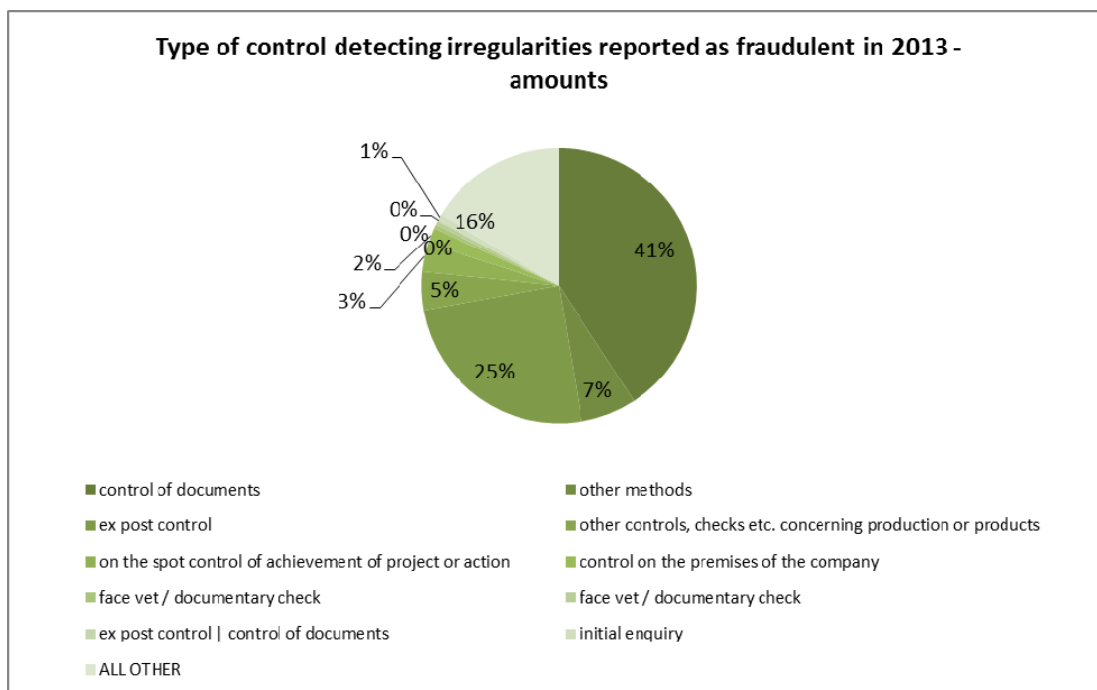
3.3.1.2. Type of control / Method of detection

Table NR8 shows the types of controls having identified the irregularities reported as fraudulent in 2013.

Table NR8: Control methods having identified the irregularities reported as fraudulent in 2013

Type of control	Irregularities reported as fraudulent 2013	
	N	EUR
control of documents	229	27 132 173
other methods	93	4 359 974
ex post control	91	16 489 029
other controls, checks etc. concerning production or products	65	2 987 350
on the spot control of achievement of project or action	25	2 238 908
control on the premises of the company	16	1 217 063
face vet / documentary check	10	312 180
face vet / documentary check	10	312 180
ex post control control of documents	6	125 783
initial enquiry	3	440 126
ALL OTHER	17	10 894 640
TOTAL	565	66 509 407

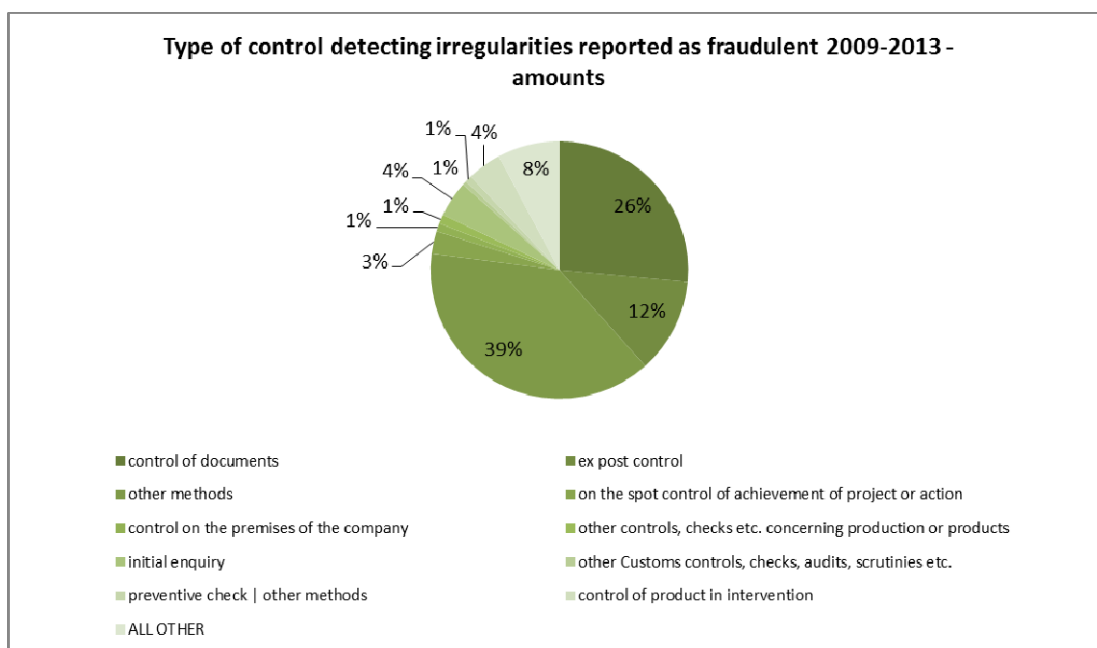
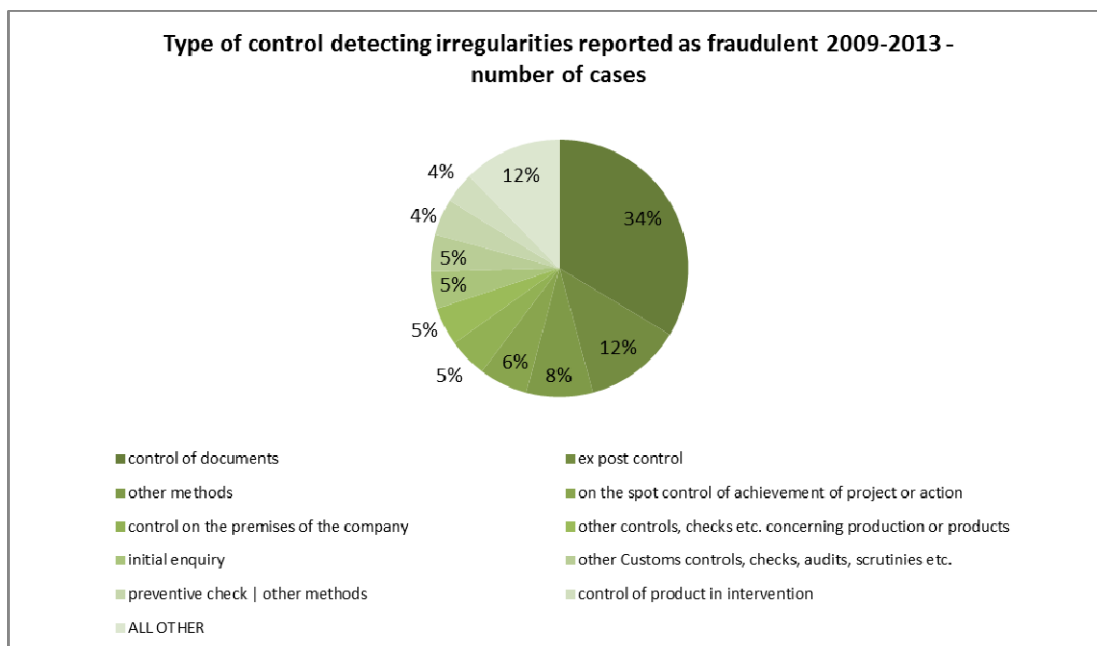




Minor differences are noticeable in comparison with the whole reference period 2009-2013, as showed in Table NR9.

Table NR9: Control methods having identified the irregularities reported as fraudulent 2009-2013

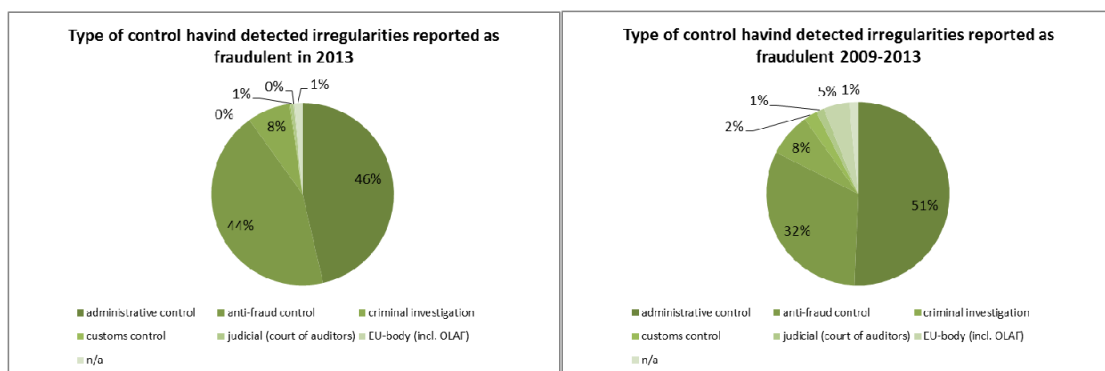
Type of control	Irregularities reported as fraudulent 2009-2013	
	N	EUR
control of documents	479	69 750 003
ex post control	174	31 250 322
other methods	119	101 741 396
on the spot control of achievement of project or action	87	7 456 761
control on the premises of the company	70	2 702 365
other controls, checks etc. concerning production or products	68	3 057 241
initial enquiry	67	11 827 765
other Customs controls, checks, audits, scrutinies etc.	66	1 400 332
preventive check other methods	65	2 252 993
control of product in intervention	55	11 236 380
ALL OTHER	176	20 530 075
TOTAL	1426	263 205 632



The bodies having identified the majority of the irregularities reported as fraudulent are mainly the administrative bodies, while the anti-fraud bodies deal with the cases with the highest financial impact as showed in Table NR10.

Table NR10: Types of controls having detected the irregularities reported as fraudulent in 2013 in relation to the CAP

Type of control	Irregularities reported as fraudulent in 2013		Irregularities reported as fraudulent 2009-2013	
	N	EUR	N	EUR
administrative control	262	27 696 122	722	99 049 062
anti-fraud control	247	35 033 832	453	55 783 789
criminal investigation	43	2 358 574	110	23 255 558
customs control	1	63 708	34	2 669 616
judicial (court of auditors)	3	62 457	20	787 811
EU-body (incl. OLAF)	1	95 071	65	79 726 737
n/a	8	1 199 642	22	1 933 059
TOTAL	565	66 509 407	1426	263 205 632



Statistics concerning the cases detected by EU bodies (including OLAF) do not appear entirely accurate.

Among the 247 cases related to Anti-fraud controls, the great majority originates from Italy and Denmark.

3.3.1.3. Complexity of the irregularities reported as fraudulent

In 2012, for the first time, an estimation of the level of complexity of the irregularities reported as fraudulent was provided.

In relation to the information published in 2012 on this subject, the methodology to identify the complexity of reported fraudulent irregularities has been reviewed and refined, therefore no comparison should be made between the two documents as the present one is founded on different 'rules'²⁸.

Table NR11 provides an estimation of the level of complexity of the irregularities reported as fraudulent based on this revised methodology. It also compares the situation of those reported in 2013 with those communicated in the reference period 2009-2013 (included).

The share of the 'complex' cases slightly increases in 2013 in comparison to the reference period, while share of the 'simple' fraudulent irregularities decreases and the 'moderate' complexity category remains fairly stable.

The 'complex' cases are referred to the EAFRD for the majority (about 60%), while those related to the EAGF drop to 20% in 2013 in comparison to the 30% of the period 2009-2013.

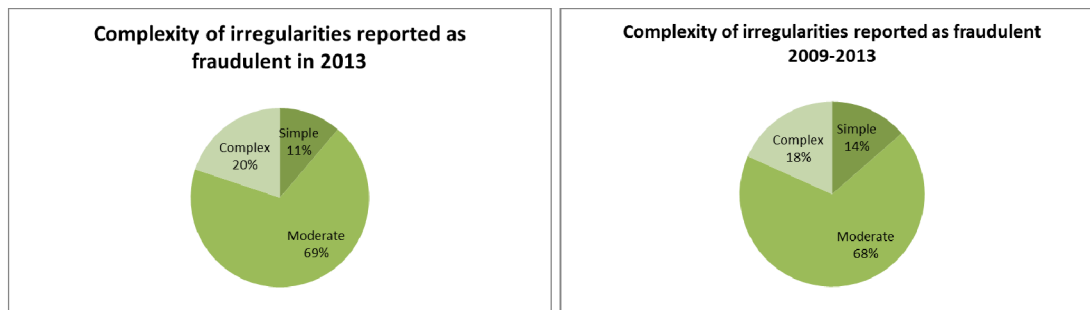
On the contrary, EAGF has the greatest share of 'Simple' cases (70% in 2013 and 65% in the period 2009-2013).

Table NR11: Complexity of fraudulent irregularities detected in relation to the CAP

²⁸

For a description of the methodology used for assessing the complexity of irregularities reported as fraudulent, consult the Commission Staff Working Document on the 'Methodology regarding the statistical evaluation of reported irregularities for 2013'.

Complexity	FUND	Irregularities reported as fraudulent in 2013				Irregularities reported as fraudulent 2009-2013			
		EAGF	EAGF/RD	RD	TOTAL	EAGF	EAGF/RD	RD	TOTAL
		N	N	N	N	N	N	N	N
Simple		12	11	34	57	53	12	103	168
Moderate		172	87	91	350	488	145	209	842
Complex		71	4	26	101	148	12	66	226
N/A		24		33	57	60		130	190
TOTAL		279	102	184	565	749	169	508	1 426



This is the second attempt of estimating the proportion of 'complex' cases on the total fraudulent irregularities identified. Therefore the method is liable of being improved in the next years.

3.4. Anti-fraud activities of Member States

Previous paragraphs have examined the trend and main features and characteristics of the irregularities reported as fraudulent.

The present paragraph aims at examining some aspects linked to the anti-fraud activities and results of Member States. Five elements are taken into account:

- (1) the time that runs between the beginning of the fraudulent practice and its detection/establishment by the competent authority and reporting to the Commission (Detection / Reporting Efficiency);
- (2) the number of irregularities reported as fraudulent by each Member State;
- (3) the fraud detection rate (the ratio between the amounts involved in cases reported as fraudulent and the payments occurred in the financial year 2012);
- (4) the fraud prevention rate (the ratio between the amounts involved in cases reported as fraudulent which have been detected before payments were executed);
- (5) the ratio of cases of established fraud on the total number of irregularities reported as fraudulent.

3.4.1. Detection – Reporting Efficiency

Table NR12 shows the average number of months between the moment in which the fraudulent practice is put in place and when the fraudulent irregularity it is detected/established (Detection Efficiency – DetE) and then the average number of months between its establishment and the reporting (Reporting Efficiency – RepE) to the Commission.

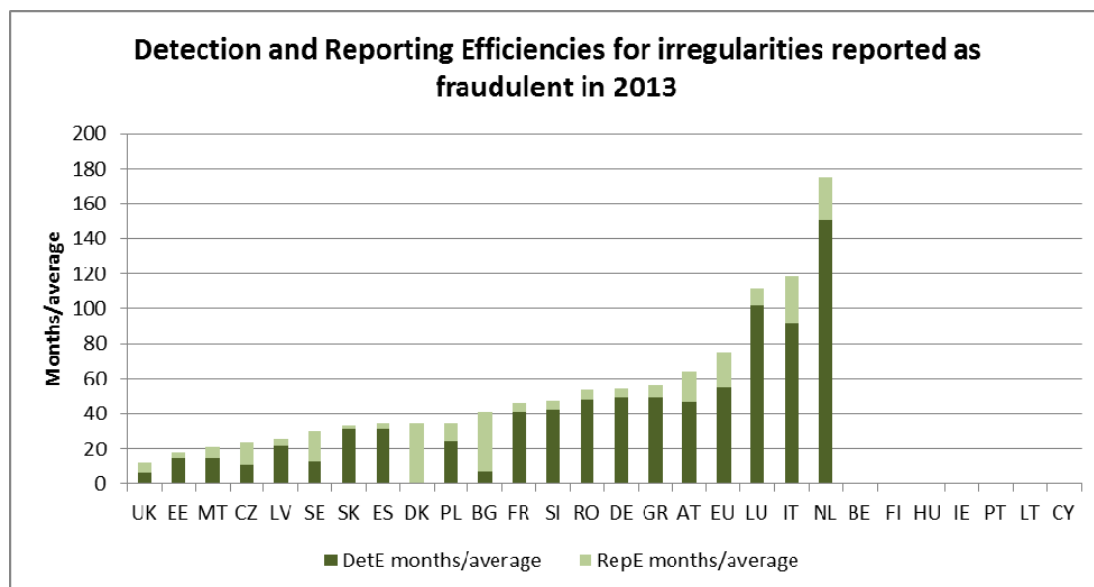
The EU average is about 6 years and three months (75 months) between the first and the last of those events (DetE + RepE). In 2012 this lapse consisted of about 4 years, while the overall average for the reference period is about 5 years and a half (67 months).

The duration of the DetE should not be seen as a sign of inefficiency *per se*. More relevant, in this respect, is the RepE, which is, in average, about 20 months, worsening in comparison to 2012 (7 months).

Eleven (11) of the twenty-one (21) Member States having reported fraudulent irregularities in 2013, have a DetE lower than 40 months.

Table NR12: Detection and Reporting Efficiency by Member State

Member State	Irregularities reported as fraudulent in 2013			Irregularities reported as fraudulent 2009-2013		
	DetE	RepE	DetE + RepE	DetE	RepE	DetE + RepE
	months/average	months/average	months/average	months/average	months/average	months/average
UK	6	6	12	27	25	52
EE	15	3	18	11	10	21
MT	15	6	21	15	6	21
CZ	11	13	24	10	13	23
LV	21	5	26	15	6	21
SE	13	17	30	27	10	37
SK	31	2	33	21	10	30
ES	31	3	34	29	22	52
DK	0	34	34	42	13	56
PL	24	10	34	23	23	46
BG	7	34	41	7	27	34
FR	41	5	46	56	10	66
SI	43	5	48	18	10	29
RO	48	5	53	33	15	47
DE	49	5	54	39	12	51
GR	49	7	56	57	12	69
AT	47	17	64	58	16	74
EU	55	20	75	44	23	67
LU	102	10	111	102	10	111
IT	92	26	118	89	28	117
NL	151	25	175	86	20	106
BE				38	15	53
FI				75	70	144
HU				15	31	46
IE				7	12	20
PT				72	41	113
LT				16	19	35
CY						



The results in 2013 are also negatively influencing the overall results for the period 2009-2013, in particular as irregularities reported as fraudulent in 2013 represent about one third of all irregularities reported in the reference period.

In the case of the Netherlands, the result depends exclusively on a single case related to an irregularity linked to the financial year 1999, having involved a criminal investigation²⁹.

3.4.2. *Detection of irregularities reported as fraudulent in 2012 by Member State*

Map NR1 divides Member States in four groups, depending on the number of irregularities reported as fraudulent in 2013:

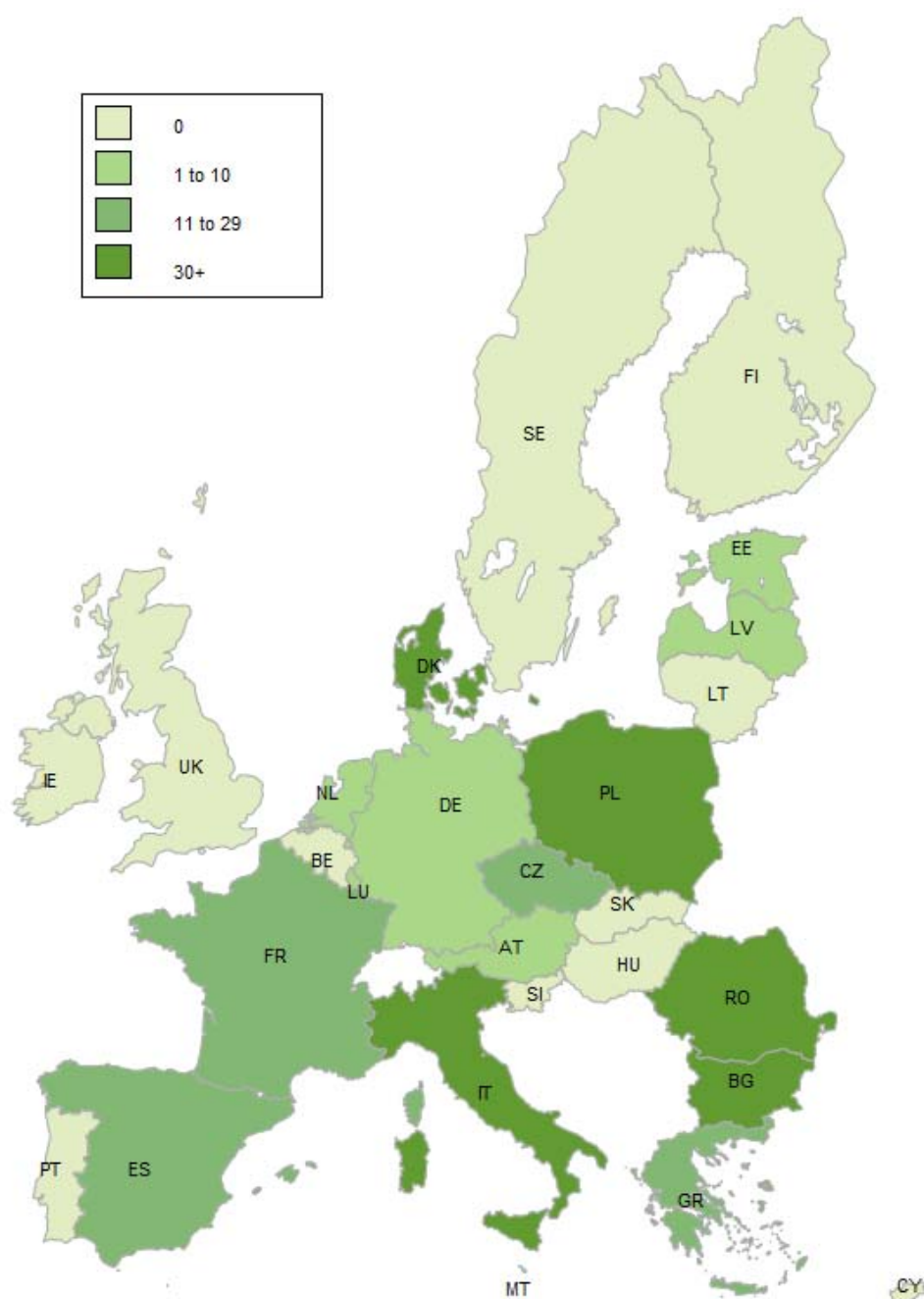
- (1) Group 1: no irregularities reported as fraudulent irregularities in 2012;
- (2) Group 2: between 1 and 9 such cases reported in 2012;
- (3) Group 3: 10 to 30 irregularities reported as fraudulent;
- (4) Group 4: more than 30 cases reported.

The composition of these groups is similar to the previous years, with the significant exception of Denmark, which is in Group 4, while in previous years it was in Group 1 or 2.

²⁹

Judicial authorities performed searches on the premises of involved persons in 2003, first in Belgium, and later on in other Member States including the Netherlands, which reported it in 2013 due to the secrecy of the penal procedure, which was levied at that date. The case represents an anomaly not caused by flaws in the Dutch system of control and financial management.

Map NR1: Number of irregularities reported as fraudulent in 2013 by Member State - CAP



The detailed figures of Map NR1 are showed in Table NR12.

3.4.3. *Fraud detection rate*

The fraud detection rate compares the results obtained by Member States in their fight against fraud with the payments received by them in a given financial year. This implies that a single case reported as fraudulent and involving a significant financial amount can produce a better result than that achieved by the sum of the financial impact of several irregularities affecting lower amounts. For this reason, this indicator

should be read in conjunction with the number of irregularities reported as fraudulent and for this reason they are presented together in Table NR13.

In 2013, the highest fraud detection rates are referred to Malta, Italy, the Netherlands, Estonia, Italy, Bulgaria, Romania and Denmark.

Table NR13: number of irregularities reported as fraudulent in 2013, amounts involved and fraud detection rate by Member State

Member State	Irregularities reported as fraudulent in 2013		Payments in 2013	FDR 2013
	N	EUR	EUR	
AT	6	53 167	1 256 131 101	0.00%
BE			686 487 950	0.00%
BG	82	2 930 979	933 643 670	0.31%
CY			73 027 008	0.00%
CZ	15	1 509 736	1 209 749 786	0.12%
DE	9	915 590	6 648 346 245	0.01%
DK	66	2 555 374	1 007 786 562	0.25%
EE	4	1 220 196	221 736 534	0.55%
ES	12	801 903	6 862 608 505	0.01%
FI			875 617 220	0.00%
FR	15	1 460 097	9 585 004 995	0.02%
GR	25	1 844 031	2 571 129 981	0.07%
HU			1 760 520 405	0.00%
IE			1 578 311 308	0.00%
IT	213	36 666 995	5 931 104 391	0.62%
LT			608 007 426	0.00%
LU	1	252 050	44 184 281	0.57%
LV	3	274 528	330 843 129	0.08%
MT	5	113 814	15 330 791	0.74%
NL	1	6 349 557	1 006 909 607	0.63%
PL	42	4 382 479	4 990 711 732	0.09%
PT			1 425 616 769	0.00%
RO	60	4 397 573	2 423 337 744	0.18%
SE	2	32 411	883 720 617	0.00%
SI	2	213 708	264 785 532	0.08%
SK	1	520 942	558 922 468	0.09%
UK	1	14 278	4 078 710 002	0.00%
TOTAL	565	66 509 407	57 832 285 759	0.12%

In relation to the Netherlands, the result, as already mentioned, is due to a case related to the financial year 1998, established in 2012 (after a complex criminal investigation in the Netherlands and Belgium) and reported in 2013. In this case, the picture provided by the indicator is clearly distorted and this should be taken into account.

3.4.4. Ratio of established fraud 2009-2013

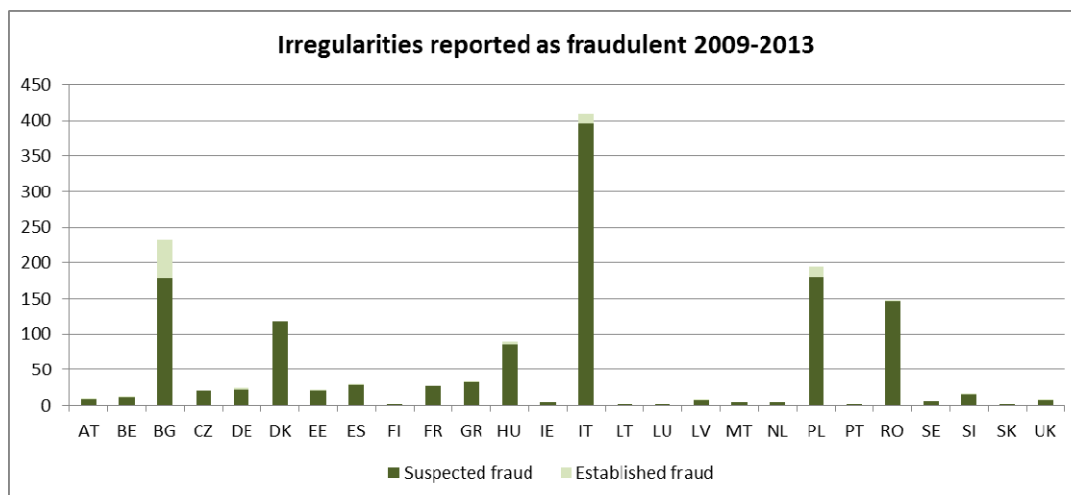
Table NR14 shows the ratio between the cases of established fraud and the total number of irregularities reported as fraudulent (including suspected and established fraud) in the period 2009-2013. Taking into account only cases reported in 2013

would be meaningless, as the criminal proceedings leading to a conviction for fraud may take several years.

In this respect, the average ratio of established fraud at EU level is 7% (increasing from 6% in 2012), with Latvia, Bulgaria, Belgium, Germany, Austria and the United Kingdom showing a rate above this level, and Poland presenting a rate in line with the EU average.

Table NR14: number of cases of suspected and established fraud and ratio of established fraud – cases reported between 2009-2013 in the CAP

Member State	Suspected fraud	Established fraud	TOTAL	Ratio established fraud
	N	N	N	%
AT	9	1	10	10%
BE	11	1	12	8%
BG	178	55	233	24%
CZ	20		20	0%
DE	22	2	24	8%
DK	118		118	0%
EE	21	1	22	5%
ES	28	1	29	3%
FI	1		1	0%
FR	27		27	0%
GR	33	1	34	3%
HU	86	3	89	3%
IE	4		4	0%
IT	396	13	409	3%
LT	1		1	0%
LU	1		1	0%
LV	7	1	8	13%
MT	5		5	0%
NL	4		4	0%
PL	180	14	194	7%
PT	2		2	0%
RO	146	1	147	1%
SE	6		6	0%
SI	15	1	16	6%
SK	2		2	0%
UK	7	1	8	13%
TOTAL	1 330	96	1 426	7%



A significant impact on the rate is determined by the number of irregularities reported as fraudulent by Member States. In this respect, the countries which influence the EU average results are Italy, Poland, Bulgaria, Romania and Denmark.

Data take into account also developments related to older cases.

3.5. Recovery cases

3.5.1. Legal Framework

Regulation (EC) No 1290/2005 on the financing of the CAP requires the Member States to recover sums lost as a result of detected irregular payments. However, the recovery procedures, in accordance with the principle of subsidiarity, are wholly the responsibility of the Member States concerned and, thus, subject to their individual judicial procedures. Therefore, while some procedures delivery rapid results, other take a longer period of time.

In order to address delays by some Member States in recovering undue payments, the legislator introduced an automatic clearing mechanism under which 50 % of any undue payments which the Member States have not recovered from the beneficiaries within 4 years or, in the case of legal proceedings, 8 years, would be charged to their national budgets (50/50 rule).

Even after the application of this mechanism, Member States are, however, obliged to pursue their recovery procedures and, if they fail to do so with the necessary diligence, the Commission may decide to charge the entire outstanding amounts to the Member States concerned. Moreover, Member States are required to off-set any outstanding debts against future payments to the debtor (compulsory compensation).

Undue payments that are the result of administrative errors committed by the national authorities also have to be deducted from the annual accounts of the paying agencies concerned and, thus, excluded from EU financing.

3.5.2. Amounts recovered in 2013

Table NR15 sets out the amounts recovered in 2013 by the Member States for the EAGF (split between ABB02 and ABB03 is not provided in the data received) and

the EAFRD. This shows that 197 million EUR was recovered in respect of the two funds.

Table NR15: Recoveries by the Member States from the Final Beneficiaries of unduly paid amounts

Member State	Amounts recovered by Member States in 2013		
	EAGF	EAFRD	TOTAL CAP
	EUR	EUR	EUR
Belgium	1 572 238	1 303 368	2 875 606
Bulgaria	5 422	1 612 745	1 618 167
Czech Republic	63 541	2 020 177	2 083 718
Denmark	768 034	590 581	1 358 615
Germany	6 524 918	7 968 624	14 493 542
Estonia	47 477	1 665 600	1 713 077
Ireland	2 711 880	1 542 227	4 254 107
Greece	1 983 989	669 713	2 653 702
Spain	11 740 228	2 748 129	14 488 357
France	13 724 720	2 076 281	15 801 001
Italy	9 163 732	3 548 017	12 711 749
Cyprus	412 074	592 282	1 004 356
Latvia	269 603	563 191	832 794
Lithuania	453 051	617 509	1 070 560
Luxembourg	42 032	27 254	69 286
Hungary	2 139 247	9 248 917	11 388 164
Malta	2 415	106 165	108 580
Netherlands	5 893 214	850 003	6 743 217
Austria	3 757 498	11 946 005	15 703 503
Poland	10 261 630	11 303 061	21 564 691
Portugal	5 065 480	4 897 933	9 963 413
Romania	3 791 787	28 685 177	32 476 964
Slovenia	610 088	510 025	1 120 113
Slovakia	89 529	826 905	916 434
Finland	2 639 599	1 065 849	3 705 448
Sweden	5 152 778	1 125 117	6 277 895
United Kingdom	5 420 791	4 597 863	10 018 654
TOTAL	94 306 995	102 708 718	197 015 713

3.5.3. Application of the 50/50 Rule

The financial consequences of non-recovery for cases dating from 2009 (4 year deadline for recovery) or 2005 (8 year deadline if legal proceedings) will be determined for 2013 in accordance with the 50/50 rule mentioned above by charging approximately €17.1 million to the Member States concerned. Moreover, around €18.7 million will be borne by the EU budget for cases reported irrecoverable during financial year 2013. The final figures will be established in April 2014 when the financial clearance decision for financial year 2013 will be adopted. Due to the application of the 50/50 rule, important non-recovered sums have already been charged to the Member States for EAGF expenditure.

The overall outstanding amount still to be recovered from the beneficiaries at the end of that financial year was 1 318.3 million EUR. Of this amount, 1 097.1 million EUR

is outstanding to the EU budget (the difference having already been charged to the Member States via the 50/50 mechanism).

As regards the recovery of undue payments financed by the EAFRD, it has to be noted that the 50/50 rule is applied only after the closure of the rural development programmes.

The clearance mechanism (50/50 rule) referred to above provides a strong incentive for Member States to recover undue payments from the beneficiaries as quickly as possible. As a result, by the end of financial year 2013, 49 % of the new EAGF debts from 2007 and thereafter had already been recovered, which is a significant improvement compared to the past. The detailed breakdown of this recovery rate has developed as indicated in Table NR16.

Table NR16: Rate of recovery from beneficiaries of irregularities detected since 2007 (EAGF)

		Recovery rate						
		until the end of 2007	until the end of 2008	until the end of 2009	until the end of 2010	until the end of 2011	until the end of 2012	until the end of 2013
year of discovery of the irregularity	2007	33%	47%	50%	53%	60%	68%	69%
	2008	-	24%	40%	47%	49%	58%	59%
	2009	-	-	24%	33%	42%	44%	46%
	2010	-	-	-	29%	39%	44%	45%
	2011	-	-	-	-	23%	37%	39%
	2012	-	-	-	-	-	34%	60%
	2013	-	-	-	-	-	-	23%
	2007-2013	-	-	-	-	-	-	49%

It is worth noting that some of these new debt amounts were already written off by Member States in the period 2007-2013 (€74.6 million) and therefore they will most likely not be recovered. For more details on the recovery rates at Member State level, see the Table NR17.

Table NR17: Recoveries from beneficiaries for cases detected since 2007 in EUR (EAGF)

Member State	New cases since 2007	Adjustments	Recoveries	Recovery rate
	EUR	EUR	EUR	%
Belgium	79 526 002	-29 596 346	-27 046 616	54%
Bulgaria	837 332	149 092	-40 303	4%
Czech Republic	2 305 173	-111 396	-2 175 610	99%
Denmark	31 138 347	9 084 609	-22 153 719	55%
Germany	71 414 418	1 186 435	-59 671 780	82%
Estonia	2 383 218	-1 022 115	-1 238 756	91%
Ireland	26 038 580	-2 744 366	-20 759 609	89%
Greece	49 316 439	-14 197 611	-7 454 539	21%
Spain	220 571 423	-26 555 646	-119 795 860	62%
France	177 825 573	85 747 022	-67 207 653	25%
Italy	239 646 090	55 180 752	-112 222 627	38%
Cyprus	2 832 630	-19 502	-1 844 489	66%
Latvia	1 753 582	-45 027	-1 299 338	76%
Lithuania	5 960 856	-2 453 440	-3 216 288	92%
Luxembourg	1 052 204	-489 191	-307 928	92%
Hungary	47 832 029	-13 054 845	-11 553 428	33%
Malta	1 063 440	76 849	-589 262	52%
Netherlands	64 229 290	-7 736 523	-20 590 405	36%
Austria	30 280 063	-1 946 845	-28 772 460	100%
Poland	17 706 589	5 247 926	-18 638 329	81%
Portugal	68 705 368	-15 668 065	-30 804 830	58%
Romania	19 422 116	858 856	-9 201 507	45%
Slovenia	15 206 323	1 790 353	-4 317 226	25%
Slovakia	2 638 157	-843 345	-487 586	27%
Finland	9 216 561	243 866	-8 738 419	92%
Sweden	26 044 336	-3 618 022	-16 708 894	75%
United Kingdom	46 469 269	-8 673 263	-31 941 901	85%
TOTAL	1 261 415 407	30 790 212	-628 779 363	49%

3.5.4. Commission's Audits

During the period 2008-2013, the Commission has audited the correct application of the new clearance mechanism through 29 audit missions in 19 Member States (including all EU-15 Member States with a low recovery rate for the cases detected since 2007). In general the Member States' authorities have adequate procedures in place to protect the financial interest of the European Union. Deficiencies found during these audits are being followed in the context of conformity clearance procedures. The ECA's systems audits for the last two years have not found any serious deficiencies in the Member States' debt management systems.

The diligence of the Member States' authorities in the recovery of the most significant individual irregularity cases is assessed in the context of a further 30 on-going conformity clearance procedures (desk audits).

Common Fisheries Policy (CFP)

As the activities of each fishing fleet affect the opportunities of other fleets, the EU countries have decided to manage their fisheries in collaboration, through the common fisheries policy (CFP). This policy brings together a range of measures designed to achieve a thriving and sustainable European fishing industry.

Among the most important areas of action of the CFP is the provision of funding and technical support for initiatives that can make the industry more sustainable. These actions are supported by the European Fisheries Fund (EFF).

3.6. General analysis

Implementation of programmes financed by the EFF has been implemented more slowly than that of other policies under shared management in the first years of the programming period 2007-2013³⁰. For this reason, the number of irregularities reported by Member States in relation to this fund is limited and has started in 2010.

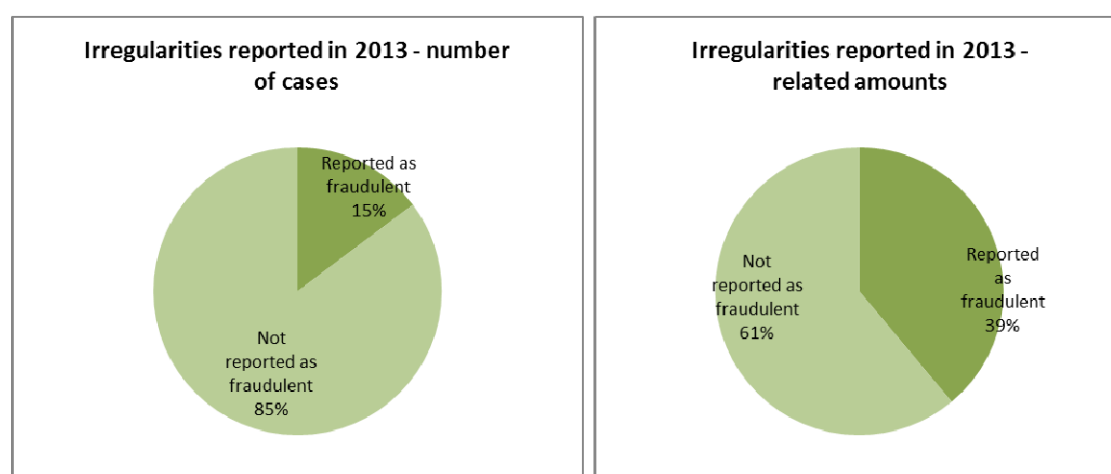
Table NR18 shows the overall number of irregularities (fraudulent and non-fraudulent reported by year and the related financial amounts.

The increase from one year to the other simply reflects the increased level of implementation of the programmes.

The share of irregularities reported as fraudulent on the total is more important in 2013 (15% and 39% of the related amounts) than in the reference period 2010-2013 (10% and 32% of the related amounts).

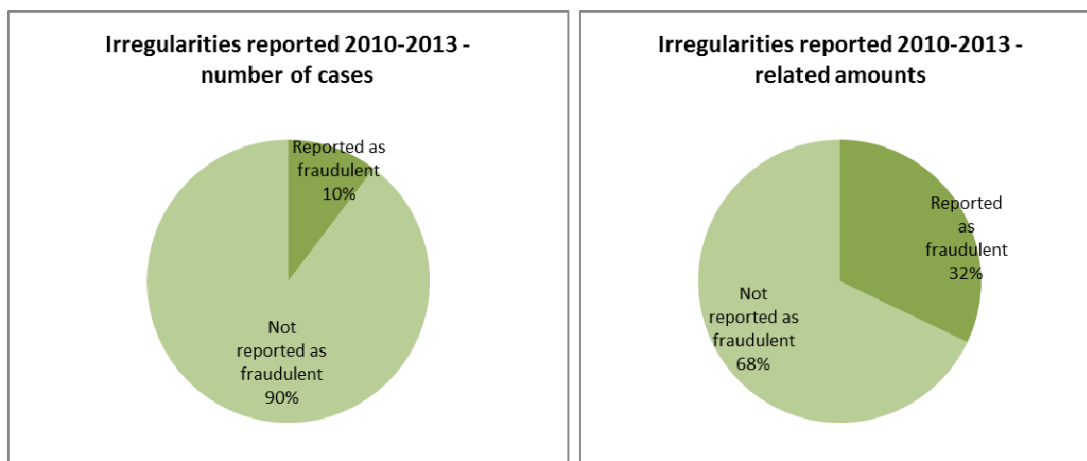
Table NR18: EFF - Irregularities (fraudulent and non-fraudulent reported by year – 2010-2013

Year	2010		2011		2012		2013		TOTAL	
	N	EUR	N	EUR	N	EUR	N	EUR	N	EUR
Reported as fraudulent			1	22 580	4	706 272	23	9 149 365	28	9 878 217
Not reported as fraudulent	6	14 687	29	543 388	75	5 997 738	133	14 348 044	243	20 903 857
TOTAL	6	14 687	30	565 969	79	6 704 010	156	23 497 409	271	30 782 075



³⁰

For the analysis of irregularities reported in relation to the Financial Instrument for Fishery Guidance (FIFG) related to the programming period 2000-06, see chapter 5 on the Cohesion Policy.



3.7. Specific analysis

Given the limited number of irregularities reported so far, the analysis covers the whole period 2010-13.

3.7.1. Types of irregularity detected

The number of irregularities reported in relation to the EFF is limited and to some extent incomplete in relation to the typologies of irregularities detected by national authorities.

This is reflected by the circumstance that of the 271 detected irregularities (fraudulent and non-fraudulent), 62 do not indicate the *modus operandi* (almost 23% of the total).

The most detected typology is 'Not eligible expenditure', followed 'Absence of declaration' and 'Infringements of public procurement rules' and 'Failure to respect other regulations/contract conditions' and 'Other irregularities concerning the right to aid'. These types plus those for which no *modus operandi* has been reported cover almost 77% of the reported irregularities.

In relation to the 28 irregularities reported as fraudulent, there is no real pattern emerging from the reported information, also taking into account that in 12 cases no information has been provided. The use of 'false or falsified documents' occurs five (5) times and four times (4) problems linked to bookkeeping.

3.7.2. Method of detection

In relation to the methods of detection, the most frequently reported are 'Control of documents', 'Administrative or financial controls' and 'On-the-spot checks'.

In relation to the irregularities reported as fraudulent, ten (10) occurrences are linked to 'controls by national anti-fraud services' and six (6) to the 'control of documents'.

3.8. Control activity by Member States

Table NR19 shows the results of the control activities in the Member States.

Irregularities have been detected and reported by 21 Member States; fraudulent irregularities by 6 Member States. In terms of numbers of irregularities, the majority has been detected by Spain and Poland, while in terms of amounts the highest results have been obtained by Romania and Spain.

Italy is the Member State having detected and reported the highest number of fraudulent irregularities. The 19 Italian cases represent 68% of the total number of irregularities reported as fraudulent and 77% of the related amounts.

Table NR19: EFF – Irregularities (fraudulent and non-fraudulent) reported by Member State – 2010-13

Member State	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		TOTAL	
	N	EUR	N	EUR	N	EUR
AT			1	17 645	1	17 645
BG	2	477 927			2	477 927
CY	3	203 450	1	11 516	4	214 966
CZ			4	1 324 785	4	1 324 785
DE			1	3 397	1	3 397
DK			13	2 287 911	13	2 287 911
EE			8	388 015	8	388 015
ES			73	7 051 960	73	7 051 960
FI			2	94 935	2	94 935
GR			1	14 377	1	14 377
HU			1	17 339	1	17 339
IE			10	136 460	10	136 460
IT	19	7 582 627	7	654 230	26	8 236 857
LV	1	347 118	3	156 007	4	503 125
NL			3	150 676	3	150 676
PL	2	1 057 045	47	1 555 127	49	2 612 173
PT	1	210 050	16	1 383 787	17	1 593 837
RO			28	4 510 168	28	4 510 168
SE			2	20 578	2	20 578
SK			1	18 000	1	18 000
UK			21	1 106 944	21	1 106 944
TOTAL	28	9 878 217	243	20 903 857	271	30 782 075

Sustainable Growth

Cohesion for growth and employment' covers the Structural Funds, i.e. the European Regional Development Fund (ERDF) and the European Social Fund (ESF), as well as the Cohesion Fund (CF).

It relates essentially to the following policy areas:

- regional policy, for the ERDF and the CF, and
- employment and social affairs, for the ESF.

The principal objective of cohesion policy is to strengthen economic, social and territorial cohesion between regions and Member States of the EU by providing additional resources for those regions and countries whose economic development is lagging behind. The Structural Funds also aim at strengthening regions' competitiveness and attractiveness, as well as employment, and at strengthening cross-border, transnational and interregional cooperation. The resources available are concentrated on promoting economic convergence, in particular on sustainable growth, competitiveness and employment in line with the Europe 2020 strategy. These resources are also essential tools to fight financial, economic and social crises.

Cohesion policy is promoted using three shared management instruments, with individual EU countries actually distributing funds and managing expenditure.

Sustainable growth is also promoted through centralised direct management by the Commission and centralised indirect management where the Commission distributes funds to EU and other agencies (see chapter 6).

4. COHESION POLICY

The resources for the Cohesion policy support three main objectives:

- **Convergence:** aims to modernise and diversify regional economic structures, to support sustainable integrated economic development and create sustainable jobs.
- **Regional competitiveness and employment:** covers environment and risk prevention, access to transport and telecommunications services; Innovation and the knowledge economy.
- **The European Territorial Cooperation objective:** focuses on development of economic and social cross-border activities; transnational cooperation, and networking and exchange of experiences between regional and local authorities.

Three financial instruments are the vehicles to achieve the goals of this policy:

- The European Regional Development Fund (ERDF) is the largest fund and aims to support the development and structural adjustment of less developed

regions in all Member States through investments in research, infrastructure, business support or direct financial support to SMEs.

- The European Social Fund (ESF) prevents and fights unemployment, by making Europe's workforce and companies better equipped to face new challenges and preventing people losing touch with the labour market. Training programs are the primary method; however advice, coordination and sometimes microfinance are also provided to entrepreneurs and SMEs.
- The Cohesion Fund promotes sustainable development in Member states with a per person GNI below 90% of the EU average. The fund has two components: Transport and Environment.

Table CP1 shows the financial resources available for the Cohesion Policy under the different financial instruments. The table also shows that, even if there are virtually no more commitments related to the programming period 2000-06, payments linked to it, although limited, are still part of the picture.

Table CP1: Financial instruments and 2013 appropriations for the Cohesion Policy by programming period and financial instruments

Programming Period / Financial Instrument	Appropriations 2013		Appropriations 2009-2013	
	Commitments	Payments	Commitments	Payments
	EUR billion	EUR billion	EUR billion	EUR billion
Programming Period 2007-13	54.82	53.72	255.42	196.35
ERDF	30.61	29.85	144.99	114.41
Cohesion Fund	12.49	11.23	54.77	35.32
ESF	11.72	12.65	55.67	46.62
Programming Period 2000-06	0.00	3.35	0.00	24.52
ERDF	0.00	1.29	0.00	10.15
ESF	0.00	1.10	0.00	3.96
EAGGF - Guidance	0.00	0.19	0.00	1.47
FIFG	0.00	0.02	0.00	0.14
Cohesion Fund	0.00	0.74	0.00	8.80
TOTAL	54.82	57.07	255.43	220.87

4.1. Trend analysis

In comparison with the other budget sectors, the analysis of the Cohesion policy poses a higher level of complexity, given by the fact that the information received is related to different programming periods, which are regulated by different rules.

4.1.1. Irregularities reported as fraudulent

4.1.1.1. Trend by programming period

Table CP2 analyses the trend linked to the communication of the irregularities reported as fraudulent in the last five years (2009-2013), making a distinction by Fund involved and the relevant programming period.

In the last five years, while the fraudulent irregularities linked to the PP2000-06 have been decreasing (although this decrease is less evident between 2012 and 2013), those linked to the PP2007-13 have been constantly increasing. These trends are linked to the current implementation of the latter period and the closure of the

previous. They also reflect the increasing attention and resources deployed to combat fraud in relation to the programming period 2007-13.

Table CP2: trend of the number of irregularities reported as fraudulent between 2009 and 2013 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
	N	N	N	N	N	N
Programming Period 2007-13	49	63	149	187	248	696
Cohesion Fund	0	3	3	11	9	26
ERDF	11	33	96	91	162	393
ESF	38	27	50	85	77	277
Programming Period 2000-06	280	238	85	78	73	754
Cohesion Fund	0	0	0	0	1	1
ERDF	100	50	40	40	30	260
ESF	152	132	34	22	29	369
EAGGF - Guidance	25	51	10	15	13	114
FIFG	3	5	1	1	0	10
TOTAL	329	301	234	265	321	1 450

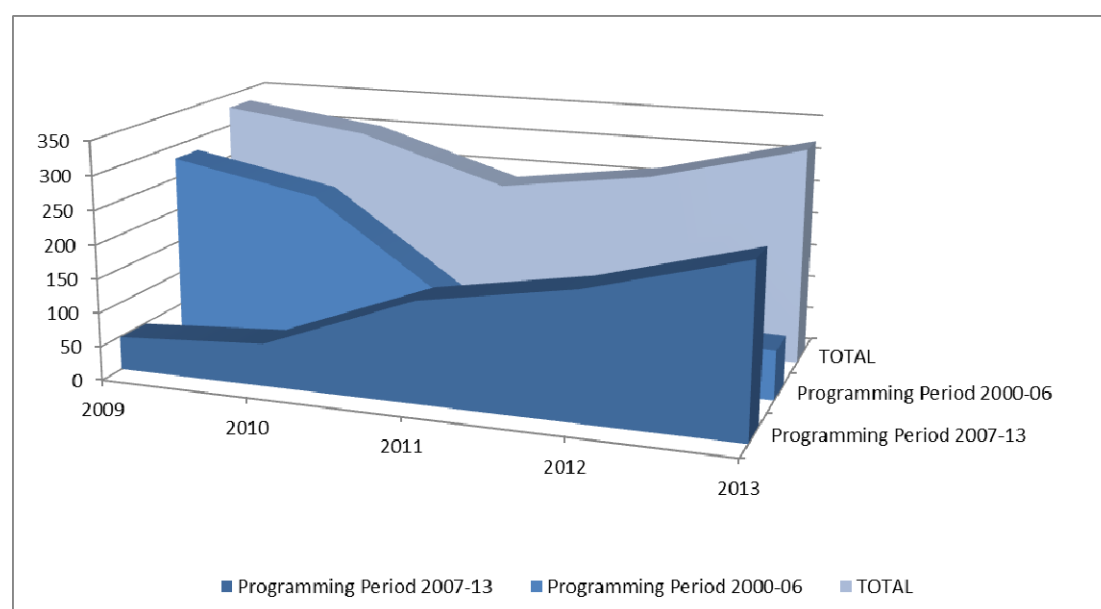
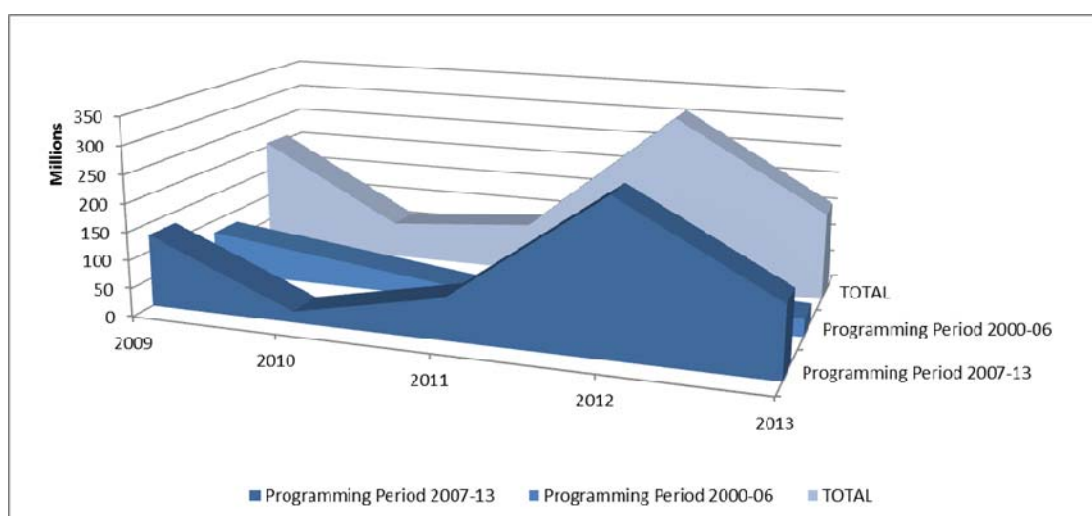


Table CP2 and its associated chart do not include irregularities reported as fraudulent related to previous programming periods, which have been communicated until 2011.

Table CP3 provides in the same form of Table CP2 information about the trends linked to the amounts involved in cases reported as fraudulent, confirming the continuous increase related to the PP2007-13, although, concerning involved amounts, fluctuations can be much more significant as individual cases involving high amounts can easily distort the overall picture. This is clearly the case concerning the years 2011 to 2013, with the intermediate showing the highest amounts.

Table CP3: trend of financial amounts linked to the irregularities reported as fraudulent between 2009 and 2013 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
	N	N	N	N	N	
Programming Period 2007-13	129 247 702	19 784 862	73 596 043	269 184 780	123 982 453	615 795 840
Cohesion Fund	0	10 525 386	248 479	135 958 918	18 812 099	165 544 883
ERDF	127 380 350	5 354 637	70 763 341	116 565 069	89 270 625	409 334 022
ESF	1 867 351	3 904 839	2 584 223	16 660 793	15 899 728	40 916 934
Programming Period 2000-06	77 520 353	45 877 787	13 835 802	41 308 860	31 753 869	210 296 671
Cohesion Fund	0	0	0	0	5 063 005	5 063 005
ERDF	57 751 528	28 622 953	10 327 812	35 142 387	13 411 721	145 256 401
ESF	16 235 982	7 864 868	2 538 438	2 874 904	11 231 758	40 745 950
EAGGF - Guidance	2 331 897	7 551 532	941 687	3 148 484	2 047 385	16 020 985
FIFG	1 200 946	1 838 433	27 865	143 085	0	3 210 329
TOTAL	206 768 054	65 662 649	87 431 845	310 493 641	155 736 322	826 092 511



4.1.1.2. Trend by Fund

The analysis of the same data presented in Table CP2 but focussed on the distribution of the irregularities reported as fraudulent by Fund (Table CP4), highlights the following situations:

- (1) The increase since 2010 of cases concerning the ERDF;
- (2) Potential frauds affecting the Cohesion fund are reported regularly since 2010, while they were completely absent in the previous programming period,
- (3) A significant decrease, between the years 2009-2011, of the cases related to the ESF, which since then have remained quite stable.

Table CP4: trend of the number of irregularities reported as fraudulent between 2008 and 2012 by Fund – Cohesion Policy

FUND	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
Cohesion Fund	0	3	3	11	10	27
ERDF	111	83	136	131	192	653
ESF	190	159	84	107	106	646
EAGGF - Guidance	25	51	10	15	13	114
FIFG	3	5	1	1	0	10
TOTAL	329	301	234	265	321	1 450

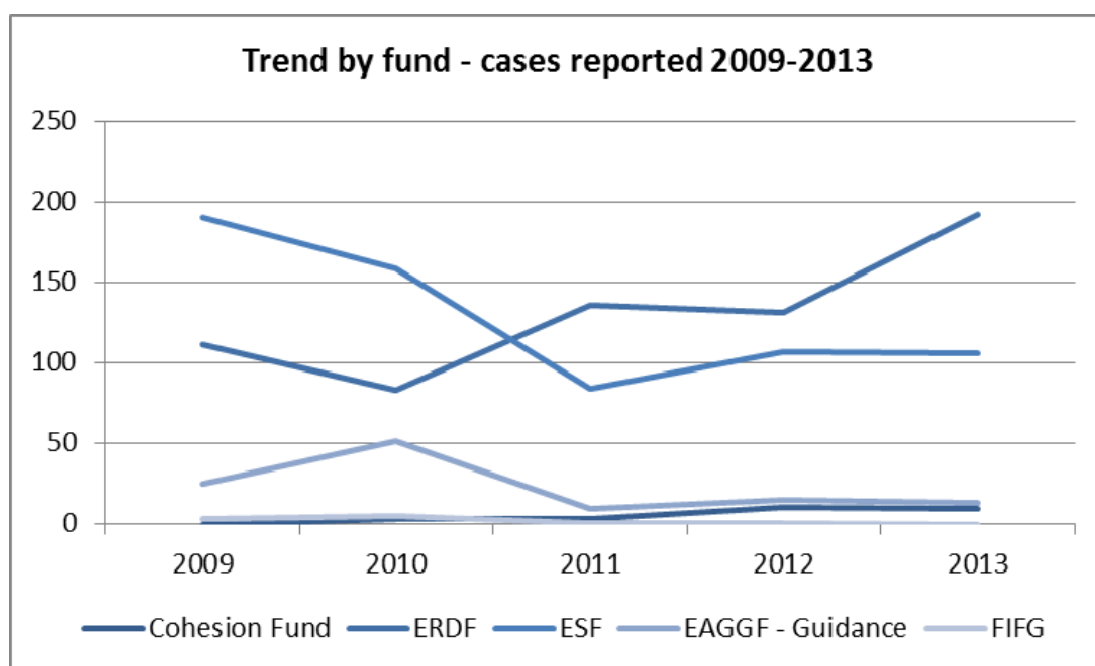
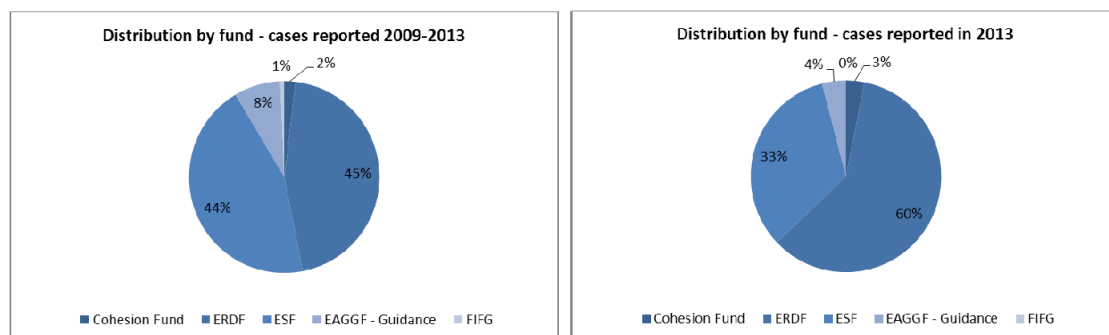


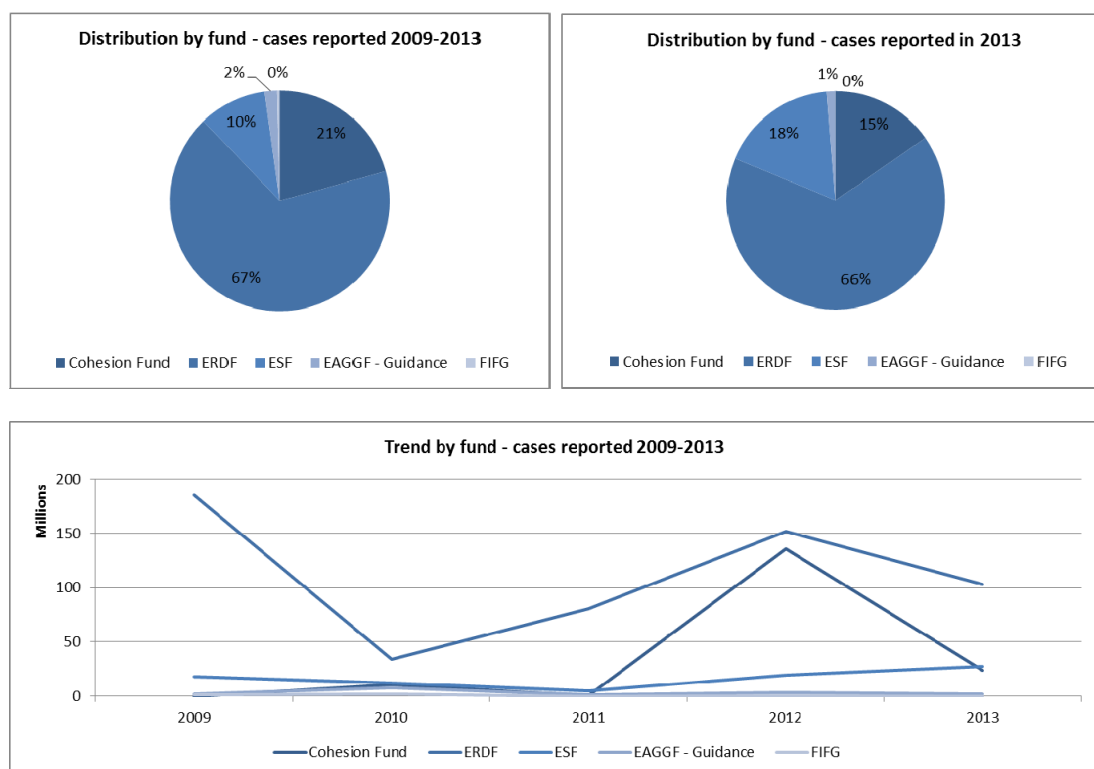
Table CP5 analyses these trends examining the financial amounts linked to the irregularities reported as fraudulent in the reference period.

In this respect, the weight of the ERDF on the total is accentuated by the higher amounts with which this fund contributes to the co-financing of development projects.

Since 2010 the increasing weight of the Cohesion Fund and of the ERDF is confirmed also in relation to the amounts involved.

Table CP5: trend of financial amounts linked to the irregularities reported as fraudulent between 2008 and 2012 by fund – Cohesion Policy

FUND	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
Cohesion Fund	0	10 525 386	248 479	135 958 918	23 875 104	170 607 888
ERDF	185 131 878	33 977 590	81 091 153	151 707 456	102 682 346	554 590 424
ESF	18 103 333	11 769 707	5 122 661	19 535 697	27 131 486	81 662 884
EAGGF - Guidance	2 331 897	7 551 532	941 687	3 148 484	2 047 385	16 020 985
FIFG	1 200 946	1 838 433	27 865	143 085	0	3 210 329
TOTAL	206 768 054	65 662 649	87 431 845	310 493 641	155 736 322	826 092 511



4.1.1.3. Trend by objective

Specific to the Cohesion Policy is that programmes and financial resources available to implement them are closely linked to the geographical dimension, that is to say that the objectives that they pursue depend on the region (and its level of economic development) in which they are implemented. For this reason, the analysis by objective is important.

From this point of view, the analysis of irregularities reported as fraudulent in the last five years do not change the trend already highlighted in past reports.

As showed in Table CP6, the fraudulent irregularities detected and reported by Member States mainly concern programmes implemented under the Convergence objective (previously Objective 1), linked to the less economically developed regions in Europe.

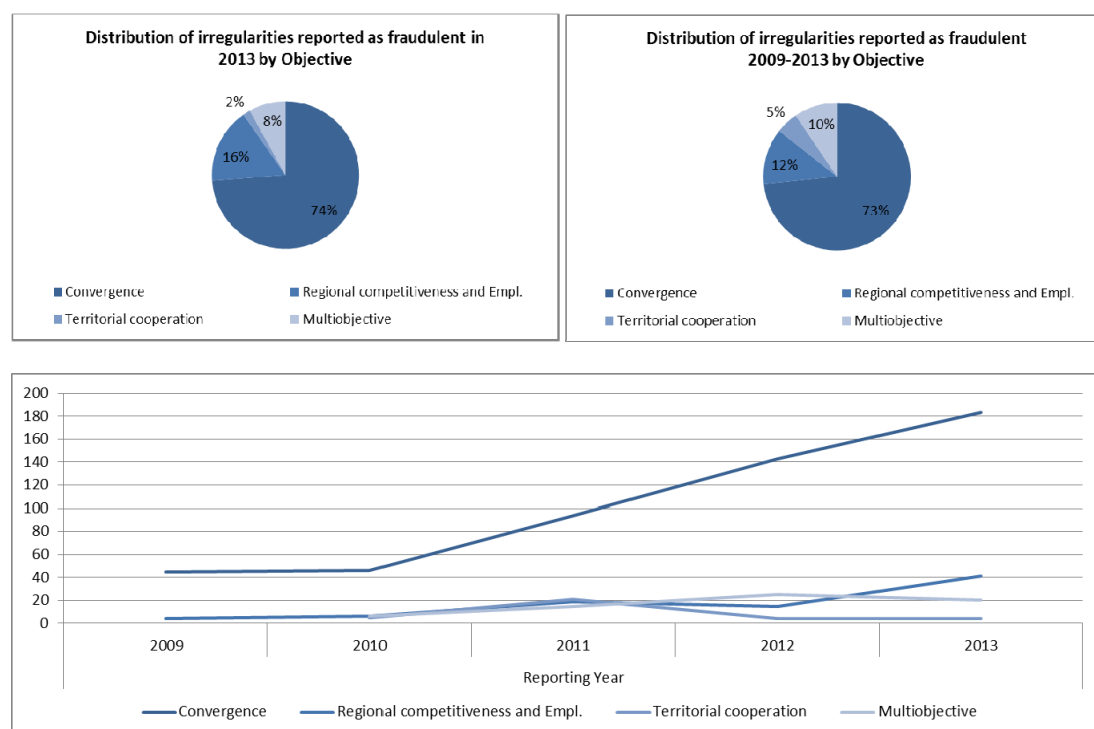
Their notifications have progressed in a linear way since 2010.

Nonetheless, the distribution among the various objectives is remarkably similar to the distribution of the resources among the objectives, at least in relation to the overall situation 2009-2013.

This parallelism is however lost in relation to the distribution of the involved amounts as showed in Table CP7.

Table CP6: trend of irregularities reported as fraudulent between 2009-13 by Objective

Objective	Reporting Year					TOTAL
	2009	2010	2011	2012	2013	
	N	N	N	N	N	N
Convergence	45	46	94	143	183	511
Regional competitiveness and Empl.	4	6	19	15	41	85
Territorial cooperation		5	21	4	4	34
Multiobjective		6	15	25	20	66
TOTAL	49	63	149	187	248	696



The analysis by objective presented above is exclusively referred to the programming period 2007-13.

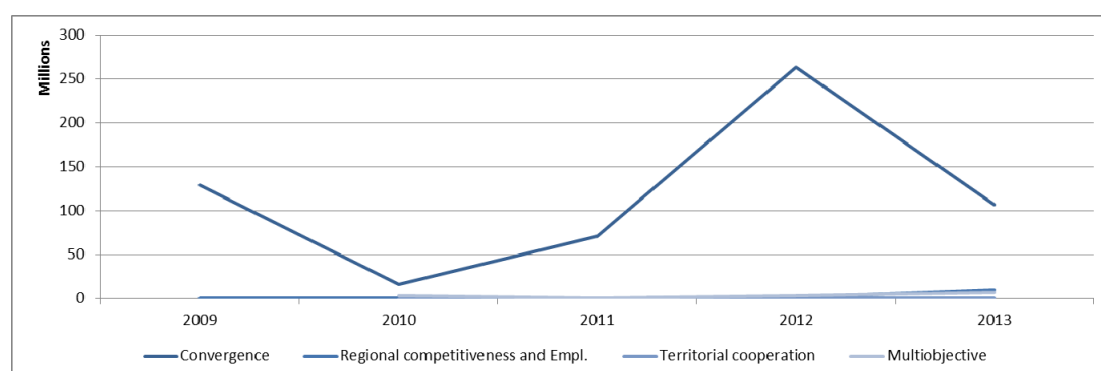
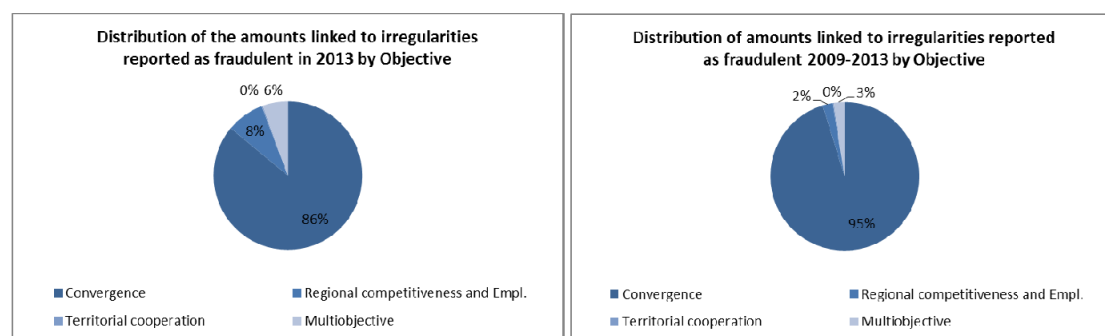
Table CP7 analyses the trend in relation to the reported amounts linked to the irregularities showed in Table CP6.

The Convergence objective shows an absolute predominance in this respect, as it represents about 95% of the total amounts linked to fraudulent irregularities in the reference period.

This is only partially rebalanced in relation to the fraudulent irregularities notified in 2013.

Table CP7: trend of amounts related to irregularities reported as fraudulent between 2009-13 by Objective

Objective	Reporting Year					TOTAL
	2009	2010	2011	2012	2013	
	EUR	EUR	EUR	EUR	EUR	EUR
Convergence	128 777 395	16 470 257	71 262 195	263 178 883	106 623 245	586 311 975
Regional competitiveness and Empl.	470 306	170 639	851 316	1 831 825	10 207 804	13 531 890
Territorial cooperation		52 621	461 971	514 127	299 272	1 327 990
Multiobjective		3 091 344	1 020 562	3 659 945	6 852 133	14 623 984
TOTAL	129 247 702	19 784 862	73 596 043	269 184 780	123 982 453	615 795 840



The analysis by objective presented above is exclusively referred to the programming period 2007-13.

4.1.2. Irregularities not reported as fraudulent

Table CP8 analyses the trend linked to the communication of the irregularities not reported as fraudulent in the last five years (2009-2013), making a distinction by Fund involved and the relevant programming period.

Data confirm the increasing results of checks performed on the project financed in the framework of the programming period 2007-13 due to its mounting level of implementation and the progressive phasing-out from the actions linked to the previous programming phase.

The level of reporting related to the programming period 2007-13 has already almost reached the levels of reporting that in the previous programming cycle were recorded at closure.

Table CP8: trend of the number of irregularities not reported as fraudulent between 2009 and 2013 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
	N	N	N	N	N	N
Programming Period 2007-13	122	1 209	2 091	3 162	4 223	10 807
Cohesion Fund	15	62	114	241	253	685
ERDF	59	906	1 396	2 126	2 785	7 272
ESF	48	241	581	795	1 185	2 850
Programming Period 2000-06	4 175	5 189	1 335	859	449	12 007
Cohesion Fund	97	79	67	83	93	419
ERDF	0	0	4	0	0	4
ESF	2 170	2 576	840	643	307	6 536
EAGGF - Guidance	1 398	1 462	225	42	16	3 143
FIFG	510	1 072	199	91	33	1 905
TOTAL	4 297	6 398	3 426	4 021	4 672	22 814

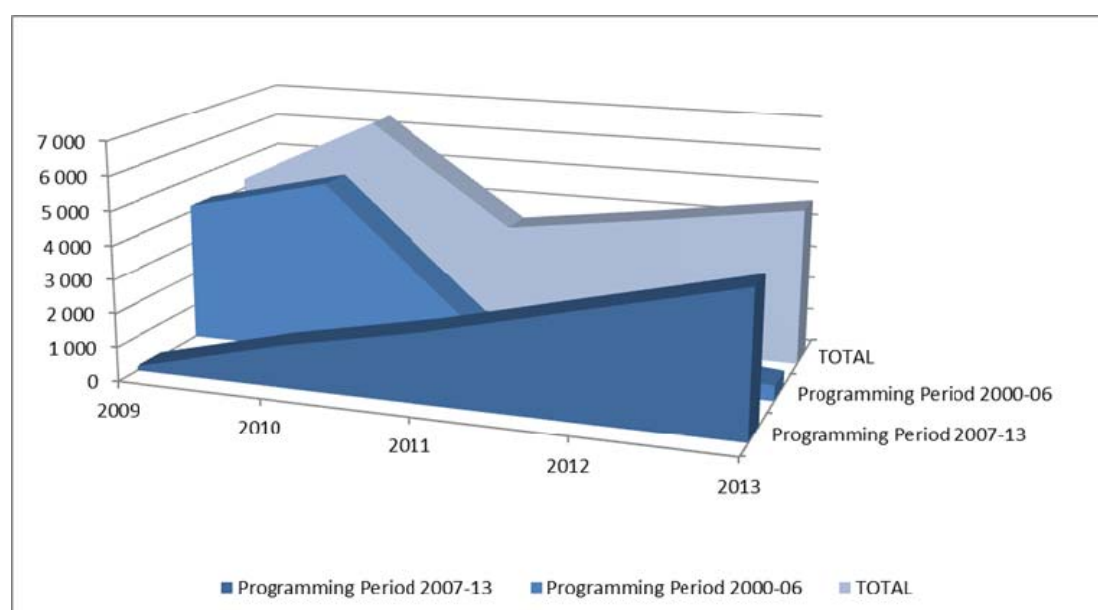
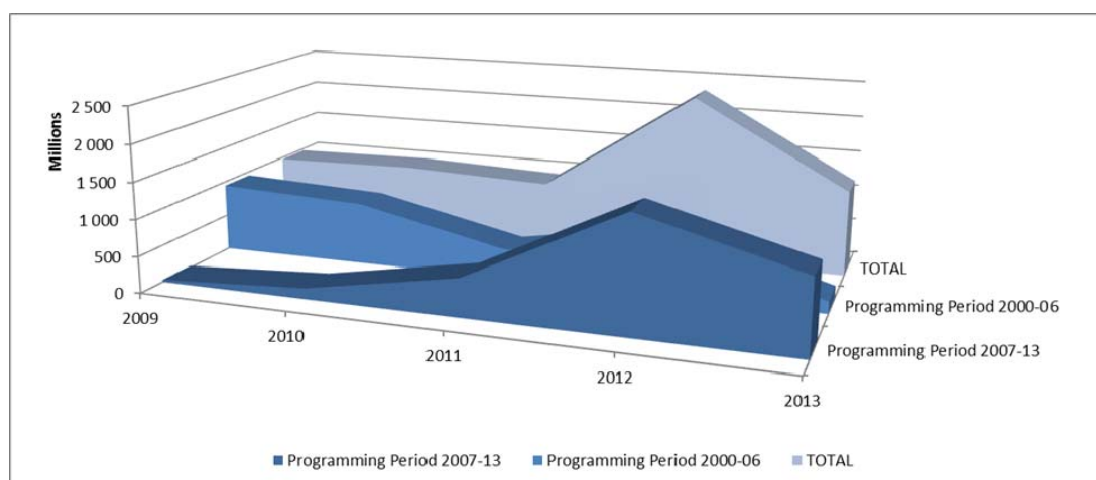


Table CP9 shows the trend related to the amounts linked to the reported non-fraudulent irregularities. Once more, as already mentioned several times in relation to the trends of the financial amounts, fluctuations can happen more often, as they are linked to individual irregularities or group of irregularities of significant value, which produce distortive effects from one year to the other.

Table CP9: trend of financial amounts linked to the irregularities not reported as fraudulent between 2009 and 2013 by programming period – Cohesion Policy

FUND / PROGRAMMING PERIOD	REPORTING YEAR					TOTAL PERIOD
	2009	2010	2011	2012	2013	
	N	N	N	N	N	N
Programming Period 2007-13	29 136 789	148 528 710	520 231 099	1 570 170 000	1 012 383 068	3 280 449 666
Cohesion Fund	447 395	18 539 925	59 600 305	710 188 651	151 756 908	940 533 184
ERDF	25 211 926	117 935 822	397 624 087	770 375 691	764 225 449	2 075 372 975
ESF	3 477 468	12 052 963	63 006 707	89 605 658	96 400 711	264 543 507
Programming Period 2000-06	944 900 242	857 083 861	408 270 999	765 701 268	165 637 227	3 141 593 597
Cohesion Fund	57 614 415	29 124 155	27 490 182	159 685 498	42 627 984	316 542 235
ERDF	728 586 979	600 586 249	272 792 287	595 709 691	118 664 262	2 316 339 467
ESF	110 843 603	136 329 108	29 132 543	2 740 674	2 830 018	280 875 947
EAGGF - Guidance	36 574 049	76 978 094	71 175 137	7 146 111	1 161 282	193 034 673
FIFG	11 281 196	15 066 254	7 680 850	419 295	353 681	34 801 276
TOTAL	974 037 031	1 005 612 571	928 502 098	2 335 871 269	1 178 020 295	6 422 043 263



4.2. Specific Analysis – Irregularities reported as fraudulent in relation to the Programming Period 2007-13

4.2.1. Priorities concerned by the irregularities reported as fraudulent in 2013

The operational programmes financed by the Cohesion Policy are implemented in relation to the already mentioned objectives, but also along identified Priorities and Themes.

The information provided by Member States allows for an analysis of the priority areas in relation to which Member States have identified projects affected by potentially fraudulent practices.

Table CP10 shows the number of reported fraudulent irregularities and their related financial amounts.

In terms of numbers, the 'Priorities' most concerned were 'Research and Technological Development (RTD)', 'Improving access to employment and sustainability' and 'Investment in social infrastructure'.

From the amounts point of view, the most significant results concern 'Transport', 'RTD' and 'Investment in social infrastructure'.

The highest average values per fraudulent irregularities concern the priorities 'Transport', 'Energy' and 'Environmental protection and risk prevention'.

Table CP10: PP2007-13 - Irregularities reported as fraudulent by Priority

Programming Period 2007-13			Irregularities reported as fraudulent		
Priority	2012	2013	Total	Amounts involved	Average amount
	N	N	N	EUR	EUR
Research and technological development (R&TD), innovation and entrepreneurship	22	39	61	33 458 460	548 499
Improving access to employment and sustainability	19	19	38	6 512 276	171 376
Investment in social infrastructure	10	11	21	24 577 742	1 170 369
Tourism	6	15	21	23 679 529	1 127 597
Improving human capital	8	12	20	3 073 840	153 692
Increasing the adaptability of workers and firms, enterprises and entrepreneurs	7	12	19	15 187 943	799 365
Transport	7	7	14	208 238 958	14 874 211
Environmental protection and risk prevention	7	5	12	16 142 470	1 345 206
Improving the social inclusion of less-favoured persons	3	8	11	1 736 240	157 840
Strengthening institutional capacity at national, regional and local level	7	2	9	644 278	71 586
Information society	2	5	7	1 004 640	143 520
Urban and rural regeneration	1	3	4	789 935	197 484
Culture	1	1	2	1 294 574	647 287
Energy	2	0	2	2 886 643	1 443 321
Technical assistance	0	1	1	661 003	661 003
(blank)	85	108	193	281 059 779	1 456 268
TOTAL	187	248	435	620 948 310	1 427 467
% of (blank) on Total	45.5%	43.5%	44.4%	45.3% Above avg.	

About 45% of the irregularities used for this analysis did not provide information in relation to the priority area concerned.

The table focuses on the last two years in consideration of the fact that Member States started reporting information concerning the 'priority' areas in a more consistent way as of 2012.

4.2.2. *Types of irregularities / modus operandi detected - Irregularities reported as fraudulent in 2013*

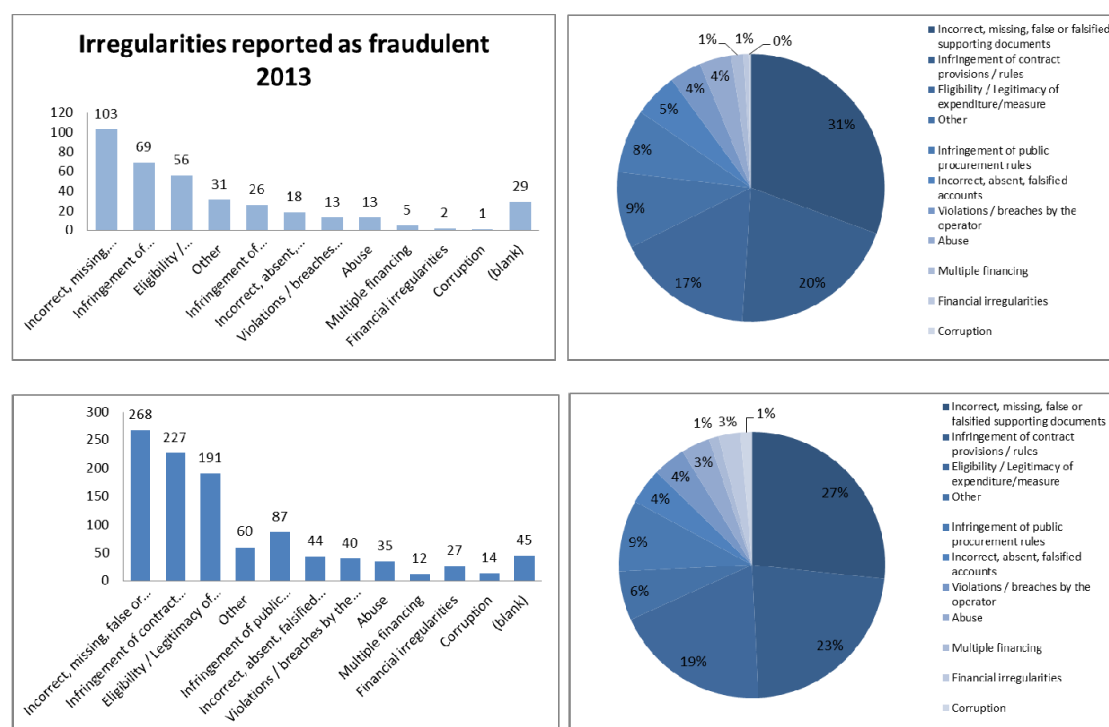
The analysis of the detected practices used in connection with the irregularities reported as fraudulent in 2013 (Table CP11) reveals a relative decrease of those generically described as 'not-eligible expenditure' and a significant increase of those linked to the use of 'false or falsified or incorrect documents, certificates or declarations', which intuitively represent the type of behaviour directly linked to fraud as aimed at deceiving the administration/body paying out the funding.

Apart from the residual category 'Other', the groups which showed the most significant variation in comparison with previous years, are linked 'Multiple financing' and to irregularities concerning the accounts/bookkeeping.

Although marginal on the total, two case potentially involving corruption have been detected and reported, bringing the total number to 14 in the period 2009-2013. These 14 cases affect the highest average amounts reported in the reference period (about EUR 7 million).

Table CP11: Programming Period 2007-13 - Types of irregularity/Modus operandi detected in relation to irregularities reported as fraudulent

Typologies of irregularities	Irregularities reported as fraudulent 2013			Irregularities reported as fraudulent 2009-2013		
	N	EUR	EUR/avg	N	EUR	EUR/avg
Incorrect, missing, false or falsified supporting documents	103	60 545 355	587 819	268	155 889 509	581 677
Infringement of contract provisions / rules	69	32 990 886	478 129	227	195 026 342	859 147
Eligibility / Legitimacy of expenditure/measure	56	33 698 102	601 752	191	53 845 187	281 912
Other	31	20 861 266	672 944	60	151 049 473	2 517 491
Infringement of public procurement rules	26	6 673 380	256 668	87	102 367 470	1 176 638
Incorrect, absent, falsified accounts	18	3 464 105	192 450	44	12 816 453	291 283
Violations / breaches by the operator	13	16 105 818	1 238 909	40	38 751 201	968 780
Abuse	13	11 777 563	905 966	35	69 998 189	1 999 948
Multiple financing	5	1 030 660	206 132	12	1 659 444	138 287
Financial irregularities	2	296 576	148 288	27	12 547 004	464 704
Corruption	1	2 101 969	2 101 969	14	98 224 511	7 016 036
(blank)	29	7 696 197	265 386	45	19 272 324	428 274



The number of irregularities for which no description has been provided has been increasing significantly in 2013 in relation to previous years.

4.2.3. Type of control / method of detection – Irregularities reported as fraudulent

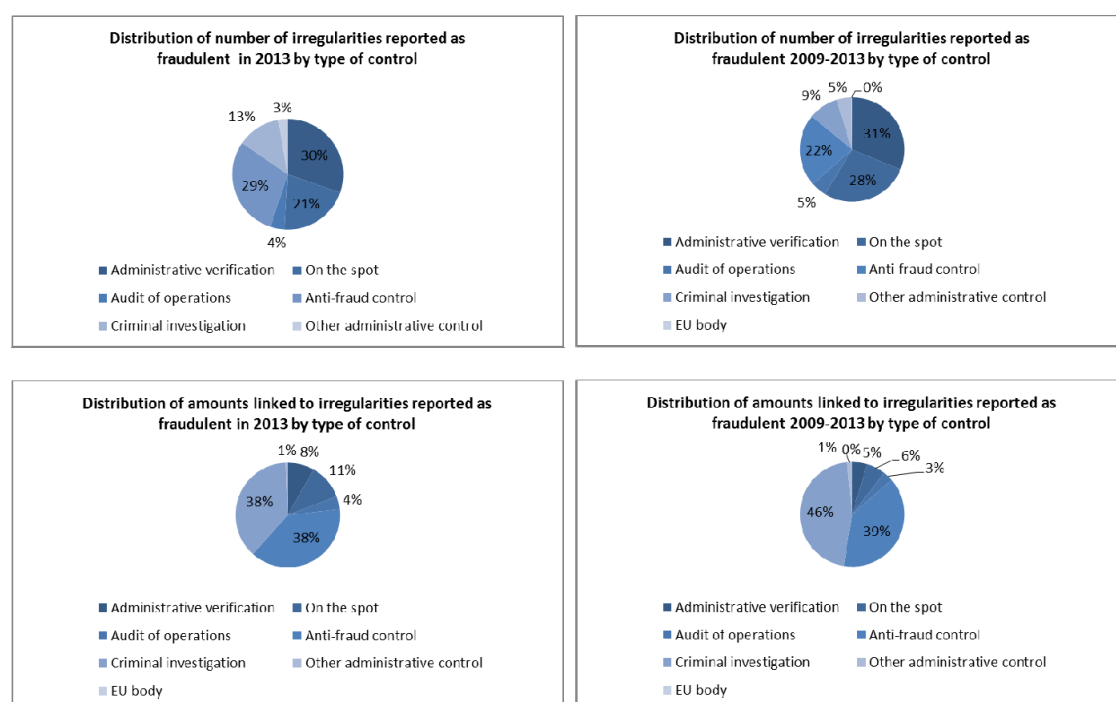
The analysis of the information concerning the Programming Period 2007-13 shows an important shift in relation to the previous programming period. The number of fraudulent irregularities detected by administrative controls is proportionally significantly higher than what was the case in the previous period, where the

administrative verifications, on the spot checks and audit of operations would detect less than 20% of the cases, while in the current period they detect about 63%. This is only slightly decreasing in 2013, where irregularities reported as fraudulent detected by the management and control systems of the funds represent 55% of the total.

Both the analysis on 2013 and the reference period 2009-2013 confirm that anti-fraud checks and criminal investigations focus on cases with higher financial amounts involved.

Table CP12: Programming Period 2007-13 - Type of checks having detected the irregularities reported as fraudulent

Programming Period 2007-13 Type of control	Irregularities reported as fraudulent in 2013		Irregularities reported as fraudulent 2009-2013	
	N	EUR	N	EUR
Administrative verification	65	8 159 765	156	25 303 775
On the spot	44	10 744 842	137	31 647 169
Audit of operations	9	3 961 186	24	17 057 848
Anti-fraud control	63	37 797 484	112	211 305 910
Criminal investigation	27	37 182 139	46	249 018 526
Other administrative control	6	579 460	23	8 019 167
EU body			1	24 914
Total	214	98 424 876	499	542 377 310



The results of this analysis may be influenced by the accuracy of the information reported by Member States, which may have highlighted the subsequent activity of bodies in charge of the management and control of the funds and neglected the detection activity of the anti-fraud bodies.

Another element to be kept into account is that for 197 cases reported in the years 2009-2013, it was not possible to determine the type of check.

The number of cases linked to investigations by EU bodies (including OLAF) is not accurate.

4.2.3.1. Complexity of the irregularities reported as fraudulent

In 2012, for the first time, an estimation of the level of complexity of the irregularities reported as fraudulent was provided.

In relation to the information published in 2012 on this subject, the methodology to identify the complexity of reported fraudulent irregularities has been reviewed and refined, therefore no comparison should be made between the two documents as the present one is founded on different 'rules'³¹.

Table CP13 provides an estimation of the level of complexity of the irregularities reported as fraudulent based on this revised methodology. It also compares the situation of those reported in 2013 with those communicated in the reference period 2009-2013 (included).

The share of the 'complex' cases decreased in 2013 in relation to the reference period, while share of the 'simple' fraudulent irregularities remained stable, with a consequent increase of the 'moderate' complexity category.

The 'complex' cases are mainly referred to the ESF.

Table CP13: Complexity of fraudulent irregularities detected in relation to the Cohesion policy

Complexity	Fund	Irregularities reported as fraudulent in 2013				Irregularities reported as fraudulent 2008-2013			
		ERDF	ESF	Cohesion Fund	Total 2013	ERDF	ESF	Cohesion Fund	Total
Simple		66	22	7	95	160	90	18	268
Moderate		91	50	2	143	208	146	7	361
Complex		5	5		10	25	41	1	67
Grand Total		162	77	9	248	393	277	26	696



This is the second attempt of estimating the proportion of 'complex' cases on the total fraudulent irregularities identified. Therefore the method is liable of being improved in the next years.

³¹

For a description of the methodology used for assessing the complexity of irregularities reported as fraudulent, consult the Commission Staff Working Document on the 'Methodology regarding the statistical evaluation of reported irregularities for 2013'.

4.2.4. *Type of irregularities not reported as fraudulent – 2008-2013*

Table CP14 provides an overview of the types of irregularities detected in relation to non-fraudulent irregularities.

It confirms some of the main trends highlighted in previous years, as the infringements most frequently detected and those involving the highest amounts are those concerned with public procurement.

Table CP14: Programming period 2007-13 - types of non-fraudulent irregularities

Description	N° of reported irregularities	Related irregular amounts	Average irregular amount
	N	EUR	EUR
Infringements concerned with public procurement	2873	1 206 288 939	419 871
Not eligible expenditure	2100	207 115 654	98 627
Not eligible expenditure / Infringements concerned with public procurement (blank)	739	299 892 148	405 808
Other irregularities	377	63 406 755	168 188
Failure to respect other regulations/contract conditions	350	191 069 217	545 912
Failure to fulfil commitments entered into	250	49 833 246	199 333
Measure not eligible for aid	247	52 568 664	212 829
Missing or incomplete supporting documents	203	6 295 725	31 013
Unjustified expenditure	195	15 403 042	78 990
Action not carried out in accordance with rules	159	7 655 401	48 147
Missing or incomplete documents	120	6 737 979	56 150
Other irregularities concerning the right to aid	119	12 564 508	105 584
	108	24 364 728	225 599

4.3. **Anti-fraud activities by Member States**

Previous paragraphs have examined the trend and main features and characteristics of the irregularities reported as fraudulent.

The present paragraph aims at examining some aspects linked to the anti-fraud activities and results of Member States. Five elements are taken into account:

- (1) the time that runs between the beginning of the fraudulent practice and its detection/establishment by the competent authority and reporting to the Commission (Detection / Reporting Efficiency);
- (2) the number of irregularities reported as fraudulent by each Member State;
- (3) the fraud detection rate (the ratio between the amounts involved in cases reported as fraudulent and the payments occurred in the financial year 2012);
- (4) the fraud prevention rate (the ratio between the amounts involved in cases reported as fraudulent which have been detected before payments were executed);

- (5) the ratio of cases of established fraud on the total number of irregularities reported as fraudulent.

4.3.1. Detection – Reporting Efficiency

Table CP15 shows the average number of months between the moment in which the fraudulent practice begins and when it is detected/established (Detection Efficiency – DetE) and then the average number of months between its establishment and the reporting to the Commission (Reporting Efficiency – RepE).

The EU average is more than three years (38 months) between the first and the last of those events (DetE + RepE).

The duration of the DetE should not be seen as a sign of inefficiency *per se*. More relevant, in this respect, the RepE, which is, in average, about 8 months that is an acceptable time frame.

For nine (9) Member States having reported fraudulent irregularities in 2013, the DetE is lower than 30 months (EU average), while eleven (11) are above this average.

The overall time gap between the initial moment and reporting (DetE + RepE) is increasing in 2013 in comparison with previously reported information. This is normal as the programming period implementation goes forward and potential fraud is increasingly detected after payment.

Table CP15: Cohesion Policy – Detection and Reporting Efficiency

Member State	Irregularities reported as fraudulent in 2013			Irregularities reported as fraudulent 2008-2013		
	DetE	RepE	DetE + RepE	DetE	RepE	DetE + RepE
	months/average	months/average	months/average	months/average	months/average	months/average
AT				16	4	21
UK	30	3	33	17	3	21
CZ	21	7	27	17	6	23
LT	18	6	23	16	8	24
LV	18	12	30	16	9	26
PL	29	4	33	23	4	27
HU	8	7	15	14	14	28
SK	30	13	42	19	11	30
BG	35	4	39	28	4	31
RO	27	8	35	23	9	32
EU	30	8	38	26	8	33
CY	31	5	37	24	10	34
DE	43	9	52	26	8	34
SE				23	12	35
EE	38	3	41	32	3	35
ES				31	7	38
IT	35	8	43	31	7	39
BE	39	6	45	39	6	45
GR	36	15	51	34	15	49
PT	31	28	59	22	28	50
FR	53	6	59	53	6	59
SI	28	4	32	139	7	145
FI	N/A	N/A	N/A	24	N/A	N/A
IE				N/A	N/A	N/A
MT	30	N/A	N/A	30	N/A	N/A

Three Member States (Austria, Finland and Ireland) have not reported fraudulent irregularities in 2013 in relation to the programming period 2007-13. For Ireland, information provided in relation to cases reported in previous years did not allow calculating any average time gap. For Malta and Finland, the calculation was possible only in relation to DetE.

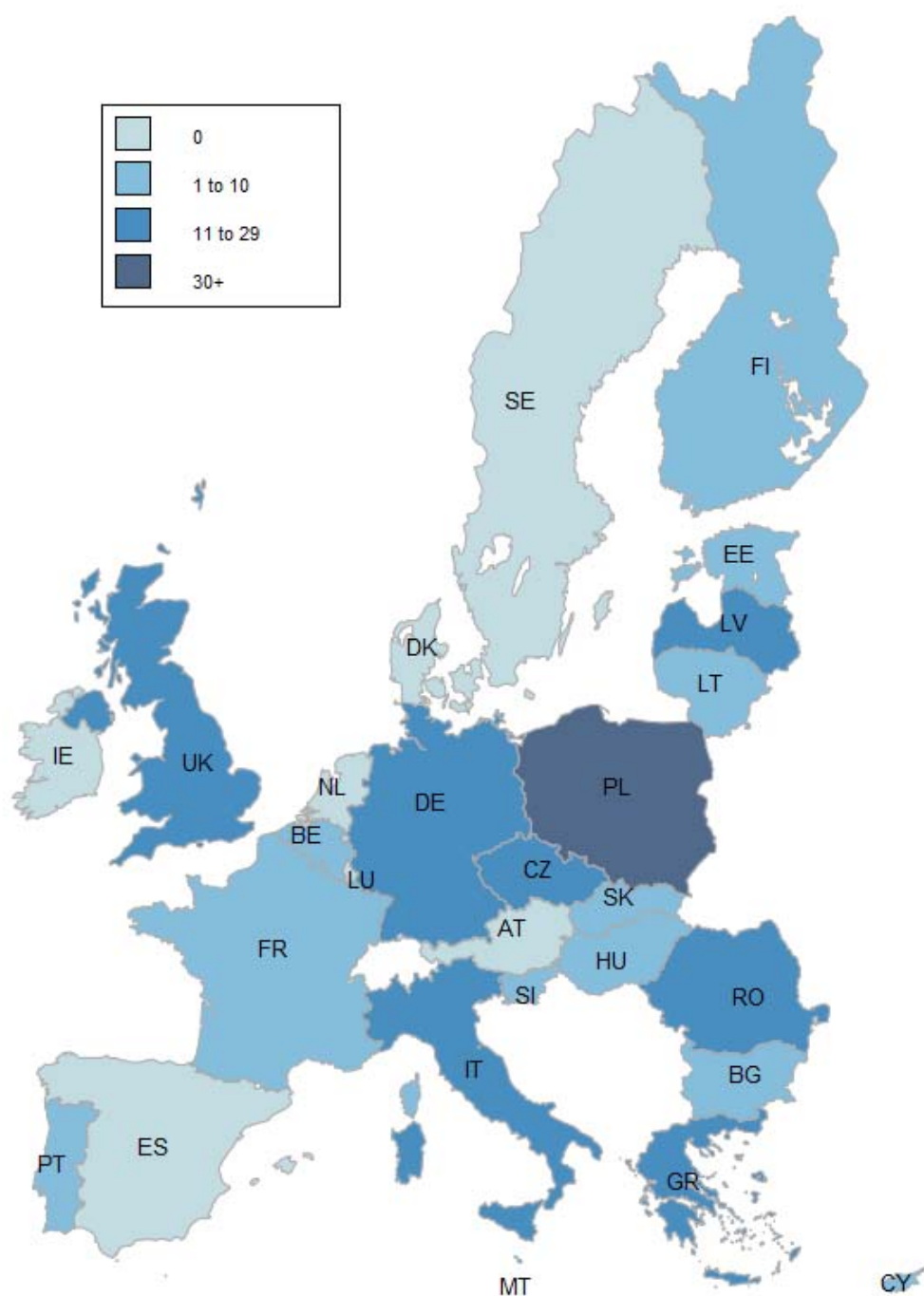
The Netherlands, Denmark and Luxembourg have reported no fraudulent irregularities in relation to the programming period 2007-2013.

4.3.2. Detection of irregularities reported as fraudulent in 2013 by Member State

Map CP1 divides Member States in four groups, depending on the number of irregularities reported as fraudulent in 2013:

- (1) Group 1: no irregularities reported as fraudulent irregularities in 2013. 7 Member States belong to this group.
- (2) Group 2: between 1 and 9 such cases reported in 2012. 11 Member States belong to this group;
- (3) Group 3: 10 to 30 irregularities reported as fraudulent. 8 countries are included in this group;
- (4) Group 4: more than 30 cases reported. It counts 1 Member State.

Map CP1: Number of irregularities reported as fraudulent in 2013 by Member State – Cohesion Policy



4.3.3. *Fraud detection rate*

The fraud detection rate compares the results obtained by Member States in their fight against fraud with the payments received by them in a given financial year. This implies that a single case reported as fraudulent and involving a significant financial amount can produce a better result than that achieved by the sum of the financial impact of several irregularities affecting lower amounts. For this reason, this indicator

should be read in conjunction with the number of irregularities reported as fraudulent and for this reason they are presented together in Table CP16.

In 2013, the highest fraud detection rates are referred to the Latvia, the United Kingdom, Slovenia, Romania and the Czech Republic (all above 0.3%).

A second important element is the stock of reported irregularities and involved amounts and their relation to the payments occurred in the reference period.

The highest number of detected fraudulent irregularities for the period 2007-13 originates from Germany, Poland, the Czech Republic, Italy, Romania and Latvia.

The accumulated fraud detection rate (2008-2013) is the highest (>0.3%) for the Czech Republic, Latvia, Italy, Poland, Romania and Slovenia.

Table CP16: number of irregularities reported as fraudulent in 2013, amounts involved and fraud detection rate by Member State

Member State	Irregularities reported as fraudulent in 2013		Payments in 2013	Fraud detection rate - 2013	Irregularities reported as fraudulent 2008-2013		Payments 2008-2013	Fraud detection rate - 2008-2013
	N	EUR	EUR	%	N	EUR	EUR	%
AT			178 944 916	0.00%	6	1 069 772	807 767 773	0.13%
BE	2		404 989 908	0.00%	2		1 418 330 003	0.00%
BG	5	528 970	886 207 011	0.06%	30	8 631 891	3 301 095 431	0.26%
CY	3	111 735	103 937 013	0.11%	4	202 458	375 336 964	0.05%
CZ	19	11 519 549	3 522 506 024	0.33%	63	178 497 453	13 568 335 315	1.32%
DE	23	11 403 424	4 250 139 440	0.27%	125	30 385 120	18 030 222 642	0.17%
DK			46 669 932	0.00%			277 275 740	0.00%
EE	2	582 668	678 591 039	0.09%	7	1 591 340	2 766 390 291	0.06%
ES			3 815 875 528	0.00%	4	143 836	21 726 210 128	0.00%
FI	1	179 375	334 713 134	0.05%	3	189 721	1 208 193 451	0.02%
FR	1	197 681	2 294 477 515	0.01%	1	197 681	8 120 711 361	0.00%
GR	21	935 074	4 111 843 859	0.02%	22	6 527 224	14 061 339 483	0.05%
HU	2	226 808	3 752 738 591	0.01%	8	1 048 418	14 759 543 638	0.01%
IE			73 064 350	0.00%	2	15 672	526 016 511	0.00%
IT	29	11 517 921	5 405 644 723	0.21%	62	76 171 550	14 003 946 989	0.54%
LT	2	106 391	1 072 505 656	0.01%	9	1 091 312	5 337 330 392	0.02%
LU			8 091 003	0.00%			34 248 487	0.00%
LV	27	10 957 478	644 353 177	1.70%	45	25 522 573	2 988 406 628	0.85%
MT	14	246 439	109 883 900	0.22%	14	246 439	422 449 126	0.06%
NL			303 219 445.67	0.00%			1 059 896 256	0.00%
PL	46	35 342 417	10 475 714 628	0.34%	140	224 617 756	45 589 831 013	0.49%
PT	4	994 602	4 174 260 470	0.02%	12	1 412 325	16 844 945 494	0.01%
RO	23	23 107 715	2 884 470 134	0.80%	60	29 955 390	7 194 486 688	0.42%
SE			250 369 416	0.00%	5	280 458	1 116 915 536	0.03%
SI	4	6 168 418	516 215 002	1.19%	13	8 902 584	2 579 648 322	0.35%
SK	4	237 024	1 335 221 291	0.02%	21	8 961 513	6 049 434 087	0.15%
UK	16	9 618 764	571 783 920	1.68%	38	10 133 355	5 608 161 169	0.18%
TOTAL	248	123 982 453	53 720 851 754	0.23%	696	615 795 840	214 609 903 208	0.29%

4.3.4. Fraud Prevention Rate

The fraud prevention rate (FPR) compares the percentage of the amounts detected before payment with the total amounts related to irregularities reported as fraudulent.

The calculation is performed on the whole stock of irregularities reported as fraudulent in the years from 2008 to 2013 and not exclusively on those reported in 2013.

The FPR can easily result higher in the case of Member States having reported a low number of fraudulent irregularities and therefore should be 'read' and interpreted together with the overall number of irregularities reported as fraudulent and the fraud detection rate, as showed in Table CP17.

The overall FPR is above 48%, indicating that almost half of the amounts involved in fraudulent irregularities is detected before payment.

In this respect, the most performing Member States, which satisfy the two conditions of having FPR and FDR above the average are the Czech Republic and Latvia.

Table CP17: number of irregularities reported as fraudulent between 2008 and 2013, amounts involved, irregular amounts paid out and fraud prevention rate by Member State

Member State	Irregularities reported as fraudulent 2008-2013			Fraud prevention Rate	Payments 2007-2013	Fraud detection rate
	Reported N	Involved amounts EUR	Paid amounts EUR			
AT	6	1 069 772	10 748	99.0%	807 767 773	0.13%
BE	2			#DIV/0!	1 418 330 003	0.00%
BG	30	8 631 891	5 965 041	30.9%	3 301 095 431	0.26%
CY	4	202 458	143 488	29.1%	375 336 964	0.05%
CZ	63	178 497 453	16 344 267	90.8%	13 568 335 315	1.32%
DE	125	30 385 120	16 920 710	44.3%	18 030 222 642	0.17%
DK				#DIV/0!	277 275 740	0.00%
EE	7	1 591 340	225 598	85.8%	2 766 390 291	0.06%
ES	4	143 836		100.0%	21 726 210 128	0.00%
FI	3	189 721	189 721	0.0%	1 208 193 451	0.02%
FR	1	197 681		100.0%	8 120 711 361	0.00%
GR	22	6 527 224		100.0%	14 061 339 483	0.05%
HU	8	1 048 418		100.0%	14 759 543 638	0.01%
IE	2	15 672		100.0%	526 016 511	0.00%
IT	62	76 171 550	66 549 403	12.6%	14 003 946 989	0.54%
LT	9	1 091 312	594 475	45.5%	5 337 330 392	0.02%
LU				#DIV/0!	34 248 487	0.00%
LV	45	25 522 573	3 813 192	85.1%	2 988 406 628	0.85%
MT	14	246 439	246 439	0.0%	422 449 126	0.06%
NL					1 059 896 256	0.00%
PL	140	224 617 756	173 431 780	22.8%	45 589 831 013	0.49%
PT	12	1 412 325	642 421	54.5%	16 844 945 494	0.01%
RO	60	29 955 390	19 729 436	34.1%	7 194 486 688	0.42%
SE	5	280 458		100.0%	1 116 915 536	0.03%
SI	13	8 902 584	5 833 368	34.5%	2 579 648 322	0.35%
SK	21	8 961 513	565 068	93.7%	6 049 434 087	0.15%
UK	38	10 133 355	6 441 433	36.4%	5 608 161 169	0.18%
TOTAL	696	615 795 840	317 646 589	48.4%	214 609 903 208	0.29%

4.3.5. Ratio of established fraud 2008-2012

Table CP18 shows the ratio between the cases of established fraud and the total number of irregularities reported as fraudulent (including suspected and established fraud) in the period 2008-2013. It would be meaningless to take into account only cases reported in 2013, as the criminal proceedings leading to a conviction for fraud may take several years. In some Member States, proceedings to establish fraud may be, in certain cases, of an administrative nature.

In this respect, the average ratio of established fraud at EU level is 11% (up from 3%), with a significant increase in comparison to the calculation of this indicator on the previous Report.

Two Member States decisively contribute to this result in consideration of the number of established fraud cases reported: Greece and Germany. High ratios (significantly above average) are showed by Greece, Slovenia, Germany and Cyprus show a rate

above this level; Estonia, Poland, the Czech Republic and Slovakia show a rate that is higher than last year's average (3%).

Table CP18: number of cases of suspected and established fraud and ratio of established fraud – cases reported between 2008-2013 in the Cohesion policy

Member States	Suspected fraud	Established fraud	TOTAL	Ratio established fraud
	N	N	N	%
AT	6		6	0%
BE	2		2	0%
BG	29	1	30	3%
CY	3	1	4	25%
CZ	59	4	63	6%
DE	94	31	125	25%
EE	6	1	7	14%
ES	4		4	0%
FI	3		3	0%
FR	1		1	0%
GR	2	20	22	91%
HU	8		8	0%
IE	2		2	0%
IT	62		62	0%
LT	9		9	0%
LV	44	1	45	2%
MT	14		14	0%
PL	132	8	140	6%
PT	12		12	0%
RO	60		60	0%
SE	5		5	0%
SI	6	7	13	54%
SK	20	1	21	5%
UK	38		38	0%
TOTAL	621	75	696	11%

A significant impact on the rate is determined by the number of irregularities reported as fraudulent by Member States. In this respect, the countries which greatly influence the EU average results are Poland, Germany, the Czech Republic, Italy Romania, and Latvia.

Greece has reported 22 cases, of which 20 of established fraud, following an administrative proceeding, which ascertained the fraudulent practices and imposed the related sanctions. The concerned persons are entitled to appeal in justice against these decisions.

SECTION II - DECENTRALISED MANAGEMENT

The EU as a global player / Pre-Accession Policy

The goal of the EU as a global player is also promoted through direct management. Pre-Accession Assistance (PAA) is provided through decentralised management where third countries distribute funds but account to the EU for how it is spent. In the last stages new member states manage pre-accession funds under shared management to help them complete the transition.

5. PRE-ACCESSION POLICY (PRE-ACCESSION ASSISTANCE AND INSTRUMENT FOR PRE-ACCESSION)

The assistance in pre-accession is provided on the basis of the European Partnerships of the potential candidates and the Accession Partnerships of the candidate countries. The current candidate countries are Croatia, Iceland³², the Former Yugoslav Republic of Macedonia, Montenegro, Serbia and Turkey. Accession negotiations were opened with Croatia and Turkey in October 2005 and with Iceland in July 2010.

5.1. The Pre-accession Assistance (PAA), 2000-06 and Instrument for Pre-Accession (IPA), 2007-13

The old Pre-accession Assistance (PAA), regarding the period 2000-06, was financed by series of European Union programmes and financial instruments for candidate countries or potential candidate countries, namely the programmes for candidate countries, PHARE, SAPARD and ISPA, Phare Cross-Border Cooperation (CBC) and Coordination, Pre-accession financial assistance for Turkey³³, Assistance for reconstruction, development and stabilisation for potential candidate countries (CARDS)³⁴ and Transition facility³⁵. This assistance has nearly been closed except for a few payments in CARDS.

The current Instrument for Pre-Accession Assistance (IPA), which covers the period 2007-2013, is delivered through five components. The policy and programming of IPA consists of Multi-Annual Indicative Financial Framework (MIFF) on a three year basis, established by country, component and a theme, and Multi-Annual Indicative Planning Documents (MIPDs) per country or per groups of countries (regional and horizontal programmes). The Candidate Countries submit also Strategic Coherence Frameworks (SCF) and Multi-annual Operational Programmes, both regarding IPA Components III and IV. Their principal aim is to prepare beneficiary countries for the

³² The report reflects situation as of 2012. In June 2013 Iceland's Foreign Minister Gunnar Bragi Sveinsson informed the European Commission that the newly elected government intended to "put negotiations on hold".

³³ Turkey has been receiving pre-accession assistance since 2002.

³⁴ Albania, Croatia, FYROM, Serbia, Kosovo under United Nations Security Council Resolution 1244, and Bosnia Herzegovina, Council Regulation (EC) No 2666/2000 of 5 December 2000.

³⁵ The EU-10 that joined European Union in 2004 received a Transition facility during 2004-2006. However the EU-2 received a Transition facility in 2007 which is regarded as a post-accession assistance.

future use of the Cohesion policy instruments by imitating closely its strategic documents, National Strategic Reference Framework (NSRF) and Operational Programmes (OP), and management modes.

The financing of IPA is provided by the five following different components and DG Enlargement leads in the coordination of the instrument:

- (5) Component I, *Transition Assistance and Institution Building (TAIB)*, is managed by the European Commission's Directorate General for Enlargement;
- (6) Component II, *Cross-Border Cooperation*, is managed by the European Commission's Directorate General for Enlargement and part is managed, under shared management with Member States, by European Commission's Directorate General for Regional Policy;
- (7) Component III, *Regional Development*, is managed by the European Commission's Directorate General for Regional Policy;
- (8) Component IV, *Human Resources Development*, is managed by the European Commission's Directorate General for Employment and Social Affairs; and
- (9) Component V - *Rural Development* is managed by the European Commission's Directorate General for Agriculture.

The pre- and post-accession assistance is implemented through a variety of *management modes* which take into account different levels of preparedness of the beneficiary countries. The assistance under IPA is designed also to prepare the beneficiary countries to assume full responsibility for the management of financial assistance granted by the EU.

The eligibility for IPA components differs depending on the state of preparedness. In the use of funds the IPA beneficiary countries are divided into two categories. The EU candidate countries Croatia, the Former Yugoslav Republic of Macedonia, Serbia and Turkey are eligible for all five components of IPA. While the new candidate countries, Iceland and Montenegro (candidate status awarded in 2010), currently remain outside the scope of intervention of IPA Component III, the regional development. The Potential candidate countries in the Western Balkans (Albania, Bosnia and Herzegovina, Montenegro and Kosovo under UN Security Council Resolution 1244/99) are eligible only for the first two components.³⁶

Implementation of Components I and II falls under the responsibility of DG Enlargement, which initiates the components under a centralised management mode, with a view to transferring implementation management powers to the beneficiary countries as soon as their administrative capacities are considered sufficiently developed to ensure sound financial management. The EU Delegations play a major role in the delivery of IPA, in particular under the de-concentrated and decentralised management modes.³⁷

³⁶ Potential candidate countries were defined at the Santa Maria da Feira European Council of 20 June 2000.

³⁷ Following the entry into force of the Treaty of Lisbon, Delegations have become a part of the European External Action Service, with effect from 1 December 2010.

The implementation can be handled:

- directly by central management: funds are managed by DG Enlargement at headquarters;
- directly de-concentrated: funds are managed by EU Delegations under the supervision;
- directly centralised: cross-delegated when funds are managed by another service of the Commission through cross sub-delegation;
- indirectly in a centralised indirect management: funds are managed by executive agencies, specialised Community bodies (such as the European Investment Bank or the European Investment Fund) and national or international public-sector bodies or bodies governed by private law with a public-service mission;
- indirectly decentralised with ex ante control: funds are managed by accredited national authorities of the beneficiary country, but procurement is subject to ex ante control by the EC Delegation;
- decentralised without ex ante control: funds are managed by accredited national authorities of the beneficiary country and are not subject to ex ante controls by an EC Delegation;
- joint: funds are jointly managed with International Organisations (EBRD, EIB, Sigma, UN agencies, etc.)

In Croatia, the implementation of Pre-accession assistance is decentralised to national authorities. Montenegro is preparing for conferral of management powers for IPA Component I and II. Decentralised management is still under development in the Former Yugoslav Republic of Macedonia. Payments in decentralised programmes remained less than half of the initial forecasts in FYROM. In Serbia, the national authorities submitted an application for the conferral of management in June 2012 and it could be granted by the end of 2013. Absorption capacity under decentralised management in Turkey is not optimal, with delays in tendering, contracting, as well as execution of payments.³⁸

In the old pre-accession assistance PAA, there was only EUR 3.8 million paid for CARDS in 2013. With regard to the current pre-accession instrument IPA, a total EUR 804.5 million euros paid in 2013. Table PA1 presents payments made for IPA and PAA in financial year 2013 compared to 2012.³⁹

³⁸ 2012 Annual Activity report, DG ENLARGEMENT

³⁹ Based on own calculation, ABAC data taking into account operational expenditure for budget title 22.

Table PA1 – Payments made for IPA and PAA, comparison 2012 and 2013

Year	IPA	PAA	Total
	Million EUR	Million EUR	Million EUR
2013	804.5	28.1	832.6
2012	812.8	38.8	851.6
y-o-y change (%)	-2.23	-1.02	-27.54

5.2. General analysis – Trend analysis

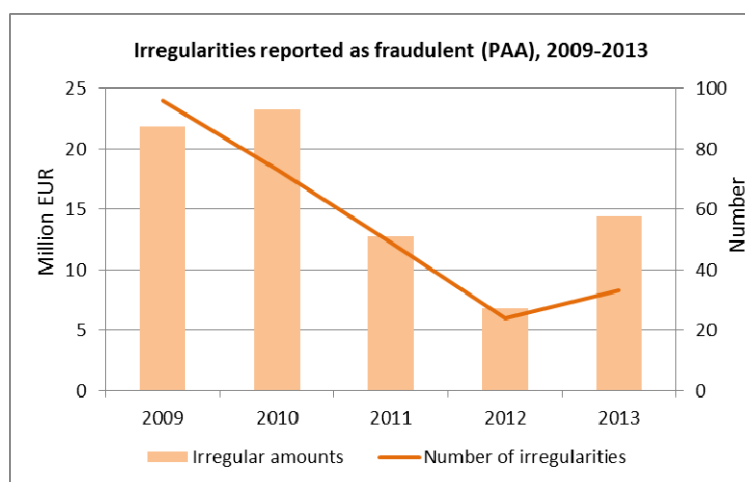
5.2.1. Trend analysis

Regarding the Pre-Accession Assistance (PAA), the number of irregularities reported as fraudulent slightly increased in 2013 compared to the previous year. Yet, there is a downward trend since 2009 regarding the related irregular amounts as Table PA2 and Chart PA1 show.

Table PA2 – Reported irregularities (PAA), 2009-2013

Year	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
2009	46 634 988	432	21 831 228	96
2010	23 762 001	299	23 217 136	73
2011	38 865 835	193	12 751 547	49
2012	43 395 989	190	6 778 201	24
2013	45 405 799	148	14 372 543	33
Total	198 064 612	1 262	78 950 654	275

Chart PA1 –Irregularities reported as fraudulent (PAA), 2009-2013



For the total number of irregularities (reported as fraudulent and not reported as fraudulent) for the PAA, there were 181 irregularities reported in 2013 and the amount affected EUR 59.8 million similarly to 2012. (In the previous year, there were 214 irregularities and the amount affected was EUR 50.2 million.) However, a slight

increase can be observed compared to 2012, which is due to the reclassification of some cases (qualification of the irregularity) of reporting year 2012⁴⁰.

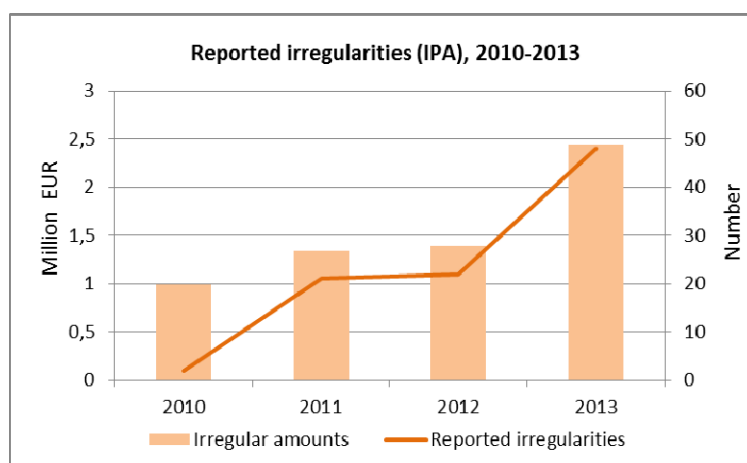
In the past five years, most of the irregularities (reported and not reported as fraudulent) and the highest aggregate amount concern first Romania and secondly Bulgaria. In relation to the distribution of irregularities according to funds it can be said that most of the fraudulent irregularities concern SAPARD, however in terms of non-fraudulent irregularities the latter is preceded by ISPA.

5.2.2. *Trend analysis IPA*

Generally it can be said that the trend of IPA reporting (2007-13) has begun to develop in a stable upward curve which means a continuous increase in the number of irregularities reported and involved amounts since 2010. The increasing trend can be considered within the norm as the reporting of irregularities of IPA has only begun in recent years.

Chart PA2 below demonstrates the evolution of reporting of all the irregularities (reported and not reported as fraudulent) since 2010.

Chart PA2 – Reported irregularities (IPA), 2010-2013



During the past few years, the highest number of irregularities reported as fraudulent was communicated by Turkey followed by Macedonia. The highest fraudulent amounts were recorded in relation to Cross-Border Cooperation and secondly to Transition Assistance and Institution Building. However, Transition Assistance scores the highest with regard to irregularities not reported as fraudulent.

5.2.3. *Reporting efforts*

In general the communications received regarding IPA via IMS are complete and in terms of timeliness the reporting behaviour is satisfactory. The level of completeness

⁴⁰

There were 2 cases in Bulgaria and one case in Romania that were reclassified (from suspicion of fraud into no irregularity) regarding the reporting year 2012. The requalification of these three irregularities affected the irregular amounts involved (reported as fraudulent) and subsequently caused a decrease of EUR 37.7 million in the total figure for financial year 2012, compared to what was published in the previous PIF 2012 Report.

of the reported information has been improving depending on experience with reporting.

Serbia and Macedonia have reported irregular cases in the IMS system during 2013. The information provided by these countries is complete and detailed, moreover the classification of the irregularities is accurate.

Turkey and Croatia have continued the consistent reporting. Croatia increased significantly the number of reported irregularities since its connection to IMS in October 2012.

5.3. Specific analysis – Financial year 2013

5.3.1. Pre-Accession Assistance (PAA)

In 2013 a total number of 33 irregularities were reported as fraudulent with the amount affected of EUR 14.4 million as Table PA3 demonstrates.

Table PA3 – Reported irregularities per country (PAA), 2013

Country name	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Bulgaria	1 574 386	16	5 312 927	7
Hungary	3 174	3		
Poland	88 073	1		
Romania	43 740 166	128	9 059 616	26
Total	45 405 799	148	14 372 543	33

These fraudulent irregularities were reported by Bulgaria and Romania. Regarding irregularities not reported as fraudulent, it was Romania communicating by far the highest number of cases with EUR 43.7 million amounts affected.

Like in the previous years, the majority of cases concern again SAPARD in 2013, the Special Accession Programme for Agriculture and Rural Development.

Table PA4 – Reported irregularities per fund (PAA), 2013

Fund name	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
ISPA	33 591 583	48		
PHARE	600 629	13	1 265 599	8
SAPARD	11 213 587	87	13 106 944	25
Total	45 405 799	148	14 372 543	33

With 25 irregular fraudulent cases reported and EUR 13 million involved, the SAPARD fund remains the most fraudulent one among all the PAA funds, accompanied by PHARE with 8 cases and EUR 1.3 million affected.

The practices repeatedly employed in committing fraudulent irregularities are mainly ‘falsified supporting documents’ (45.5% of the cases and 42.5% of the irregular

amounts involved), followed by ‘other irregular documents’ (37.9% of the cases and 21.1% of the irregular amounts).

With regard to irregularities not reported as fraudulent, the highest irregular amounts have been reported in relation to ISPA fund (EUR 33.6 million), followed by SAPARD (EUR 11.2 million). The most frequent *modus operandi* are: ‘failure to respect other regulations/contract conditions’ (55.4% of the cases and 21.5% of the irregular amounts) and ‘Non-eligible expenditure’ (28.4% of the cases and 71.8% of the irregular amounts).

5.3.2. *Instrument for Pre-Accession (IPA)*

In IPA (2007-13), there were 9 irregularities reported as fraudulent involving EUR 1.2 million irregular amounts. Tables PA5 and PA6 show the breakdown per country and per fund respectively.

Table PA5 – Reported irregularities per country (IPA), 2013

Country	Irregularities reported as fraudulent		Irregularities not reported as fraudulent	
	N	EUR	N	EUR
Bulgaria	1	142 292	10	21 428
Croatia	2	12 113	19	244 806
FYROM			1	189 610
Serbia			1	2 153
Turkey	6	1 057 949	8	769 541
TOTAL	9	1 212 354	39	1 227 538

In 2013 Turkey reported most of the irregularities considered as fraudulent (6 cases out of total 9, involving over one million euros). Turkey was also the country reporting the highest aggregate amounts involved in irregularities not reported as fraudulent, though the highest number of such irregularities was recorded by Croatia (19 cases out of total 39).

Table PA6 – Reported irregularities per fund (IPA), 2013

Fund name	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Cross-Border Cooperation	53 366	20	142 292	1
Human Resources Development	391 795	6		1
Rural Development	465 242	5	188 242	3
Regional Development	96 509	3		3
Transition Assistance and Institution Building	220 627	5	881 820	1
Total	1 227 538	39	1 212 354	9

Regarding the *modus operandi* of irregular cases irregularities reported as fraudulent, the following can be said: most of the irregular amounts (72.7 %) related to one single case, where ‘Conflict of interest’ has been identified.

When it comes to other irregularities not reported as fraudulent, the most frequent practice employed are: ‘Infringement of rules concerning public procurement’ (concerns 35.9 % of the cases and only 4.8 % of the irregular amounts), ‘Failure to

respect other regulations/contract conditions' (concerns 10.3 %cases but concerns 35.2 % of the irregular amounts) and finally 'Non-eligible expenditure' (concerns 28.2 % of the cases and only 10.5 % of the irregular amounts).

5.3.3. Method of detection

In 2013, Regarding PAA, most of the irregularities reported as fraudulent was detected by community controls and associated controls (in more than half of the cases and over 77% of irregular amounts). Additionally, interservice cooperation proved to be the second most frequent method of detection of such irregularities (in around 20% of cases and 36% of irregular amounts). This finding is underlining the importance of audits performed by responsible Commissions services and investigations conducted by OLAF.

In case of IPA, over 80% of the total number of irregular cases reported in 2013 was detected by national administration.

5.3.4. Recovery for the Pre-Accession Assistance (PAA)

The table PA7 demonstrates the recovery situation per country in the PAA. It provides an overview for years between 2003 and 2013 of the recoveries: amounts still to be recovered and the cumulative recovery rate⁴¹.

Table PA7: Recovery by beneficiary country (PAA), cumulative results, 2003-2013

Country name	Irregularities not reported as fraudulent			Irregularities reported as fraudulent		
	Irregular amounts	Amount to be recovered	Cumulative recovery rate	Irregular amounts	Amount to be recovered	Cumulative recovery rate
	EUR	EUR	%	EUR	EUR	%
Bulgaria	45 028 618	30 446 538	32.38	42 879 181	41 480 489	3.26
Cyprus	23 807	23 807	0.00			
Czech Republic	2 816 209	2 075 153	26.31			
Estonia	6 470 270	3 564 678	44.91	216 149	0	100.00
Croatia	8 965 593	8 668 812	3.31	1 133 966	349 460	69.18
Hungary	5 736 854	4 238 668	26.12	834 729	466 117	44.16
Lithuania	7 551 976	174 366	97.69	131 895	34 259	74.03
Latvia	1 166 122	941 123	19.29	1 576 011	1 576 011	0.00
Malta	112 620	0	100.00			
Poland	10 062 911	7 859 562	21.90	1 429 170	1 276 357	10.69
Romania	198 085 025	115 625 023	41.63	48 212 821	23 100 573	52.09
Slovenia	1 597 489	1 584 016	0.84			
Slovakia	15 841 100	14 073 062	11.16	99 748	99 748	0.00
Turkey	3 837 258	3 229 482	15.84	1 895 233	1 275 093	32.72
Total	307 295 852	192 504 290	37.36	98 408 904	69 658 107	29.22

As it appears from the above table, the recovery of irregular amounts is not yet completed. The overall cumulative recovery rate for irregularities reported as fraudulent is 29.22%, which is lower than in the case of irregularities not reported as fraudulent (37.36%). The figures do not take into account the recoveries and financial corrections made by the Commission.

⁴¹ The cumulative recovery rate is the percentage of the total irregular amounts that has successfully been recovered.

Section III – CENTRALISED MANAGEMENT

6. DIRECT MANAGEMENT

6.1. Introduction

This chapter contains a descriptive analysis of the data on recovery orders issued by Commission services in relation to expenditures managed under ‘direct management’ mode, which is one of the three implementation modes the Commission can use to implement the budget.

According to the Financial Regulation⁴², ‘direct management’ means that the Commission implements the budget by its departments, including its staff in the Union Delegations under the authority of their respective Head of Delegation, or through executive agencies.

For financial year 2013, a total of EUR 14.6 billion⁴³ has been effectively disbursed under the ‘direct management’ mode. Table DM1 presents the actual payments made in financial year 2013 for the nineteen policy areas corresponding to 98% of the overall payments made under ‘direct management’.

Table DM1 – Payments made in financial year 2013 per policy area

Policy area	Payments 2013	
	EUR million	%
Enterprise	639	4.4
Employment and social affairs	96	0.7
Mobility and transport	793	5.4
Environment and climate action	263	1.8
Research	4 626	31.6
Information society and media	1 610	11.0
Direct research	111	0.8
Maritime affairs and fisheries	207	1.4
Taxation and customs union	71	0.5
Education and culture	1 466	10.0
Communication	117	0.8
Health and consumer protection	308	2.1
Home Affairs	165	1.1
External relations	1 816	12.4
Development and relations with ACP States	735	5.0
Enlargement	460	3.1
Humanitarian aid	634	4.3
Energy	427	2.9
Justice	96	0.7
TOTAL	14 640	

⁴² The Financial Regulation provides for three types of management, one of them is the centralised management. In accordance with Article 58 (Methods of implementation of the budget) of the Council Regulation (EU, Euratom) No 966/2012 and Commission Delegated Regulation (EU) No 1268/2012.

⁴³ Own calculation based on ABAC data for the nineteen policy areas representing 98% of payments under the direct management mode, excluding administrative expenditure.

6.2. General analysis

In 2013, for the nineteen policy areas, the Commission services registered 2245 recovery orders in ABAC that were qualified as irregularities for a total financial value EUR 81.9 million. Among these recovery orders, 25 have been reported as fraudulent⁴⁴, involving EUR 1.2 million irregular amounts.

6.2.1. Five year analysis 2009-2013

As a trend analysis, the comparison between five years, from 2009 to 2013 will be hereunder provided. This is the first five years that can be compared as the ABAC recovery context was only set up in 2008. Nonetheless, it has to be noted that such a comparison will only serve as a snapshot of data gathered in those five years, rather than to point out to any evolution or prediction of future trends.

Generally it can be said that in the past five years, the number and related financial value of irregularities reported as fraudulent have steadily decreased, meanwhile the number and related amounts regarding recovery orders qualified as irregularities not reported as fraudulent firmly increased. At the same time, the expenditure under the direct management mode⁴⁵ remained stable: around 14 billion euros are effectively disbursed each year. As a consequence, the ratio between irregular amounts recovered and payments made has also increased. Table DM2 and DM3 summarise these figures for irregularities during the five-year term.

Table DM2 – Irregularities not reported as fraudulent and related amounts, financial years 2009-2013

Year	Payments	Irregularities not reported as fraudulent		Irregular amounts/ Payments
	EUR million	EUR million	N	%
2009	14 260	36.4	1 402	0.26
2010	14 714	58.3	2 151	0.40
2011	14 331	62.3	2 288	0.43
2012	14 439	77.3	2 672	0.54
2013	14 640	80.7	2 220	0.55
TOTAL	72 384	315.0	10 733	0.44

Table DM3 – Irregularities reported as fraudulent and related amounts, financial years 2009-2013

Year	Payments	Irregularities reported as fraudulent		Irregular amounts/ Payments
	EUR million	EUR million	N	%
2009	14 260	5.2	67	0.04
2010	14 714	6.1	79	0.04
2011	14 331	2.1	53	0.01
2012	14 439	2.7	32	0.02
2013	14 640	1.2	24	0.01
TOTAL	72 384	17.3	255	0.02

⁴⁴ Recovery orders that have been qualified by the Commission services as *suspected fraud* and subsequently reported to OLAF, or recoveries made following to OLAF investigation.

⁴⁵ Only the nineteen policy areas - listed in table DM1 - are taken into account.

The ABAC system shows that there were over ten thousand registered irregularities (not reported as fraudulent) with a total financial value of exactly EUR 315 million. This total irregular amount, when compared to the reference figure of the total payments of the same five years (over EUR 72 billion) , gives the overall irregularity detection rate of less than half percent (0.44%). As far as the irregularities of fraudulent nature (irregularities reported as fraudulent) are concerned, this fraud detection rate is close to zero (0.02%), which is calculated on the basis of a total of 257 recoveries with related amount of EUR 17 million. The registered irregularity figures demonstrate the efficient irregularity detection and reporting systems in place.

6.3. Specific analysis

6.3.1. Recoveries according policy areas

Table DM4 provides a more detailed classification of the policy areas and related irregularities with financial values for year 2013.

Table DM4 – Irregularities reported by policy areas and related amounts, 2013

Policy area	Payments 2013	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR million	EUR million	N	EUR million	N
Enterprise	639	3.9	30	0.2	5
Employment and social affairs	96	0.1	8	0.0	0
Mobility and transport	793	18.7	97	0.0	1
Environment and climate action	263	0.6	62	0.0	0
Research	4 626	10.3	363	0.2	2
Information society and media	1 610	14.9	719	0.0	3
Direct research	111	0.1	10	0.0	0
Maritime affairs and fisheries	207	0.3	9	0.0	0
Taxation and customs union	71	0.0	2	0.0	0
Education and culture	1 466	7.8	441	0.0	0
Communication	117	0.1	18	0.0	0
Health and consumer protection	308	0.0	1	0.0	0
Home Affairs	165	1.2	57	0.0	0
External relations	1 816	7.8	137	0.1	9
Development and relations with ACP States	735	4.1	104	0.5	3
Enlargement	460	1.4	50	0.3	2
Humanitarian aid	634	1.5	71	0.0	0
Energy	427	7.8	19	0.0	0
Justice	96	0.1	22	0.0	0
TOTAL	14 640	80.7	2220	1.2	25

In financial year 2013, the highest number of 'irregularities reported as fraudulent' was recorded in the 'External relations' area, however in terms of irregular amounts, the policy field 'Development and relations with ACP States' scored with half a million euros. This policy area alone counts for almost the half of fraudulent amounts recovered.

Regarding 'irregularities not reported as fraudulent', most of the irregularities were registered in the area of 'Information society and media' to which the second highest aggregate irregular amounts is linked. This year, the 'Mobility and transport' policy area appears to have recorded the biggest aggregate non-fraudulent irregular amounts. This policy field, together with 'Information society and media' and 'Research' counts for more than half of the total irregular amounts for 2013.

When looking at the five year perspective as presented by table DM5, one can perceive that ‘External relations’ policy field has the highest fraud detection rate (0.09%). The same policy field counts for more than half of the fraudulent amounts recovered. The second largest aggregate fraudulent amounts were recovered in the fields of ‘Development and relations with ACP States’ and ‘Information society and media’.

Regarding ‘irregularities not reported as fraudulent’, policy area ‘Home Affairs’ stands out with the highest irregularity detection rate (1.72%). This means that the ratio of the total irregular amounts and the effective payments was the highest in this policy field. It is followed ‘Information society and media’ and ‘Education and culture’. Nonetheless, the highest aggregate non-fraudulent irregular amounts were recorded in the field ‘Information society and media’, secondly in ‘External relations’ and thirdly in ‘Research’. These three policy areas account for half of the total irregular amounts recovered during the five years.

Table DM5 – Irregularities reported by policy areas and related amounts, financial years 2009-2013

Policy area	Payments	Irregularities not reported as fraudulent	Irregular amounts/ Payments	Irregularities reported as fraudulent	Irregular amounts/ Payments
	EUR million	EUR million	%	EUR million	%
Enterprise	2 637	9.2	0.35	0.2	0.01
Employment and social affairs	742	0.6	0.08	0.5	0.06
Mobility and transport	6 390	33.9	0.53	0.2	0.00
Environment and climate action	1 290	10.8	0.84	0.6	0.04
Research	21 902	46.0	0.21	1.0	0.00
Information society and media	7 159	66.8	0.93	2.3	0.03
Direct research	476	0.1	0.02	0.0	0.00
Maritime affairs and fisheries	1 213	3.2	0.26	0.1	0.01
Taxation and customs union	342	0.0	0.00	0.0	0.00
Education and culture	5 686	31.3	0.55	0.1	0.00
Communication	560	0.5	0.08	0.0	0.03
Health and consumer protection	1 930	0.3	0.01	0.0	0.00
Home Affairs	1 341	23.1	1.72	0.0	0.00
External relations	9 692	49.5	0.51	9.0	0.09
Development and relations with ACP States	3 891	20.1	0.52	2.4	0.06
Enlargement	2 640	7.5	0.28	0.7	0.03
Humanitarian aid	2 649	2.8	0.11	0.1	0.01
Energy	1 594	8.7	0.55	0.0	0.00
Justice	250	0.6	0.26	0.0	0.00
TOTAL	72 384	315.0	0.44	17.3	0.02

It can also be said that some policy areas registered increasing irregular amounts over the five years. These are notably the following: ‘Information society and media’, ‘Research’, ‘External relations’ and ‘Education and culture’. Additionally, policy fields ‘Development and relations with ACP States’, ‘Mobility and transport’ and ‘Home affairs’ have been fluctuating around the average. The remaining 12 policy areas remained always below the average irregular amounts recorded for the year concerned.

Yet, it has to be reiterated that the explanation for the relatively high number of irregularities resides in the fact that Commission services duly detect and keep record of these cases in ABAC.

6.3.2. Recoveries according to legal entity residence

In 90% of the irregular cases (reported as fraudulent and not reported as fraudulent together) corresponding to a total 83% of irregular amounts, the legal entity was resident in one of the 28 Member States of the European Union⁴⁶. It should be noted however, that the residence of the legal entity is not necessarily the same as that of the main beneficiary.

Table DM6 summarizes the recoveries made according to the legal entity country to which the payment was unduly disbursed between 2009 and 2013. EU Member States are listed, other countries are grouped under the ‘non-EU’ category.

Table DM6 – Recoveries per country of residence of the legal entity, 2009-2013

LE Country name	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Belgium	17 293 593	903	755 329	17
Bulgaria	715 978	93	35 779	1
Czech Republic	4 830 866	72	655 814	12
Denmark	2 832 639	148	279 643	14
Germany	23 634 785	999	286 936	13
Estonia	218 833	36	0	0
Ireland	4 038 618	116	309 378	14
Greece	14 533 221	474	932 313	16
Spain	13 774 137	666	1 494 095	23
France	46 045 764	1 434	2 204 459	26
Italy	24 964 107	1 120	2 355 509	40
Cyprus	3 067 578	71	208 415	7
Latvia	156 239	36	0	0
Lithuania	991 246	54	0	0
Luxembourg	7 375 670	53	0	0
Croatia	90 640	29	0	0
Hungary	4 250 566	187	0	0
Malta	2 038 398	55	0	0
Netherlands	22 763 207	735	12 861	3
Austria	6 812 139	288	0	0
Poland	1 553 181	124	0	0
Portugal	5 087 009	158	270 655	6
Romania	10 853 740	108	758	1
Slovenia	907 691	43	0	0
Slovakia	1 486 025	49	0	0
Finland	3 651 228	148	0	0
Sweden	8 446 291	305	543 885	6
United Kingdom	30 830 696	1 146	2 573 830	26
Total EU	263 244 086	9 650	12 919 661	225
<i>Total non-EU</i>	<i>51 739 181</i>	<i>1 083</i>	<i>4 380 306</i>	<i>30</i>
TOTAL	314 983 267	10 733	17 299 967	255

6.3.3. Method of detection

For each recovery order, the Commission service that issues the order has to indicate how the irregularity has been detected. Six different categories have been pre-defined, two of which fall under the direct responsibility of the European Commission: On-the-spot checks and the verification of documents by desk officers and financial officers responsible for the implementation of the commitment. Table DM7 gives a

⁴⁶ Croatia is taken into account as the 28th Member State of the EU throughout the past five years although it became member of the Union only on 01/07/2013.

breakdown of the recoveries by source of detection and by qualification. As there are no significant fluctuations from one year to the other, the below table presents the five year totals.

Table DM7 – Irregularities reported by source of detection and by qualification, 2009-2013

Source of detection	Irregularities not reported as fraudulent		Irregularities reported as fraudulent	
	EUR	N	EUR	N
Community control / Check on the spot	105 619 241	4 910	3 332 800	61
Community control / Desk check documents	101 135 846	3 461	1 338 933	32
Control by national authorities	5 158 958	31	0	0
European Court of Auditors	8 411 652	70	0	0
Independent control (supervising engineers, auditors, ..)	67 998 869	2 023	3 359 787	9
OLAF	2 557 361	16	7 337 833	114
Other and N.A.	24 101 340	222	1 930 614	39
TOTAL	314 983 267	10 733	17 299 967	255

OLAF detected the vast majority of the cases qualified ‘irregularities reported as fraudulent’: 42.4% of recoveries account for 44.7% of the total irregular amounts. This figure, however, depends on the closure of investigations. It may increase over time, as some irregularities categorised as ‘not reported as fraudulent’ can be turned to ‘reported as fraudulent’ after the outcome of on-going investigations.

In the past five years, most of the cases ‘irregularities not reported as fraudulent’ were detected through ‘Community controls’ (on-the-spot checks and desk checks of documents). All together 65.6% of recoveries representing 78.0% of total irregular amounts were detected by ‘Community controls’.

6.3.4. *Types of error*

The Commission services also have to indicate the type of error that was detected when the recovery order was issued. Several types of error can be attributed to one irregular case. Largely it can be observed that error ‘Action not in accordance with the rules’ and error ‘Expenditure not covered by the legal base’ appear most frequently every year, (reported as fraudulent or not) during the past five years. Besides, ‘Missing documents’ and ‘Action not implemented’ are the third most frequent error types.

6.3.5. *Time delay*

For the recovery orders qualified as irregularities (both reported as fraudulent and not reported as fraudulent) issued between 2009 and 2013, the average delay between the occurrence of the irregularity and its detection is 3.4 years. However, the time delay varies significantly, so the average does not represent the series. More than half of the cases (54%) were detected within 4 years following the year when the irregularity was committed; meanwhile in the other half (46%) of the cases the delay varied between 4 and 13 years.

6.3.6. *Recovery*

This paragraph describes the payments made to the Commission further to the issuing of the recovery orders. Once a recovery order is issued, the beneficiary is requested to pay back the amount unduly received or the amount is offset from remaining payments for the beneficiary.

For the recovery orders issued in 2013, 78.1% of the total irregular amounts have been recovered. This means that is EUR 64.0 million (out of EUR 81.9 million) has already been cashed. Yet there are differences between the recovery rates for irregularities reported as fraudulent and those not reported as fraudulent. The recovery rate for irregularities reported as fraudulent is only 23.1% and it is always lower than that of the irregularities not reported as fraudulent when looking at the five year period.

In a five year perspective, the recovery rates are the following: for irregularities reported as fraudulent it is 54.4% and for non-fraudulent irregularities it is 63.9%, meanwhile the overall recovery rate for all the irregularities is 63.4%.

COUNTRY FACTSHEETS

BELGIUM

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	34	10 257 534	128	7 931 205	1.06%

2. Natural Resources - Financial Year 2013					
Fund	Area	Payments	Residual error rate	Residual amount at risk	
		EUR	%	EUR	
EAGF	agricultural markets	77 868 020	0.92%	713 285	
EAGF	direct aids	567 092 524	0.14%	775 053	
EAFRD	rural development	41 527 406	2.15%	891 689	
EFF	fisheries	0	0.00%	0	
TOTAL		686 487 950			

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			14	467 456		0.07%
EAGF/EAFRD			4	163 716		N/A
EAFRD			6	308 705		0.74%
EFF						
TOTAL	0	0	24	939 877		0.14%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	38	15	53

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	11	1	12	8%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	92 456 901	176 398 402	989 620 728	647 915 054	1.20%	0.34%
ESF	152 166 113	228 591 506	1 073 217 594	770 414 949	9.30%	5.00%
TOTAL	244 623 014	404 989 908	2 062 838 322	1 418 330 003		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 - reporting year 2013	2	0	69	2 317 418	0.00%	0.57%
ERDF	1		28	758 061	0.00%	0.43%
ESF	1		41	1 559 357	0.00%	0.68%
Programming Period 2007-13 - cumulative	2	0	158	6 648 252	0.00%	0.47%
ERDF	1		63	1 735 822	0.00%	0.27%
ESF	1		95	4 912 430	0.00%	0.64%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	39	6	45

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	2		2	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
7	0	12		5		24	14

BULGARIA

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	8	300 422	13	2 320 240	3.45%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	43 095 001	0.91%	393 957
EAGF	direct aids	494 424 796	1.59%	7 867 310
EAFRD	rural development	396 123 873	14.36%	56 883 045
EFF	fisheries	5 920 289	0.92%	54 467
TOTAL		939 563 959		

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	21	936 547			0.17%	
EAGF/EAFRD	55	1 828 583			N/A	
EAFRD	6	165 849	6	1 171 207	0.04%	0.30%
EFF	2	477 927			8.07%	
TOTAL	84	3 408 906	6	1 171 207	0.36%	0.12%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	7	27	34

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	178	55	233	24%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	593 575 795	435 678 301	3 205 132 216	1 645 381 363	1.71%	0.87%
Cohesion Fund	419 849 841	142 246 524	2 283 036 165	974 467 088		
ESF	219 541 733	308 282 186	1 185 459 863	681 246 981	0.60%	0.10%
TOTAL	1 232 967 369	886 207 011	6 673 628 244	3 301 095 431		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	5	528 970	58	13 195 366	0.06%	1.49%
ERDF	2	301 256	33	4 427 832	0.07%	1.02%
Cohesion Fund	1	198 548	14	8 154 132	0.14%	5.73%
ESF	2	29 166	11	613 401	0.01%	0.20%
Programming Period 2007-13 cumulative	30	8 631 891	226	29 568 542	0.26%	0.90%
ERDF	8	690 325	124	11 464 838	0.04%	0.70%
Cohesion Fund	3	6 520 453	56	15 152 286	0.67%	1.55%
ESF	19	1 421 113	46	2 951 419	0.21%	0.43%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	28	4	31

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	29	1	30	3%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
13	2	3	0	0	0	19	30

CZECH REPUBLIC

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	3	45 098	54	2 990 937	1.33%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	13 971 945	14.48%	2 023 603
EAGF	direct aids	824 121 274	0.39%	3 195 786
EAFRD	rural development	371 656 567	3.76%	13 966 013
EFF	fisheries	0	2.60%	0
TOTAL		1 209 749 786		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	12 962	4	18 196	0.002%	0.00%
EAFRD	14	1 496 774	57	1 425 351	0.40%	0.38%
EFF			1	1 113 878		#DIV/0!
TOTAL	15	1 509 736	62	2 557 425	0.12%	0.21%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	10	13	23

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	20		20	0%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF	2 295 249 766	1 131 557 686	13 932 831 854	6 980 618 416		
Cohesion Fund	1 427 051 955	1 363 040 475	8 819 022 439	4 447 382 848	1.30%	1.35%
ESF	614 471 025	1 027 907 862	3 787 795 992	2 140 334 050	2.90%	1.30%
TOTAL	4 336 772 746	3 522 506 024	26 539 650 285	13 568 335 315		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	19	11 519 549	987	354 862 368	0.33%	10.07%
ERDF	12	11 115 188	496	304 993 331	0.98%	26.95%
Cohesion Fund	3	267 143	73	29 628 207	0.02%	2.17%
ESF	4	137 218	418	20 240 830	0.01%	1.97%
Programming Period 2007-13 cumulative	63	178 497 453	1 741	1 410 921 908	1.32%	10.40%
ERDF	34	158 869 620	853	845 449 929	2.28%	12.11%
Cohesion Fund	7	18 105 327	142	490 855 875	0.41%	11.04%
ESF	22	1 522 506	746	74 616 105	0.07%	3.49%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	17	6	23

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	59	4	63	6%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
5	6	22	2	41		76	125

DENMARK

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	4	711 748	36	1 425 161	0.54%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	6 632 323	1.47%	97 174
EAGF	direct aids	939 223 263	2.38%	22 334 739
EAFRD	rural development	61 930 976	6.60%	4 089 910
EFF	fisheries	2 127 293	5.44%	115 725
TOTAL		1 009 913 855		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	66	2 555 374	15	681 655	0.27%	0.07%
EAFRD			3	49 831		0.08%
EFF			13	2 287 911		107.55%
TOTAL	66	2 555 374	31	3 019 396		0.30%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	42	13	56

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	118		118	0%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	38 595 969	0	254 788 620	129 409 904	-	2.01%
ESF	38 595 968	46 669 932	254 788 619	147 865 836	0.80%	0.60%
TOTAL	77 191 937	46 669 932	509 577 239	277 275 740		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	5	70 106	0.00%	0.15%
ERDF	0	0	2			#DIV/0!
ESF	0	0	3	70 106		0.15%
Programming Period 2007-13 cumulative	0	0	10	207 170	0.00%	0.07%
ERDF	0	0	4	58 393		0.05%
ESF	0	0	6	148 777		0.10%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	0	0	0	N/A

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
10	1	0		0	1	12	22

GERMANY

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	70	7 856 134	1 310	98 989 081	2.42%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	100 918 262	1.01%	1 023 724
EAGF	direct aids	5 253 938 613	0.63%	33 246 316
EAFRD	rural development	1 293 489 370	1.62%	20 930 694
EFF	fisheries	15 490 828	0.14%	21 687
TOTAL		6 663 837 073		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	5	683 108	110	2 870 054	0.01%	0.05%
EAFRD	4	232 482	63	2 382 479	0.02%	0.18%
EFF						
TOTAL	9	915 590	173	5 252 533	0.01%	0.08%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	39	12	51

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	22	2	24	8%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	2 344 135 698	2 324 819 735	16 107 313 707	11 122 347 298	1.58%	1.08%
ESF	1 382 016 375	1 925 319 706	9 380 654 763	6 907 875 344	1.40%	1.20%
TOTAL	3 726 152 073	4 250 139 440	25 487 968 470	18 030 222 642		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	23	11 403 424	167	16 312 247	0.27%	0.38%
ERDF	7	10 381 010	108	14 392 593	0.45%	0.62%
ESF	16	1 022 414	59	1 919 654	0.05%	0.10%
Programming Period 2007-13 cumulative	125	30 385 120	429	40 050 933	0.17%	0.22%
ERDF	26	16 742 112	270	33 401 337	0.15%	0.30%
ESF	99	13 643 008	159	6 649 595	0.20%	0.10%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	26	8	34

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	94	31	125	25%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
7	5	3		23	0	39	10

ESTONIA

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	0	0	4	348 729	1.21%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	3 457 961	1.38%	47 755
EAGF	direct aids	91 924 140	0.94%	864 717
EAFRD	rural development	126 354 433	1.12%	1 412 601
EFF	fisheries	12 107 724	1.57%	190 091
TOTAL		233 844 258		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF						
EAFRD	4	1 220 196	37	1 215 724	0.97%	0.96%
EFF			6	388 015		3.20%
TOTAL	4	1 220 196	43	1 603 739	0.52%	0.69%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	11	10	21

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	21	1	22	5%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	313 380 647	291 653 919	1 860 211 106	1 469 150 512	0.43%	1.00%
Cohesion Fund	209 548 474	322 693 433	1 151 731 446	945 277 056		
ESF	97 879 445	64 243 686	391 517 329	351 962 724	0.40%	0.90%
TOTAL	620 808 566	678 591 039	3 403 459 881	2 766 390 291		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	2	582 668	74	9 867 403	0.09%	1.45%
ERDF	1	78 357	59	7 891 184	0.03%	2.71%
Cohesion Fund	1	504 311	4	580 661	0.16%	0.18%
ESF			11	1 395 557	0.00%	2.17%
Programming Period 2007-13 cumulative	7	1 591 340	225	36 409 765	0.06%	1.32%
ERDF	3	532 194	187	33 750 833	0.04%	2.30%
Cohesion Fund	3	1 011 222	7	623 417	0.11%	0.07%
ESF	1	47 924	31	2 035 515	0.01%	0.58%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	32	3	35

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	6	1	7	14%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
0		10		1		10	1

IRLAND

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	5	566 258	19	1 504 686	0.74%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	5 797 881	0.90%	51 954
EAGF	direct aids	1 250 917 232	2.95%	36 936 730
EAFRD	rural development	321 596 195	4.07%	13 073 660
EFF	fisheries	0	0.00%	0
TOTAL		1 578 311 308		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			108	2 879 216		0.23%
EAFRD			31	1 178 916		0.37%
EFF						
TOTAL	0	0	139	4 058 132		0.26%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	7	12	20

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	4		4	0%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	30 218 046	73 064 350	375 362 372	263 322 564	1.31%	0.75%
ESF	30 218 046	0	375 362 370	262 693 947	0.00%	0.00%
TOTAL	60 436 092	73 064 350	750 724 742	526 016 511		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	16	1 731 930	0.00%	2.37%
ERDF			4	241 924	0.00%	0.33%
ESF			12	1 490 007	#DIV/0!	#DIV/0!
Programming Period 2007-13 cumulative	2	15 672	104	4 203 886	0.00%	0.80%
ERDF			4	241 924	0.00%	0.09%
ESF	2	15 672	100	3 961 962	0.01%	1.51%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	2		2	0%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
5	2	1			0	9	9

GREECE

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	20	2 187 041	0	0	1.45%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	63 071 405	1.05%	662 144
EAGF	direct aids	2 282 265 465	5.17%	117 889 151
EAFRD	rural development	225 793 111	12.37%	27 939 957
EFF	fisheries	50 836 540	0.00%	0
TOTAL		2 621 966 521		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	9	1 112 913	21	1 790 441	0.05%	0.08%
EAFRD	16	731 118	16	266 825	0.32%	0.12%
EAGF/EAFRD			20	1 590 932	N/A	N/A
EFF			1	14 377		0.03%
TOTAL	25	1 844 031	58	3 662 575	0.07%	0.14%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	57	12	69

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	33	1	34	3%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	1 605 157 562	2 210 489 542	12 149 300 178	8 719 792 525	2.62%	1.20%
Cohesion Fund	560 054 468	1 041 441 480	3 697 160 864	2 743 291 306		
ESF	597 335 476	859 912 838	4 363 800 403	2 598 255 652	2.60%	0.20%
TOTAL	2 762 547 506	4 111 843 859	20 210 261 445	14 061 339 483		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	21	935 074	178	127 882 157	0.02%	3.11%
ERDF	21	935 074	146	96 943 712	0.04%	4.39%
Cohesion Fund			19	15 323 917	0.00%	1.47%
ESF			13	15 614 529	0.00%	1.82%
Programming Period 2007-13 cumulative	22	6 527 224	524	252 502 617	0.05%	1.80%
ERDF	22	6 527 224	443	201 884 962	0.07%	2.32%
Cohesion Fund			46	31 322 635	0.00%	1.14%
ESF			35	19 295 021	0.00%	0.74%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	34	15	49

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	2	20	22	91%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
-1		86	7	-110	0	-18	262

SPAIN

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	121	12 160 427	236	16 965 571	2.14%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	590 570 435	10.89%	64 314 172
EAGF	direct aids	5 237 123 746	2.92%	153 146 938
EAFRD	rural development	1 034 914 324	2.62%	27 014 717
EFF	fisheries	67 686 522	4.93%	3 336 946
TOTAL		6 930 295 027		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	4	92 803	136	8 939 732	0.002%	0.15%
EAFRD	8	709 100	79	6 305 475	0.07%	0.61%
EFF			28	3 713 821		5.49%
TOTAL	12	801 903	243	18 959 028	0.01%	0.27%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	29	22	52

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	28	1	29	3%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	3 117 163 338	2 732 400 906	23 052 671 624	14 076 862 383	6.18%	2.12%
Cohesion Fund	119 210 484	316 127 930	3 543 213 008	2 575 570 486		
ESF	1 072 067 936	767 346 691	8 053 022 223	5 073 777 258	4.40%	1.60%
TOTAL	4 308 441 758	3 815 875 528	34 648 906 855	21 726 210 128		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	257	50 993 678	0.00%	1.34%
ERDF			163	42 292 041	0.00%	1.55%
Cohesion Fund			6	1 138 236	0.00%	0.36%
ESF			88	7 563 402	0.00%	0.99%
Programming Period 2007-13 cumulative	4	143 836	607	108 138 548	0.00%	0.50%
ERDF	3	123 586	407	90 189 272	0.00%	0.64%
Cohesion Fund			8	1 167 526	0.00%	0.05%
ESF	1	20 250	192	16 781 750	0.00%	0.33%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	31	7	38

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	4		4	0%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
4	2	193	46	459	14	717	2 172

FRANCE

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	84	5 124 158	207	17 645 859	1.18%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	635 575 730	6.37%	40 517 290
EAGF	direct aids	7 967 008 516	2.60%	203 605 087
EAFRD	rural development	982 420 749	7.26%	71 331 857
EFF	fisheries	34 523 047	1.34%	462 609
TOTAL		9 619 528 042		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	15	1 460 097	104	9 068 679	0.017%	0.11%
EAFRD			42	862 016		0.09%
EFF						0.00%
TOTAL	15	1 460 097	146	9 930 695	0.02%	0.10%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	56	10	66

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	27		27	0%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	1 220 188 798	1 317 737 651	8 051 760 586	4 838 725 483	3.42%	1.51%
ESF	817 178 590	976 739 864	5 394 547 990	3 281 985 878	2.90%	2.00%
TOTAL	2 037 367 388	2 294 477 515	13 446 308 576	8 120 711 361		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	1	197 681	13	194 218	0.01%	0.01%
ERDF	1	197 681	13	194 218	0.02%	0.01%
ESF					0.00%	0.00%
Programming Period 2007-13 cumulative	1	197 681	84	12 685 908	0.00%	0.16%
ERDF	1	197 681	58	12 632 228	0.00%	0.26%
ESF			26	53 680	0.00%	0.00%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	53	6	59

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	1		1	0%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
6	35	17		36	1	96	123

CROATIA

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	5	109 626	3	54 764	1.07%

2. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
			1			1	-

ITALY

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	137	12 485 615	135	12 599 046	1.30%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	701 088 022	1.98%	13 911 382
EAGF	direct aids	3 964 369 298	1.35%	53 559 439
EAFRD	rural development	1 265 647 071	5.10%	64 708 307
EFF	fisheries	77 515 836	1.10%	852 674
TOTAL		6 008 620 227		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	107	31 080 921	75	4 644 064	0.67%	0.10%
EAFRD	60	3 393 065	102	2 382 127	0.27%	0.19%
EAGF/EAFRD	46	2 193 009	11	396 048	N/A	N/A
EFF	17	7 433 523	4	469 956	9.59%	0.61%
TOTAL	230	44 100 518	192	7 892 195	0.73%	0.13%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	89	28	117

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	396	13	409	3%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF	3 072 261 985	4 166 478 794	20 992 070 961	9 605 178 583	1.31%	0.75%
ESF	1 071 128 246	1 239 165 928	6 930 542 469	4 398 768 406	3.10%	2.10%
TOTAL	4 143 390 231	5 405 644 723	27 922 613 430	14 003 946 989		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	29	11 517 921	272	30 998 105	0.21%	0.57%
ERDF	25	10 728 827	261	30 518 621	0.26%	0.73%
ESF	4	789 095	11	479 484	0.06%	0.04%
Programming Period 2007-13 cumulative	62	76 171 550	493	167 917 111	0.54%	1.20%
ERDF	50	74 952 687	457	159 225 570	0.78%	1.66%
ESF	12	1 218 863	36	8 691 541	0.03%	0.20%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	31	7	39

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	62		62	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
111	6	157		106	2	382	275

CYPRUS

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	1	76 603	16	1 008 764	5.18%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	6 272 900	1.51%	94 594
EAGF	direct aids	43 842 946	1.25%	549 057
EAFRD	rural development	22 911 162	4.96%	1 137 357
EFF	fisheries	65 839	0.10%	66
TOTAL		73 092 847		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			8	766 024		1.53%
EAFRD			12	196 854		0.86%
EFF	3	203 450	1	11 516	309.01%	17.49%
TOTAL	3	203 450	21	974 394	0.28%	1.33%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	0	0	0	0%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	19 987 340	75 125 314	279 461 354	192 245 900	1.94%	1.08%
Cohesion Fund	16 335 199	3 519 905	213 204 484	106 502 125		
ESF	8 566 003	25 291 794	119 769 154	76 588 939	1.90%	1.10%
TOTAL	44 888 542	103 937 013	612 434 992	375 336 964		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	3	111 735	5	126 693	0.11%	0.12%
ERDF	1	98 209	5	126 693	0.13%	0.17%
Cohesion Fund					0.00%	0.00%
ESF	2	13 526			0.05%	0.00%
Programming Period 2007-13 cumulative	4	202 458	9	212 154	0.05%	0.06%
ERDF	2	188 933	6	150 255	0.10%	0.08%
Cohesion Fund					0.00%	0.00%
ESF	2	13 526	3	61 899	0.02%	0.08%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	24	10	34

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	3	1	4	25%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
0	0					0	8

LATVIA

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	11	517 936	8	507 947	3.63%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	15 482 468	0.65%	100 220
EAGF	direct aids	132 913 644	1.35%	1 799 218
EAFRD	rural development	182 447 017	2.43%	4 442 309
EFF	fisheries	16 022 381	0.00%	0
TOTAL		346 865 510		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			3	72 335		0.05%
EAFRD	3	274 528	17	425 018	0.15%	0.23%
EFF			3	156 007		0.97%
TOTAL	3	274 528	23	653 360	0.08%	0.19%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	15	6	21

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	7	1	8	13%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	436 940 955	327 225 937	2 407 567 364	1 520 280 011	1.58%	1.94%
Cohesion Fund	274 414 948	204 852 438	1 539 776 553	914 178 086		
ESF	98 424 888	91 576 057	583 103 717	553 948 531	1.50%	0.00%
TOTAL	809 780 791	623 654 432	4 530 447 634	2 988 406 628		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	27	10 957 478	75	30 466 393	1.76%	4.89%
ERDF	25	10 907 496	60	25 818 638	3.33%	7.89%
Cohesion Fund					0.00%	0.00%
ESF	2	49 983	15	4 647 754	0.05%	5.08%
Programming Period 2007-13 cumulative	45	25 522 573	157	38 633 750	0.85%	1.29%
ERDF	37	25 396 260	124	32 859 756	1.67%	2.16%
Cohesion Fund	1	8 512	4	595 203	0.00%	0.07%
ESF	7	117 800	29	5 178 791	0.02%	0.93%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	16	9	26

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	44	1	45	2%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
0	1	19	8	-5	0	24	12

LITHUANIA

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	24	1 931 919	23	768 756	3.52%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	11 410 840	1.37%	156 203
EAGF	direct aids	345 581 608	2.23%	7 700 395
EAFRD	rural development	251 014 978	2.29%	5 744 115
EFF	fisheries	11 169 513	1.19%	132 917
TOTAL		619 176 939		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			28	660 230		0.18%
EAFRD			50	1 583 279		0.63%
EFF						
TOTAL	0	0	78	2 243 509	0.00%	0.36%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	16	19	35

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	1		1	0%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	587 888 142	535 291 797	3 441 950 353	2 735 619 716	1.58%	0.63%
Cohesion Fund	438 671 026	360 230 624	2 305 235 743	1 790 889 789		
ESF	175 635 692	176 983 235	1 028 306 727	810 820 887	1.60%	1.20%
TOTAL	1 202 194 860	1 072 505 656	6 775 492 823	5 337 330 392		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	2	106 391	75	21 133 503	0.01%	1.97%
ERDF	1	48 347	58	4 623 501	0.01%	0.86%
Cohesion Fund	1	58 044	14	16 413 387	0.02%	4.56%
ESF			3	96 615	0.00%	0.05%
Programming Period 2007-13 cumulative	9	1 091 312	310	81 207 638	0.02%	1.52%
ERDF	2	48 347	180	22 485 112	0.00%	0.82%
Cohesion Fund	4	732 148	121	58 552 874	0.04%	3.27%
ESF	3	310 818	9	169 651	0.04%	0.02%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	16	8	24

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	9		9	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
0	8	0	0	0	0	8	10

LUXEMBOURG

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	0	0			0.00%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	378 553	0.85%	3 226
EAGF	direct aids	33 743 329	2.58%	870 967
EAFRD	rural development	10 062 399	6.31%	634 593
TOTAL		44 184 281		

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF/EAFRD	1	252 050			N/A	N/A
TOTAL	1	252 050	0	0	0.57%	0.00%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	102	10	111

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	1		1	0%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	3 823 969	3 805 344	25 243 666	17 225 801	0.03%	0.01%
ESF	3 823 969	4 285 659	25 243 666	17 022 685	2.00%	0.00%
TOTAL	7 647 938	8 091 003	50 487 332	34 248 487		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	0	0	0.00%	0.00%
ERDF					0.00%	0.00%
ESF					0.00%	0.00%
Programming Period 2007-13 cumulative	0	0	8	210 788	0.00%	0.62%
ERDF					0.00%	0.00%
ESF			8	210 788	0.00%	1.24%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	0	0	0	0%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
0	0	0				0	0

HUNGARY

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	6	131 689	54	1 547 596	1.37%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	68 702 430	0.41%	284 839
EAGF	direct aids	1 203 377 855	3.05%	36 676 810
EAFRD	rural development	488 440 120	4.89%	23 873 474
EFF	fisheries	4 216 278	0.00%	0
TOTAL		1 764 736 683		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			25	1 334 775		0.10%
EAFRD			356	12 502 744		2.56%
EFF			1	17 339		0.41%
TOTAL	0	0	382	13 854 858	0.00%	0.79%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	15	31	46

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	86	3	89	3%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	1 893 652 421	1 813 771 292	12 638 528 106	8 193 906 393	4.08%	2.11%
Cohesion Fund	1 714 095 922	1 501 466 204	8 642 316 217	4 536 688 072		
ESF	537 152 895	437 501 095	3 626 879 916	2 028 949 173	0.90%	0.00%
TOTAL	4 144 901 238	3 752 738 591	24 907 724 239	14 759 543 638		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	2	226 808	155	18 074 782	0.01%	0.48%
ERDF	1	161 525	115	8 273 787	0.01%	0.46%
Cohesion Fund			17	8 846 951	0.00%	0.59%
ESF	1	65 283	23	954 044	0.01%	0.22%
Programming Period 2007-13 cumulative	8	1 048 418	360	62 354 828	0.01%	0.42%
ERDF	6	922 488	232	44 228 866	0.01%	0.54%
Cohesion Fund			40	13 249 121	0.00%	0.29%
ESF	2	125 930	88	4 876 841	0.01%	0.24%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	14	14	28

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	8		8	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
15	4	51	89	1		160	6

MALTA

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	4	444 171	0	0	3.75%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	873 071	1.19%	10 366
EAGF	direct aids	4 835 099	0.03%	1 558
EAFRD	rural development	9 622 621	1.22%	117 147
EFF	fisheries	1 630 915	0.00%	0
TOTAL		16 961 706		

Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF						
EAFRD	5	113 814			1.18%	
EFF						
TOTAL	5	113 814	0	0	0.67%	0.00%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	15	6	21

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	5		5	0%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	68 498 575	49 169 981	443 978 031	212 682 370	0.89%	1.00%
Cohesion Fund	32 259 356	33 558 306	284 145 020	147 958 167		
ESF	26 000 000	27 155 612	112 000 000	61 808 590	0.90%	0.80%
TOTAL	126 757 931	109 883 900	840 123 051	422 449 126		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	14	246 439	10	836 470	0.22%	0.76%
ERDF	14	246 439	9	806 870	0.50%	1.64%
Cohesion Fund					0.00%	0.00%
ESF			1	29 600	0.00%	0.11%
Programming Period 2007-13 cumulative	14	246 439	16	982 260	0.06%	0.23%
ERDF	14	246 439	12	898 954	0.12%	0.42%
Cohesion Fund					0.00%	0.00%
ESF			4	83 306	0.00%	0.13%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	14		14	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
0	0					0	0

NETHERLANDS

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	19	951 905	405	39 922 499	1.66%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	84 486 399	19.40%	16 390 026
EAGF	direct aids	822 950 855	2.14%	17 570 006
EAFRD	rural development	99 472 353	5.77%	5 741 151
EFF	fisheries	5 982 531	44.00%	2 632 314
TOTAL		1 012 892 138		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	6 349 557	78	56 469 798	0.70%	6.22%
EAFRD			47	1 527 017		1.54%
EFF			2	150 676		2.52%
TOTAL	1	6 349 557	127	58 147 491	0.63%	5.74%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	86	20	106

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	4		4	0%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	125 700 000	144 282 671	830 000 000	547 318 110	3.33%	2.36%
ESF	125 761 049	158 936 774	830 002 737	512 578 145	2.00%	0.00%
TOTAL	251 461 049	303 219 446	1 660 002 737	1 059 896 256		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	62	8 833 503	0.00%	2.91%
ERDF			48	2 910 707	0.00%	2.02%
ESF			14	5 922 796	0.00%	3.73%
Programming Period 2007-13 cumulative	0	0	132	16 530 273	0.00%	1.56%
ERDF			100	9 928 930	0.00%	1.81%
ESF			32	6 601 343	0.00%	1.29%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	N/A	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	0	0	0	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
2				44	1	47	20

AUSTRIA

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	13	301 255	49	3 305 185	1.60%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	23 598 968	8.57%	2 022 240
EAGF	direct aids	706 438 546	3.55%	25 090 412
EAFRD	rural development	526 093 587	4.26%	22 413 934
EFF	fisheries	347 511	0.21%	730
TOTAL		1 256 478 612		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	3	34 657	8	507 666	0.00%	0.07%
EAFRD	3	18 510	4	29 782	0.00%	0.006%
EFF			1	17 645		5.08%
TOTAL	6	53 167	13	555 093	0.00%	0.04%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	58	16	74

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	9	1	10	10%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	98 736 631	90 110 163	680 066 021	360 004 657	2.93%	2.01%
ESF	77 653 779	88 834 753	524 412 560	447 763 116	0.80%	1.00%
TOTAL	176 390 410	178 944 916	1 204 478 581	807 767 773		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	9	564 071	0.00%	0.32%
ERDF					0.00%	0.00%
ESF			9	564 071	0.00%	0.63%
Programming Period 2007-13 cumulative	6	1 069 772	59	5 630 777	0.13%	0.70%
ERDF	5	1 059 024	36	4 750 325	0.29%	1.32%
ESF	1	10 748	23	880 452	0.00%	0.20%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	16	4	21

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	6		6	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
1				0		1	1

POLAND

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	17	2 544 607	90	6 406 122	1.75%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	415 215 862	19.05%	79 112 639
EAGF	direct aids	2 769 307 172	0.97%	26 976 163
EAFRD	rural development	1 806 188 698	3.14%	56 700 252
EFF	fisheries	116 130 229	0.19%	220 647
TOTAL		5 106 841 961		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	12	3 090 640	89	8 553 583	0.10%	0.27%
EAFRD	30	1 291 839	193	4 772 080	0.07%	0.00%
EFF	1	1 034 465	16	1 022 798	0.89%	0.88%
TOTAL	43	5 416 944	298	14 348 461	0.11%	0.28%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	23	23	46

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	180	14	194	7%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	5 326 667 830	5 525 909 954	34 791 000 148	24 932 918 272	3.05%	0.10%
Cohesion Fund	4 467 508 571	3 436 723 133	22 387 151 159	13 460 980 385		
ESF	1 510 056 066	1 513 081 541	10 007 397 937	7 195 932 355	0.60%	0.00%
TOTAL	11 304 232 467	10 475 714 628	67 185 549 244	45 589 831 013		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	46	35 342 417	674	99 621 945	0.34%	0.95%
ERDF	37	34 137 058	559	91 410 481	0.62%	1.65%
Cohesion Fund	1	52 153	31	4 971 558	0.00%	0.14%
ESF	8	1 153 206	84	3 239 907	0.08%	0.21%
Programming Period 2007-13 cumulative	140	224 617 756	2 337	529 834 315	0.49%	1.16%
ERDF	108	99 665 175	1 954	306 428 012	0.40%	1.23%
Cohesion Fund	3	121 008 712	90	196 689 087	0.90%	1.46%
ESF	29	3 943 869	293	26 717 216	0.05%	0.37%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	23	4	27

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	132	8	140	6%

4. Financial Corrections and recoveries							
Breakdown of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
24	118	8	33	11	0	195	162

PORTUGAL

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	1	108 890	18	1 005 056	0.72%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	119 607 705	1.30%	1 556 170
EAGF	direct aids	648 684 551	4.37%	28 347 490
EAFRD	rural development	657 324 513	7.87%	51 733 551
EFF	fisheries	34 325 919	1.45%	497 726
TOTAL		1 459 942 688		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			31	805 285		0.10%
EAFRD			75	3 119 201		0.47%
EFF			8	448 165		1.31%
TOTAL	0	0	114	4 372 651	0.00%	0.30%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	72	41	113

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	2		2	0%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	1 643 077 662	2 122 226 434	11 498 207 122	8 956 237 886	0.88%	0.70%
Cohesion Fund	463 530 646	857 184 279	3 059 965 525	2 200 281 967		
ESF	1 052 762 240	1 194 849 757	6 853 387 865	5 688 425 642	1.80%	1.00%
TOTAL	3 159 370 548	4 174 260 470	21 411 560 512	16 844 945 494		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	4	994 602	153	18 085 548	0.02%	0.43%
ERDF			84	13 528 270	0.00%	0.64%
Cohesion Fund			10	2 360 267	0.00%	0.28%
ESF	4	994 602	59	2 197 011	0.08%	0.18%
Programming Period 2007-13 cumulative	12	1 412 325	336	55 108 378	0.01%	0.33%
ERDF	1	30 374	188	45 055 523	0.00%	0.50%
Cohesion Fund	1	91 452	19	3 556 498	0.00%	0.16%
ESF	10	1 290 499	129	6 496 357	0.02%	0.11%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	22	28	50

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	12		12	0%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
0		3	22	6	0	31	134

ROMANIA

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	15	288 581	65	4 266 685	3.16%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	122 392 655	0.95%	1 160 101
EAGF	direct aids	1 086 101 417	4.27%	46 380 704
EAFRD	rural development	1 214 843 672	11.43%	138 893 737
EFF	fisheries	55 376 542	1.12%	620 217
TOTAL		2 478 714 286		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	32	1 004 871	79	5 717 126	0.08%	0.47%
EAFRD	28	3 392 701	430	25 085 789	0.28%	2.06%
EFF			25	3 408 417		6.15%
TOTAL	60	4 397 573	534	34 211 332	0.18%	1.38%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	33	15	47

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	146	1	147	1%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR		
ERDF	1 786 707 003	1 210 601 475	8 851 294 343	3 291 810 043	1.04%	0.29%
Cohesion Fund	1 278 291 660	962 513 420	6 522 216 180	2 392 304 569		
ESF	702 582 971	711 355 239	3 684 147 618	1 510 372 076	6.60%	0.00%
TOTAL	3 767 581 634	2 884 470 134	19 057 658 141	7 194 486 688		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	23	23 107 715	242	44 643 607	0.80%	1.55%
ERDF	4	3 404 342	156	30 956 407	0.28%	2.56%
Cohesion Fund	2	17 731 901	40	9 612 121	1.84%	1.00%
ESF	17	1 971 472	46	4 075 080	0.28%	0.57%
Programming Period 2007-13 cumulative	60	29 955 390	552	108 368 719	0.42%	1.51%
ERDF	19	7 894 395	347	64 371 636	0.24%	1.96%
Cohesion Fund	2	17 731 901	102	37 015 348	0.74%	1.55%
ESF	39	4 329 094	103	6 981 735	0.29%	0.46%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	23	9	32

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	60		60	0%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
28	17	0	21	219		285	139

SLOVENIA

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	4	324 517	8	227 567	0.72%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	8 659 875	1.44%	124 849
EAGF	direct aids	130 183 963	0.85%	1 110 399
EAFRD	rural development	125 941 694	2.17%	2 733 419
EFF	fisheries	4 345 441	1.99%	86 474
TOTAL		269 130 973		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	63 708	2	123 531	0.05%	0.09%
EAFRD	1	150 000	9	259 936	0.12%	0.21%
EFF						
TOTAL	2	213 708	11	383 467	0.08%	0.14%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	18	10	29

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	15	1	16	6%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	224 259 009	259 695 374	1 933 779 408	1 478 977 521	5.00%	3.48%
Cohesion Fund	321 059 949	105 042 609	1 411 569 858	568 300 714		
ESF	87 637 913	151 477 018	755 699 370	532 370 087	2.80%	1.40%
TOTAL	632 956 871	516 215 002	4 101 048 636	2 579 648 322		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	4	6 168 418	46	7 474 094	1.19%	1.45%
ERDF	4	6 168 418	38	7 211 854	2.38%	2.78%
Cohesion Fund			4	137 954	0.00%	0.13%
ESF			4	124 286	0.00%	0.08%
Programming Period 2007-13 cumulative	13	8 902 584	112	15 202 266	0.35%	0.59%
ERDF	13	8 902 584	70	12 053 489	0.60%	0.81%
Cohesion Fund			7	411 499	0.00%	0.07%
ESF			35	2 737 278	0.00%	0.51%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	139	7	145

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	6	7	13	54%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
4	5	12	2	0		23	0

SLOVAKIA

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated		0	8	1 744 504	1.50%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	9 232 143	0.08%	7 142
EAGF	direct aids	354 310 844	2.75%	4 198 031
EAFRD	rural development	195 379 481	3.28%	6 404 230
EFF	fisheries	3 133 897	0.00%	0
TOTAL		562 056 365		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			2	45 748		0.01%
EAFRD	1	520 942	32	7 296 438	0.27%	3.73%
EFF						
TOTAL	1	520 942	34	7 342 186	0.09%	1.31%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	21	10	30

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	2		2	0%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-13		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	1 146 260 933	660 132 510	6 099 989 765	3 487 399 728	11.48%	5.90%
Cohesion Fund	589 149 523	551 873 200	3 898 738 563	1 841 527 134		
ESF	276 295 956	123 215 580	1 497 739 439	720 507 226	4.20%	0.80%
TOTAL	2 011 706 412	1 335 221 291	11 496 467 767	6 049 434 087		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	4	237 024	150	120 716 022	0.02%	9.04%
ERDF			97	63 155 251	0.00%	9.57%
Cohesion Fund			21	54 589 518	0.00%	9.89%
ESF	4	237 024	32	2 971 253	0.19%	2.41%
Programming Period 2007-13 cumulative	21	8 961 513	443	202 460 202	0.15%	3.35%
ERDF	6	5 207 796	275	92 615 337	0.15%	2.66%
Cohesion Fund	2	335 156	43	91 341 816	0.02%	4.96%
ESF	13	3 418 561	125	18 503 049	0.47%	2.57%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	19	11	30

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	20	1	21	5%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
1	4	23	45	1		73	57

FINLAND

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	5	351 061	38	2 078 425	1.42%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	9 655 705	0.85%	81 752
EAGF	direct aids	531 825 705	2.52%	13 426 774
EAFRD	rural development	334 135 810	3.15%	10 532 051
EFF	fisheries	5 086 899	9.84%	500 551
TOTAL		880 704 119		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF			3	381 621		0.07%
EAFRD			8	127 388		0.04%
EFF						
TOTAL	0	0	11	509 009		0.06%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	75	70	144

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	1		1	0%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-2013		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	130 730 999	211 287 537	977 401 980	722 222 067	0.29%	0.45%
ESF	76 373 401	123 425 597	618 564 064	410 593 188	0.10%	0.40%
TOTAL	207 104 400	334 713 134	1 595 966 044	1 132 815 254		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	1	179 375	6	341 593	0.05%	0.10%
ERDF	1	179 375	4	116 404	0.08%	0.06%
ESF			2	225 189	0.00%	0.18%
Programming Period 2007-13 cumulative	3	189 721	29	972 771	0.02%	0.09%
ERDF	2	189 721	19	549 643	0.03%	0.08%
ESF	1		10	423 129	0.00%	0.10%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	24	N/A	N/A

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	3		3	0%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
5	1	0		0	0	6	1

SWEDEN

1. Traditional Own Resources

Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	0	0	61	11 507 877	1.94%

2. Natural Resources

Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	12 608 110	4.78%	602 529
EAGF	direct aids	689 310 714	0.41%	2 791 778
EAFRD	rural development	181 801 793	5.04%	9 154 986
EFF	fisheries	10 167 185	0.00%	0
TOTAL		893 887 802		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	17 277	17	1 434 858	0.00%	0.20%
EAFRD	1	15 134	20	390 590	0.01%	0.21%
EFF			2	20 578		0.20%
TOTAL	2	32 411	39	1 846 026	0.004%	0.21%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	27	10	37

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	6		6	0%

3. Cohesion Policy

Fund	Appropriations 2013		Cumulative PP2007-2013		2013 average risk rate	cumulative residual risk
	Commitments	Payments	Commitments	Payments		
	EUR	EUR	EUR	EUR	%	%
ERDF	141 566 388	149 273 070	934 540 730	706 322 348	1.70%	1.68%
ESF	104 757 767	101 096 346	691 551 158	410 593 188	1.40%	1.30%
TOTAL	246 324 155	250 369 416	1 626 091 888	1 116 915 536		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	0	0	29	1 284 837	0.00%	0.51%
ERDF			17	536 200	0.00%	0.36%
ESF			12	748 637	0.00%	0.74%
Programming Period 2007-13 cumulative	5	280 458	70	4 246 244	0.03%	0.38%
ERDF	4	250 443	47	3 000 108	0.04%	0.42%
ESF	1	30 015	23	1 246 136	0.01%	0.30%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	23	12	35

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	5		5	0%

4. Financial Corrections and recoveries

Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
20				0	1	22	74

UNITED KINGDOM

1. Traditional Own Resources					
Reporting Year 2013	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		OWNRES / gross TOR
	N	EUR	N	EUR	%
Established and estimated	22	741 066	1 156	89 018 202	2.54%

2. Natural Resources				
Fund	Area	Payments	Residual error rate	Residual amount at risk
		EUR	%	EUR
EAGF	agricultural markets	42 013 728	20.21%	8 491 021
EAGF	direct aids	3 286 115 177	3.90%	127 014 389
EAFRD	rural development	750 581 097	4.19%	31 363 348
EFF	fisheries	10 392 607	10.00%	1 039 621
TOTAL		4 089 102 609		

Fund	Irregularities reported as fraudulent		Irregularities not reported as		FDR	IDR
	N	EUR	N	EUR	%	%
EAGF	1	14 278	71	1 703 643	0.000%	0.05%
EAFRD			53	1 166 801	0.00%	0.16%
EFF			21	1 106 944		10.65%
TOTAL	4	162 633	124	3 627 408	0.004%	0.09%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2009-13	27	25	52

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2009-13	7	1	8	13%

3. Cohesion Policy						
Fund	Appropriations 2013		Cumulative PP2007-2013		2013 average	cumulative
	Commitments	Payments	Commitments	Payments	risk rate	residual risk
	EUR	EUR	EUR	EUR	%	%
ERDF	721 002 082	299 911 500	5 392 019 735	2 776 641 947	4.35%	1.35%
ESF	655 028 768	271 872 421	4 498 917 728	2 831 519 221	8.80%	1.80%
TOTAL	1 376 030 850	571 783 920	9 890 937 463	5 608 161 169		

Period / Fund	Irregularities reported as fraudulent		Irregularities not reported as fraudulent		FDR	IDR
	N	EUR	N	EUR	%	%
Programming Period 2007-13 reporting year 2013	16	9 618 764	436	31 755 011	1.68%	5.55%
ERDF	4	182 024	222	12 096 869	0.06%	4.03%
ESF	12	9 436 740	214	19 658 142	3.47%	7.23%
Programming Period 2007-13 cumulative	38	10 133 355	1 285	101 972 399	0.18%	1.82%
ERDF	26	696 616	820	58 681 794	0.03%	2.11%
ESF	12	9 436 740	465	43 290 605	0.33%	1.53%

Detection - Reporting Efficiency	DetE	RepE	DetE + RepE
	months/average	months/average	months/average
Irregularities reported as fraudulent 2008-13	17	3	21

Ratio of established fraud	Suspected fraud	Established fraud	TOTAL	REF
	N	N	N	%
Irregularities reported as fraudulent 2008-13	38		38	0%

4. Financial Corrections and recoveries							
Breakdown-down of 2013 financial corrections implemented under shared management							
EAGF	Rural development	ERDF	Cohesion Fund	ESF	Other	Total 2013	Total 2012
211	12	2		3	0	228	50

ANNEXES

ANNEX 1

TOR: Number of fraud and irregularity cases and the related established amounts 2008-2013												
MS	2008		2009		2010		2011		2012		2013	
	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR
BE	379	10803816	326	6 776 445	329	14 530 050	224	8 849 411	195	32 058 566	162	18 176 285
BG	19	365477.05	34	948 069	51	542 075	30	249 934	15	3 011 765	21	2 438 614
CZ	65	4707948.81	69	3 984 507	72	8 528 635	49	2 614 869	74	2 844 455	57	3 036 035
DK	60	4389495.85	48	9 320 410	50	24 041 837	79	4 003 261	60	5 037 861	40	2 136 909
DE	1887	106874276.9	1 390	86 417 817	1 616	92 900 459	1700	97 497 890	1726	114 212 717	1 380	106 774 713
EE	17	700607.37	11	235 755	5	161 236	3	122 937	5	117 895	4	348 729
IE	54	1908762	57	3 676 572	39	1 839 600	31	885 119	33	1 631 006	24	1 504 686
EL	44	2167455	48	2 565 637	58	3 228 871	63	4 435 093	52	1 930 574	20	635 767
ES	521	24909635	527	26 481 525	478	90 688 742	411	56 161 882	447	44 093 992	357	29 125 998
FR	318	15523014	288	19 478 353	276	24 136 854	336	23 280 731	311	26 891 201	291	22 421 498
HR			0	0	0	0	0	0	0	0	8	164 390
IT	321	29146553	315	36 460 298	352	49 207 347	292	29 854 816	235	16 741 698	272	23 833 994
CY	14	781475.2	12	1 040 535	11	521 143	6	207 289	4	167 393	17	1 085 367
LV	25	949762.67	20	1 030 606	19	1 535 033	38	1 276 727	29	2 953 086	19	1 025 883
LT	63	1453937.97	49	1 671 870	39	1 934 536	47	3 788 017	38	1 003 991	47	2 569 893
LU	1	109902	0	0	0	0	0	0	0	0	0	0
HU	71	5014561.43	67	5 812 618	75	4 212 497	68	2 285 386	67	2 034 758	60	1 679 285
MT	3	20319	7	0	3	315 314	1	0	2	0	4	0
NL	910	44527040	750	30 383 583	882	38 013 299	759	28 647 710	528	85 307 971	424	39 859 673
AT	104	14904405	169	24 045 158	170	10 487 396	78	3 511 503	57	3 139 844	62	3 534 184
PL	142	4731240.34	144	4 994 321	104	2 925 567	136	9 056 201	137	4 871 069	107	8 950 729
PT	29	1901045	23	910 020	29	923 479	21	877 153	25	911 983	19	1 005 056
RO	75	5810566.56	59	7 620 780	101	8 899 674	53	8 108 414	62	31 543 495	80	4 439 464
SI	26	882188	51	2 570 321	46	1 350 013	22	1 290 681	23	770 273	12	552 084
SK	17	297515.76	22	1 815 738	14	1 121 908	12	510 776	20	1 562 308	8	1 744 504
FI	21	890359	30	1 710 974	32	1 418 191	55	4 026 143	35	3 513 459	43	2 429 486
SE	71	6778939.88	67	5 784 834	57	5 033 292	54	4 827 848	58	6 766 141	61	11 507 877
UK	1080	69084686.94	806	62 472 390	838	36 432 736	776	44 085 086	1024	65 576 301	1 178	89 104 198
Total	6 337	359 634 986	5 389	348 209 137	5 746	424 929 784	5 344	340 454 877	5 262	458 693 801	4 777	380 085 300

ANNEX 2

(The number of irregularities reported as fraudulent measures the results of efforts by Member States to counter fraud and other illegal activities affecting EU financial interests; it should not be interpreted as the level of fraud in their territories)

TOR: Number of OWNRES fraud cases and the established amounts by Member State 2008-2013												
MS	2008		2009		2010		2011		2012		2013	
	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR
BE	48	3 014 034	62	2 267 241	42	8 599 346	34	4 650 960	31	23 307 646	34	10 245 080
BG	15	310 824	22	838 085	47	516 268	24	99 525	10	1 613 618	8	118 374
CZ	5	71 017	3	698 059	1	11 532	1	34 104	0	0	3	45 098
DK	6	669 610	10	2 888 747	11	20 092 081	18	1 672 438	8	795 982	4	711 748
DE	286	36 112 923	104	12 915 241	178	12 826 284	158	8 492 838	189	8 882 667	70	7 785 632
EE	1	100 592	0	0	0	0	0	0	0	0	0	0
IE	13	0	11	0	21	995 680	11	0	5	0	5	0
EL	44	2 167 455	42	2 482 961	56	3 153 699	61	4 411 922	51	1 907 803	20	635 767
ES	244	16 002 634	257	16 486 914	334	78 766 863	266	34 141 812	336	37 358 552	121	12 160 427
FR	124	4 254 380	24	23 659	16	42 064	22	68 501	13	0	84	4 775 639
HR	0	0	0	0	0	0	0	0	0	0	5	109 626
IT	173	17 791 741	180	19 495 829	181	18 298 724	123	10 444 914	92	6 004 268	137	11 234 948
CY	3	372 899	3	614 111	3	183 816	0	0	0	0	1	76 603
LV	0	0	10	666 180	11	750 201	9	410 063	9	842 780	11	517 936
LT	16	517 542	19	685 173	14	1 183 217	21	3 078 515	14	405 714	24	1 801 138
LU	0	0	0	0	0	0	0	0	0	0	0	0
HU	22	1 894 630	11	1 524 867	5	225 288	6	123 218	3	39 594	6	131 689
MT	2	0	7	0	3	315 314	1	0	1	0	4	0
NL	101	2 455 234	77	6 280 458	57	2 313 738	26	101 000	10	0	19	253
AT	25	11 261 045	63	18 876 179	27	5 070 807	13	924 393	10	669 369	13	268 999
PL	50	1 707 115	40	1 001 111	26	1 106 075	30	844 700	24	795 437	17	2 544 607
PT	4	1 388 431	4	0	10	33 600	4	186 380	1	0	1	0
RO	27	1 300 294	15	5 966 687	16	3 182 213	17	1 605 542	19	1 762 405	15	172 778
SI	5	277 754	23	1 190 660	22	614 562	12	1 019 564	5	381 597	4	324 517
SK	4	11 060	11	711 807	0	0	0	0	1	46 323	0	0
FI	11	506 209	12	441 108	5	182 004	7	1 914 534	11	402 726	5	351 061
SE	3	0	4	53 955	9	576 968	2	13 328	0	0	0	0
UK	145	13 302 955	87	6 683 028	36	1 868 493	30	1 056 523	26	1 893 583	22	85 996
Total	1 377	115 490 378	1 101	102 792 060	1 131	160 908 836	896	75 294 773	869	87 110 064	633	54 097 915

ANNEX 3

TOR: Number of irregularity cases and the related established amounts for the period 2008-2013 by Member State												
MS	2008		2009		2010		2011		2012		2013	
	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR	N	Established EUR
BE	331	7 789 782	264	4 509 204	287	5 930 704	190	4 198 451	164	8 750 920	128	7 931 205
BG	4	54 653	12	109 984	4	25 808	6	150 409	5	1 398 147	13	2 320 240
CZ	60	4 636 932	66	3 286 448	71	8 517 103	48	2 580 765	74	2 844 455	54	2 990 937
DK	54	3 719 886	38	6 431 663	39	3 949 755	61	2 330 824	52	4 241 879	36	1 425 161
DE	1 601	70 761 354	1 286	73 502 576	1 438	80 074 174	1542	89 005 052	1537	105 330 050	1 310	98 989 081
EE	16	600 015	11	235 755	5	161 236	3	122 937	5	117 895	4	348 729
IE	41	1 908 762	46	3 676 572	18	843 920	20	885 119	28	1 631 006	19	1 504 686
EL	0	0	6	82 676	2	75 172	2	23 171	1	22 771	0	0
ES	277	8 907 001	270	9 994 611	144	11 921 879	145	22 020 070	111	6 735 440	236	16 965 571
FR	194	11 268 634	264	19 454 694	260	24 094 790	314	23 212 230	298	26 891 201	207	17 645 859
HR	0	0	0	0	0	0	0	0	0	0	3	54 764
IT	148	11 354 812	135	16 964 469	171	30 908 623	169	19 409 902	143	10 737 430	135	12 599 046
CY	11	408 576	9	426 424	8	337 327	6	207 289	4	167 393	16	1 008 764
LV	25	949 763	10	364 426	8	784 832	29	866 664	20	2 110 307	8	507 947
LT	47	936 396	30	986 697	25	751 319	26	709 502	24	598 277	23	768 756
LU	1	109 902	0	0	0	0	0	0	0	0	0	0
HU	49	3 119 931	56	4 287 752	70	3 987 209	62	2 162 168	64	1 995 164	54	1 547 596
MT	1	20 319	0	0	0	0	0	0	1	0	0	0
NL	809	42 071 806	673	24 103 125	825	35 699 561	733	28 546 710	518	85 307 971	405	39 859 420
AT	79	3 643 360	106	5 168 979	143	5 416 589	65	2 587 110	47	2 470 475	49	3 265 185
PL	92	3 024 126	104	3 993 209	78	1 819 492	106	8 211 501	113	4 075 632	90	6 406 122
PT	25	512 614	19	910 020	19	889 879	17	690 773	24	911 983	18	1 005 056
RO	48	4 510 273	44	1 654 094	85	5 717 462	36	6 502 873	43	29 781 090	65	4 266 685
SI	21	604 434	28	1 379 661	24	735 451	10	271 117	18	388 676	8	227 567
SK	13	286 456	11	1 103 931	14	1 121 908	12	510 776	19	1 515 985	8	1 744 504
FI	10	384 150	18	1 269 866	27	1 236 187	48	2 111 609	24	3 110 733	38	2 078 425
SE	68	6 778 940	63	5 730 879	48	4 456 324	52	4 814 520	58	6 766 141	61	11 507 877
UK	935	55 781 732	719	55 789 362	802	34 564 243	746	43 028 563	998	63 682 718	1 156	89 018 202
Total	4 960	244 144 608	4 288	245 417 077	4 615	264 020 948	4 448	265 160 104	4 393	371 583 737	4 144	325 987 384

ANNEX 4

TOR: Percentage of established and estimated OWNRES amounts to the established TOR (gross) in 2013 per Member State							
MS	Gross amount TOR (A account)	All		Fraud		Irregularities	
		OWNRES established and estimated amounts	Percentage OWNRES/gross TOR	OWNRES established and estimated amounts	Percentage OWNRES/gross TOR	OWNRES established and estimated amounts	Percentage OWNRES/gross TOR
	EUR	EUR	%	EUR	%	EUR	%
BE	1 834 447 184	19 460 065	1.06%	10 257 534	0.56%	9 202 531	0.50%
BG	75 880 087	2 620 662	3.45%	300 422	0.40%	2 320 240	3.06%
CZ	229 004 023	3 036 035	1.33%	45 098	0.02%	2 990 937	1.31%
DK	396 304 223	2 136 909	0.54%	711 748	0.18%	1 425 161	0.36%
DE	4 413 898 878	106 845 215	2.42%	7 856 134	0.18%	98 989 081	2.24%
EE	28 939 878	348 729	1.21%	0	0.00%	348 729	1.21%
IE	281 232 248	2 070 944	0.74%	566 258	0.20%	1 504 686	0.54%
EL	150 587 337	2 187 041	1.45%	2 187 041	1.45%		0.00%
ES	1 358 279 854	29 125 998	2.14%	12 160 427	0.90%	16 965 571	1.25%
FR	1 927 140 115	22 770 017	1.18%	5 124 158	0.27%	17 645 859	0.92%
HR	15 333 244	164 390	1.07%	109 626	0.71%	54 764	0.36%
IT	1 928 749 692	25 084 661	1.30%	12 485 615	0.65%	12 599 046	0.65%
CY	20 957 984	1 085 367	5.18%	76 603	0.37%	1 008 764	4.81%
LV	28 229 625	1 025 883	3.63%	517 936	1.83%	507 947	1.80%
LT	76 660 369	2 700 675	3.52%	1 931 919	2.52%	768 756	1.00%
LU	15 069 932		0.00%		0.00%		0.00%
HU	122 290 551	1 679 285	1.37%	131 689	0.11%	1 547 596	1.27%
MT	11 840 454	444 171	3.75%	444 171	3.75%		0.00%
NL	2 457 535 643	40 874 404	1.66%	951 905	0.04%	39 922 499	1.62%
AT	226 104 543	3 606 440	1.60%	301 255	0.13%	3 305 185	1.46%
PL	512 307 513	8 950 729	1.75%	2 544 607	0.50%	6 406 122	1.25%
PT	155 174 346	1 113 946	0.72%	108 890	0.07%	1 005 056	0.65%
RO	144 033 317	4 555 267	3.16%	288 581	0.20%	4 266 685	2.96%
SI	76 997 166	552 084	0.72%	324 517	0.42%	227 567	0.30%
SK	116 450 091	1 744 504	1.50%	0	0.00%	1 744 504	1.50%
FI	171 335 722	2 429 486	1.42%	351 061	0.20%	2 078 425	1.21%
SE	593 510 709	11 507 877	1.94%	0	0.00%	11 507 877	1.94%
UK	3 539 344 354	89 759 269	2.54%	741 066	0.02%	89 018 202	2.52%
Total	20 907 639 081	387 880 051	1.86%	60 518 262	0.29%	327 361 789	1.57%

ANNEX 5

MS	TOR: Recovery rates (RR) per cut-off date					
	2012			2013		
	Established amount	Recovered amount	RR	Established amount	Recovered amount	RR
	EUR	EUR	%	EUR	EUR	%
BE	32 058 566	30 166 604	94%	18 176 285	4 603 426	25%
BG	3 011 765	2 816 794	94%	2 438 614	1 903 732	78%
CZ	2 844 455	2 725 591	96%	3 036 035	2 153 407	71%
DK	5 037 861	3 627 474	72%	2 136 909	1 522 734	71%
DE	114 212 717	98 108 416	86%	106 774 713	85 283 501	80%
EE	117 895	61 869	52%	348 729	348 729	100%
IE	1 631 006	784 634	48%	1 504 686	1 109 625	74%
EL	1 930 574	118 603	6%	635 767		0%
ES	44 093 992	24 350 437	55%	29 125 998	16 105 795	55%
FR	26 891 201	13 354 146	50%	22 421 498	8 456 154	38%
HR			0%	164 390	116 528	71%
IT	16 741 698	4 786 023	29%	23 833 994	4 831 878	20%
CY	167 393	137 175	82%	1 085 367	695 140	64%
LV	2 953 086	740 088	25%	1 025 883	100 869	10%
LT	1 003 991	704 712	70%	2 569 893	608 060	24%
LU			0%			0%
HU	2 034 758	2 021 878	99%	1 679 285	1 460 032	87%
MT			0%			0%
NL	85 307 971	14 530 353	17%	39 859 673	16 125 795	40%
AT	3 139 844	1 257 659	40%	3 534 184	1 897 709	54%
PL	4 871 069	3 630 775	75%	8 950 729	5 448 397	61%
PT	911 983	396 855	44%	1 005 056	856 912	85%
RO	31 543 495	15 676 846	50%	4 439 464	3 122 212	70%
SI	770 273	357 682	46%	552 084	432 493	78%
SK	1 562 308	1 562 308	100%	1 744 504	1 744 504	100%
FI	3 513 459	3 091 060	88%	2 429 486	1 892 297	78%
SE	6 766 141	4 992 849	74%	11 507 877	9 705 233	84%
UK	65 576 301	41 645 528	64%	89 104 198	63 665 602	71%
Total	458 693 801	271 646 360	59%	380 085 300	234 190 765	62%

ANNEX 6

TOR: Established amounts by customs procedure per Member State 2013										
MS	Fraud					Irregularities				
	Release for free circulation	Transit	Customs warehousing	Inward processing	Other	Release for free circulation	Transit	Customs warehousing	Inward processing	Other
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
BE	10 245 080					2 805 418	627 676	4 473 713		24 398
BG	118 374					2 320 240				
CZ			45 098			2 990 937				
DK	395 919		315 829			1 152 133	71 476	81 213	120 340	
DE	7 746 790				38 842	90 030 303	1 245 254	4 619 364	2 120 425	973 735
EE						77 020		271 709		
IE						710 021				794 665
EL	197 204		438 563							
ES	11 089 682		1 055 707	15 038		16 251 015	43 252	121 958	539 346	10 000
FR	4 528 566	10 249		203 301	33 523	16 535 182		63 766	1 032 904	14 007
HR	75 238	34 388				54 764				
IT	11 107 801			127 147		12 038 917		14 253	545 876	
CY	76 603					1 008 764				
LV	259 485	258 450				410 896	14 061	82 990		
LT	1 627 022				174 116	471 433	49 248		30 737	217 338
LU										
HU	105 321	26 368				1 547 596				
MT										
NL	253					35 452 778	659 662	1 968 835	1 585 127	193 018
AT	109 940	145 082			13 977	2 071 715	890 355		303 115	
PL	1 980 182	476 345	88 080			6 306 621	99 500			
PT						970 226			34 830	
RO	136 384	16 487			19 907	4 022 970				243 716
SI	220 509				104 008	227 567				
SK						1 744 504				
FI	334 473				16 588	2 004 938	12 812	60 675		
SE						11 263 607		230 253		14 017
UK	85 996					70 563 417	193 340	1 079 030	17 035 025	147 389
Total	50 440 823	967 368	1 943 277	345 486	400 961	283 032 981	3 906 636	13 067 760	23 347 725	2 632 283

ANNEX 7

TOR customs procedures by number of cases per Member State 2013										
MS	Fraud					Irregularities				
	Release for free circulation	Transit	Customs warehousing	Inward processing	Other	Release for free circulation	Transit	Customs warehousing	Inward processing	Other
BE	33	1				57	49	21		1
BG	3	5				13				
CZ			3			54				
DK	3		1			24	5	2	4	1
DE	67				3	1.146	58	23	58	25
EE						3		1		
IE					5	17				2
EL	18		2							
ES	119		1	1		213	3	4	15	1
FR	67	1		3	13	197		1	8	1
HR	4	1				3				
IT	129	6		2		126	1	1	7	
CY	1					18				
LV	8	3				6	1	1		
LT	13				11	20	1		1	1
LU										
HU	3	3				54				
MT					4					
NL	2				17	269	101	31	1	3
AT	7	5			1	44	2		3	
PL	6	10	1			88	4			
PT	1					16			2	
RO	13	1			1	60				5
SI	2				2	8				
SK						8				
FI	4				1	36	1	1		
SE						59		1		1
UK	22				0	851	21	9	264	11
Total	525	36	8	6	58	3.386	247	96	363	52

ANNEX 8

TOR: Method of detection by number of cases per Member State 2013															
MS	N	Fraud							Irregularities						
		All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other	All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other
BE	162	34		2	29	1		2	128	22	80	14	5	2	5
BG	21	8	4	3	1				13	1	6	6			
CZ	57	3			3				54	2	31	1		20	
DK	40	4	2		1			1	36	13	17		2		4
DE	1 380	70	2	3	60	3	1	1	1 310	130	458	152	328	184	58
EE	4	0							4	1	3				
IE	24	5			5				19	3	4	4	6		2
EL	20	20	2		4			14	0						
ES	357	121	27	14	24	55		1	236	83	38	18	82	12	3
FR	291	84	46	3	35				207	30	106	70		1	
HR	8	5	4					1	3	1	1	1			
IT	272	137	17	10	109			1	135	32	68	24	4	4	3
CY	17	1		1					16	1	15				
LV	19	11	9	1	1				8	2	4		2		
LT	47	24	8	11	5				23	7	15			1	
LU	0	0							0						
HU	60	6	2	4					54	6	47	1			
MT	4	4			3			1	0						
NL	424	19	17	2					405	128	166	1		7	103
AT	62	13	1	5	6			1	49	6	27	1		5	10
PL	107	17	11	2	3			1	90	11	65	13		1	
PT	19	1			1				18	4	5	8		1	
RO	80	15		6	9				65		3	62			
SI	12	4	3	1					8	6	1	1			
SK	8	0							8		6			1	1
FI	43	5	5						38	17	9			12	
SE	61	0							61	1	60				
UK	1 178	22	21	1					1 156	1	1072	1		82	
Total	4 777	633	181	69	299	59	1	24	4 144	508	2 307	378	429	333	189

ANNEX 9

TOR: Method of detection by established amounts per Member State 2013															
MS	N	Fraud							Irregularities						
		All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other	All	Clearance controls	Post-clearance controls	Inspections by anti-fraud services	Tax audit	Voluntary admission	Other
BE	162	10 245 080		41 355	9 888 999	276 307		38 419	7 931 205	694 391	3 829 200	412 565	922 288	739 648	1 333 113
BG	21	118 374	-	118 374	-				2 320 240	1 808 186	270 660	241 394			
CZ	57	45 098			45 098				2 990 937	29 704	1 892 637	113 364		955 232	
DK	40	711 748	346 852		49 067			315 829	1 425 161	721 958	506 311		95 925		100 968
DE	1 380	7 785 632	69 134	36 741	6 872 945	82 221	29 000	695 591	98 989 081	5 054 536	27 979 660	4 632 405	21 562 565	37 351 426	2 408 489
EE	4	0							348 729	13 414	335 315				
IE	24	0			-				1 504 686	56 624	86 196	285 728	260 584		815 554
EL	20	635 767	-		635 767			-	0						
ES	357	12 160 427	2 021 844	1 572 753	1 217 282	7 319 815		28 733	16 965 571	6 495 059	2 298 790	981 593	6 674 933	320 465	194 731
FR	291	4 775 639	1 463 928	53 059	3 258 652				17 645 859	842 379	7 632 756	9 159 677		11 047	
HR	8	109 626	75 238					34 388	54 764	14 250	14 721	25 793			
IT	272	11 234 948	1 311 331	1 884 250	7 697 027			342 340	12 599 046	2 349 935	5 912 926	3 773 159	156 973	75 210	330 843
CY	17	76 603		76 603					1 008 764	98 646	910 118				
LV	19	517 936	410 244	24 804	82 888				507 947	94 874	102 785		310 289		
LT	47	1 801 138	168 037	1 574 833	58 268				768 756	347 414	382 332			39 009	
LU	0	0							0						
HU	60	131 689	32 424	99 265					1 547 596	276 010	1 259 553	12 032			
MT	4	0			-			-	0						
NL	424	253	-	253					39 859 420	4 438 102	26 364 141	12 894		2 039 259	7 005 024
AT	62	268 999	19 985	145 082	89 955			13 977	3 265 185	161 752	2 647 027	62 588		72 876	320 941
PL	107	2 544 607	529 605	38 168	499 216			1 477 618	6 406 122	275 545	5 351 661	762 343		16 572	
PT	19	0			-				1 005 056	132 007	236 553	621 132		15 364	
RO	80	172 778		36 394	136 384				4 266 685		218 292	4 048 393			
SI	12	324 517	142 816	181 701					227 567	201 132	13 101	13 334			
SK	8	0							1 744 504		1 639 471			84 702	20 331
FI	43	351 061	351 061						2 078 425	686 617	798 748			593 060	
SE	61	0							11 507 877	27 260	11 480 617				
UK	1 178	85 996	85 996	-					89 018 202	26 506	79 013 530	382 168		9 595 999	
Total	4 777	54 097 916	7 028 495	5 883 635	30 531 548	7 678 343	29 000	2 946 895	325 987 384	24 846 302	181 177 101	25 540 563	29 983 556	51 909 869	12 529 993

ANNEX 10

TOR: Recovery rates (RR) by fraud and irregularities per Member State 2013						
MS	Fraud			Irregularities		
	Established amount	Recovered amount	RR	Established amount	Recovered amount	RR
	EUR	EUR	%	EUR	EUR	%
BE	10 245 080	850 723	8%	7 931 205	3 752 703	47%
BG	118 374	95 547	81%	2 320 240	1 808 186	78%
CZ	45 098		0%	2 990 937	2 153 407	72%
DK	711 748	510 537	72%	1 425 161	1 012 196	71%
DE	7 785 632	4 332 124	56%	98 989 081	80 951 377	82%
EE			0%	348 729	348 729	100%
IE			0%	1 504 686	1 109 625	74%
EL	635 767		0%			0%
ES	12 160 427	2 906 730	24%	16 965 571	13 199 065	78%
FR	4 775 639	2 769 419	58%	17 645 859	5 686 735	32%
HR	109 626	61 764	56%	54 764	54 764	100%
IT	11 234 948	734 491	7%	12 599 046	4 097 387	33%
CY	76 603	5 178	7%	1 008 764	689 962	68%
LV	517 936	24 804	5%	507 947	76 066	15%
LT	1 801 138	159 303	9%	768 756	448 757	58%
LU			0%			0%
HU	131 689	13 613	10%	1 547 596	1 446 419	93%
MT			0%			0%
NL	253	253	100%	39 859 420	16 125 542	40%
AT	268 999	17 620	7%	3 265 185	1 880 089	58%
PL	2 544 607	61 560	2%	6 406 122	5 386 837	84%
PT			0%	1 005 056	856 912	85%
RO	172 778	40 288	23%	4 266 685	3 081 924	72%
SI	324 517	220 509	68%	227 567	211 984	93%
SK			0%	1 744 504	1 744 504	100%
FI	351 061	37 985	11%	2 078 425	1 854 312	89%
SE			0%	11 507 877	9 705 233	84%
UK	85 996		0%	89 018 202	63 665 602	72%
Total	54 097 916	12 842 447	24%	325 987 384	221 348 318	68%

ANNEXES 11-15

Legenda

IRQ0: cancelled communication

IRQ2: Irregularities not reported as fraudulent

IRQ3: suspected fraud

IRQ5: established fraud

ANNEX 11

Irregularities reported in 2013 under Regulation 1848/2006 by Member State

(The number of irregularities reported as fraudulent measures the results of efforts by Member States to counter fraud and other illegal activities affecting EU financial interests; it should not be interpreted as the level of fraud in their territories)

REPORTING YEAR 2013										
IMS-download 18 March 2014										
country	cases				Irregular amount - EU-share in €				cases	total Irregular amount - EU-share in €
	blank	IRQ2	IRQ3	IRQ5	blank	IRQ2	IRQ3	IRQ5		
BE		24				939 877			24	939 877
BG		6	55	27		1 171 207	2 292 961	638 018	88	4 102 185
CZ		61	15			1 443 547	1 509 736		76	2 953 283
DK	1	18	66		10 396	731 486	2 555 374		85	3 297 256
DE		173	9			5 252 533	915 590		182	6 168 123
EE		37	4			1 215 724	1 220 196		41	2 435 920
IE		139				4 058 132			139	4 058 132
EL		57	24	1		3 648 198	1 821 716	22 316	82	5 492 229
ES		215	12			15 245 207	801 903		227	16 047 110
FR		146	15			9 930 695	1 460 097		161	11 390 791
IT		188	205	8		7 422 239	36 476 290	190 705	401	44 089 234
CY		20				962 878			20	962 878
LV		20	3			497 353	274 528		23	771 880
LT		78				2 243 509			78	2 243 509
LU			1				252 050		1	252 050
HU		381				13 837 519			381	13 837 519
MT			5				113 814		5	113 814
NL		125	1			57 996 815	6 349 557		126	64 346 372
AT		12	5	1		537 448	40 822	12 344	18	590 615
PL		282	40	2		13 325 663	4 353 542	28 937	324	17 708 142
PT		106				3 924 486			106	3 924 486
RO		509	59	1		30 802 914	4 382 487	15 086	569	35 200 487
SI		11	2			383 467	213 708		13	597 175
SK		34	1			7 342 186	520 942		35	7 863 127
FI	1	11			10 796	509 009			12	519 804
SE	5	37	2		66 716	1 825 448	32 411		44	1 924 576
UK	2	124	1		21 472	2 870 444	14 278		127	2 906 193
total	9	###	525	40	109 380	188 117 982	65 602 001	907 406	###	254 736 769

ANNEX 12

Irregularities reported in 2013 under Regulation 498/2007 by Member State

(The number of irregularities reported as fraudulent measures the results of efforts by Member States to counter fraud and other illegal activities affecting EU financial interests; it should not be interpreted as the level of fraud in their territories)

IMS-download 18 March 2014								
country	cases			Irregular amount - EU-share			total	
				in €			cases	Irregular amount - EU-share
	IRQ0	IRQ2	IRQ3	IRQ0	IRQ2	IRQ3		in €
Belgique/België								
Bulgaria			2			477 927	2	477 927
Ceská republika		1			1 113 878		1	1 113 878
Danmark		13			2 287 911		13	2 287 911
Deutschland								
Eesti		6			388 015		6	388 015
Éire/Ireland								
Ellada		1			14 377		1	14 377
España		28			3 713 821		28	3 713 821
France								
Italia		4	17		469 956	7 433 523	21	7 903 479
Kypros		1	3		11 516	203 450	4	214 966
Latvija	2	3		0	156 007		5	156 007
Lietuva								
Luxembourg								
Magyarország		1			17 339		1	17 339
Malta								
Nederland		2			150 676		2	150 676
Österreich		1			17 645		1	17 645
Polska		16	1		1 022 798	1 034 465	17	2 057 263
Portugal		8			448 165		8	448 165
Romania	1	25		0	3 408 417		26	3 408 417
Slovenija								
Slovensko								
Suomi/Finland								
Sverige		2			20 578		2	20 578
United Kingdom		21			1 106 944		21	1 106 944
total	3	133	23	0	14 348 044	9 149 365	159	23 497 409

ANNEX 13

Irregularities reported in 2013 under Regulation 1681/1994 by Member State

(The number of irregularities reported as fraudulent measures the results of efforts by Member States to counter fraud and other illegal activities affecting EU financial interests; it should not be interpreted as the level of fraud in their territories)

REPORTING YEAR 2013										
IMS-download 18 March 2014										
country	cases				Irregular amount - EU-share				cases	Irregular amount - EU-share in €
	IRQ0	IRQ2	IRQ3	IRQ5	IRQ0	IRQ2	IRQ3	IRQ5		
Belgique/België		1				207 446			1	207 446
Ceská republika	4	8	1		0	1 365 786	68 917		13	1 434 703
Danmark										
Deutschland	20	53	13	2	0	6 097 014	10 245 346	1 189 600	88	17 531 959
Eesti										
Éire/Ireland		151				50 827 176			151	50 827 176
Ellada		1	2	7		40 341	110 448	511 725	10	662 514
España		20				35 841 176			20	35 841 176
France										
Italia		59	42	1		6 187 113	12 694 857	182 723	102	19 064 693
Kypros										
Latvija		3				749 867			3	749 867
Lietuva		1				36 390			1	36 390
Luxembourg										
Magyarország		1				16 578			1	16 578
Malta										
Nederland										
Österreich										
Polska		10	1	1		374 495	415 248	12 705	12	802 448
Portugal		12				545 688			12	545 688
Slovenija										
Slovensko		2				358 671			2	358 671
Suomi/Finland			1				0		1	0
Sverige										
United Kingdom		36	1			20 361 503	1 259 295		37	21 620 798
total	24	358	61	11	0	123 009 243	24 794 110	1 896 753	454	149 700 107

ANNEX 14

Irregularities reported in 2013 under Regulation 1831/1994 by Member State

REPORTING YEAR 2013									
IMS-download 18 March 2014									
country	cases			Irregular amount - EU-share			cases	total	
	IRQ 2	IRQ 3		IRQ 2	IRQ 3			Irregular amount - EU-share	
	EUR	LTL	EUR	EUR	LTL	EUR		in national currency	in €
Ceská republika	3			290 624			3	290 624	290 624
Eesti	1		1	34 476		5 063 005	2	5 097 481	5 097 481
Éire/Ireland									
Ellada	15			24 824 109			15	24 824 109	24 824 109
España									
Kypros									
Latvija	1			326 402			1	326 402	326 402
Lietuva	40	26		6 709 866	7 020 299		66		8 743 086
Magyarország									
Malta									
Polska	1			7 522 552			1	7 522 552	7 522 552
Portugal	6			886 737			6	886 737	886 737
Slovenija									
Slovensko									
total	67	26	1	40 594 765	7 020 299	5 063 005	94		47 690 989

ANNEX 15

Irregularities reported in 2013 under Regulation 1828/2006 by Member State

(The number of irregularities reported as fraudulent measures the results of efforts by Member States to counter fraud and other illegal activities affecting EU financial interests; it should not be interpreted as the level of fraud in their territories)

REPORTING YEAR 2013											
IMS-download 18 March 2014											
country	cases				Irregular amount - EU-share in €				cases	total Irregular amount - EU-share in €	
	IRQ0	IRQ2	IRQ3	IRQ5	IRQ0	IRQ2	IRQ3	IRQ5			
Belgique/België		69	2			2 317 418	0		71	2 317 418	
Bulgaria	5	58	5		0	13 195 366	528 970		68	13 724 336	
Ceská republika	26	987	18	1	0	354 862 368	11 515 886	3 663	1 032	366 381 918	
Danmark		5				70 106			5	70 106	
Deutschland	4	167	21	2	0	16 312 247	11 292 163	111 261	194	27 715 671	
Eesti	5	74	2		0	9 867 403	582 668		81	10 450 071	
Éire/Ireland		16				1 731 930			16	1 731 930	
Ellada	9	178	1	20	0	127 882 157	279 261	655 813	208	128 817 232	
España		257				50 993 678			257	50 993 678	
France		13	1			194 218	197 681		14	391 899	
Italia	2	272	29		0	30 998 105	11 517 921		303	42 516 026	
Kypros		5	3			126 693	111 735		8	238 428	
Latvija	4	75	27		0	30 466 393	10 957 478		106	41 423 871	
Lietuva		75	2			21 133 503	106 391		77	21 239 893	
Luxembourg											
Magyarország	42	155	2		0	18 074 782	226 808		199	18 301 590	
Malta	1	10	14		0	836 470	246 439		25	1 082 909	
Nederland	1	62			0	8 833 503			63	8 833 503	
Österreich		9				564 071			9	564 071	
Polska	10	674	45	1	0	99 621 945	35 296 850	45 567	730	134 964 362	
Portugal		153	4			18 085 548	994 602		157	19 080 150	
Romania	3	242	23		0	44 643 607	23 107 715		268	67 751 322	
Slovenija		46	2	2		7 474 094	3 095 867	3 072 550	50	13 642 512	
Slovensko	56	150	4		0	120 716 022	237 024		210	120 953 047	
Suomi/Finland		6	1			341 593	179 375		7	520 968	
Sverige		29				1 284 837			29	1 284 837	
United Kingdom	6	436	16		0	31 755 011	9 618 764		458	41 373 775	
total	174	4 223	222	26	0	1 012 383 068	120 093 599	3 888 854	4 645	1 136 365 521	