



EUROPEAN  
COMMISSION

Brussels, 17.7.2014  
SWD(2014) 243 final

**COMMISSION STAFF WORKING DOCUMENT**

**Implementation of Article 325 TFUE by the Member States in 2013**

*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**

{ COM(2014) 474 final }  
{ SWD(2014) 244 final }  
{ SWD(2014) 245 final }  
{ SWD(2014) 246 final }  
{ SWD(2014) 247 final }  
{ SWD(2014) 248 final }

COMMISSION STAFF WORKING DOCUMENT Implementation of Article 325 TFEU by the Member States in 2013

## TABLE OF CONTENTS

1.	Implementation of Article 325 TFEU by Member States .....	4
1.1.	The 2013 PIF Questionnaire .....	4
1.2.	Structure of the Questionnaire .....	5
2.	Most important anti-fraud measures adopted by Member States in 2013 under Article 325 TFEU .....	5
2.1.	Domain .....	5
2.2.	Types of adopted measures.....	8
2.2.1.	Examples of measures taken within the public procurement .....	11
2.2.2.	Examples of measures taken in the fight against corruption .....	12
2.2.3.	Examples concerning measures taken in the area of financial crime .....	12
2.2.4.	Examples concerning measures taken in the area of conflict of interest.....	13
2.3.	Schemes summarising the measures adopted .....	13
2.3.1.	Legislative measures.....	13
2.3.2.	Administrative measures .....	25
2.3.3.	Organisational measures .....	35
2.3.4.	Operational measures.....	40
2.3.5.	Corruption in public procurement – adopted provisions in detail .....	47
3.	Anti-Fraud Co-ordination Service (AFCOS).....	52
3.1.	Appointment of AFCOS .....	52
3.2.	Legal basis of Anti-Fraud Co-ordination Service.....	55
3.3.	Organisation of AFCOS .....	56
3.3.1.	Organisation of AFCOS – STRUCTURE .....	57
3.3.2.	Organisation of AFCOS – CENTRAL CONTACT POINT .....	59
3.4.	Functions accomplished by AFCOS .....	60
3.4.1.	Training and antifraud prevention .....	61
3.5.	AFCOS internal organisation .....	61
3.6.	Human resources .....	62

3.7.	Tasks and powers.....	65
3.7.1.	Coordination competences.....	66
3.7.1.1.	Irregularity management framework .....	67
3.7.1.2.	Exchange of information .....	68
3.7.2.	Investigative competences .....	69
3.8.	Cooperation with judicial authorities.....	72

## IMPLEMENTATION OF ARTICLE 325 TFEU BY MEMBER STATES

Article 325(5) of the TFEU requires the Commission, in cooperation with the Member States, to submit a report each year to the European Parliament and the Council on the measures taken to implement that Article. The Commission bases the part of the report relating to the Member States on the answers to the “Article 325” questionnaire, as agreed upon with them within COCOLAF and adapted each year in the light of past experience so as to facilitate the monitoring of anti-fraud measures.

Consequently, each year, the Commission draws up a report in cooperation with the Member States on the measures taken to implement this obligation, according to Article 325 of the Treaty on the Functioning of the European Union (TFEU). This report is addressed to the European Parliament and the Council and it is published.

The Commission report is drafted on the basis of the Member States' answers to the "Article 325" questionnaire sent by the Commission to the Members States. The present questionnaire covers the period from 1 January to 31 December 2013.

This document lists all the answers of Member States to the 2013 questionnaire presented in schemes according to a category.

Over time the report had become more and more voluminous. Both the Council and the European Parliament were concerned that its size was increasing and the fact that the document is annual, horizontal and multisectoral hampered a detailed assessment of all the aspects of the protection of the EU's financial interests by the Member States. Since 2003, the Commission has therefore applied a new approach. After the traditional question asking Members States to report on new measures taken in the past year (2013), the questionnaire focuses on one major theme. The aim is to gather information on a particular topic which goes beyond the measures taken in the course of a calendar year, thereby allowing a more detailed analysis of that topics. The topic changes from year to year.

As in the previous years, the first part of the questionnaire asks the Member States to present the **main measures that give effect to Article 325**, i.e. measures to combat fraud and all illegal activities affecting the financial interests of the EU. This part is structured the same way as the 2012 questionnaire. Member States are invited to describe two or three "key" measures taken in the year 2013 in order to implement Article 325 of the Treaty.

The second set of questions concerns the organisation of the Anti-Fraud Co-ordination Service (AFCOS).

### 1.1. The 2013 PIF Questionnaire

In the past, the questionnaire was mainly composed of “open” questions, implying the possibility for the Member States to provide very detailed answers

and this resulted in increasing difficulty in the analysis of the information transmitted in two ways: Firstly, non-homogeneity of the replies and secondly, time-management related issues and the further need of clarification on the answers submitted. Therefore the questionnaire for PIF 2013 has been constructed around questions offering multiple “closed” answers with sub-questions providing further pre-selected choices (where applicable) and limiting, to a minimum, the possibility to submit a free text.

The questionnaire for the PIF report 2013 was created on the EU survey online platform. The EU Survey functions since January 2014 and it is a new version of the old “IPM platform”, which has been previously successfully used by OLAF for the purpose of collecting answers for the PIF report.

## **1.2. Structure of the Questionnaire**

Each year the Commission compiles a report in cooperation with the Member States on the measures taken to implement this obligation, according to Article 325 of the Treaty on the Functioning of the European Union (TFEU). The Commission report is drafted on the basis of the Member States' answers to the "Article 325" questionnaire sent by the Commission to the Member States. The first part of the questionnaire asks the Member States to present three main measures giving effect to Article 325, i.e. measures to combat fraud and all illegal activities affecting the financial interests of the EU.

The second set of questions concerns situation in the Member States regarding establishment of an Anti-Fraud Co-ordination Service (AFCOS), as envisaged in Article 3(4) of the new OLAF regulation which entered into force on 1 October 2013.<sup>1</sup>

## **2. MOST IMPORTANT ANTI-FRAUD MEASURES ADOPTED BY MEMBER STATES IN 2013 UNDER ARTICLE 325 TFEU**

### **2.1. Domain**

The first question referred to the "domain" to which the adopted measure pertains. Member States were requested to indicate up to three measures adopted in 2013. The Member States were asked to answer a couple of main questions clarifying on each of the measures taken: to specify the domain, number of provisions (single or a package of measures) and clarification of the measure (legislative and/or administrative, organisational and operational) accompanying it, if it is a new measure or an update, its scope, reasons of adoption, type of act, number and date.

---

<sup>1</sup> Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999. Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999.

*Public procurement* was the main sector ("domain" in the questionnaire) where legislative, administrative, organisational and operational measures were adopted, followed by the 'other' category, 'financial crime' and 'conflict of interest', as shown in Table 1, which summarises "at a glance" the information provided by the Member States. The 'other' category collects measures which could not fit in any of the predefined answers and counts 26 occurrences.

Domain	Public Procurement			Financial Crime			Organised Crime			Corruption			Conflict of Interests			Fraud Definition			AFCOS			Other		
Member State	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III	I	II	III
AT																								
BE																								
BG																								
CY																								
CZ																								
DE																								
DK																								
EE																								
EL																								
ES																								
FI																								
FR																								
HR																								
HU																								
IE																								
IT																								
LT																								
LU																								
LV																								
MT																								
NL																								
PL																								
PT																								
RO																								
SE																								
SI																								
SK																								
UK																								
Grand Total	34			25			6			13			15			9			9			26		

*Tab.1: Three most important measures taken by the Member States per domain – Member States have been prominently intervening in the area of public procurement (confirmation of the trend of the last year)*

Similarly as last year, the vast majority of legislative, administrative, organisational and operational measures adopted by the Member States in 2013 were as a single measure or a package of measures<sup>2</sup>, concerning public procurement. These provisions were mainly adopted in combination with measures to fight financial crime, conflict of interest, corruption, fraud, organised crime, measures concerning organisation of Anti-Fraud Coordination Service (AFCOS) and/or 'other'. The totals below the scheme show how many times the domain referred to in the answers, as reported by the Member States. Further schemes and analysis present the measures per domain in detail.

The set of reported measures categorised as the 'other' involves various areas<sup>3</sup>. This category included a mix of answers when the Member States assumed that the preselected domains are non-fitting, or as an additional clarification, due to a

<sup>2</sup> Legislative measures accompanied by administrative, organisational or operational measures.

<sup>3</sup> This category also concerned legislative, administrative, organisational and operational measures.

specific context. In the ‘other’ category Member States reported transparency and good governance measures, such as e-government<sup>4</sup>, transparency of beneficiary on the website<sup>5</sup> or corruption in a context other than public procurement<sup>6</sup>. As regards investigations, the reported measures included agreement on priority handling and more effective detection of crimes damaging the financial interests of the EU<sup>7</sup> or the set-up of a working group of irregularities inspectors<sup>8</sup>. In relation to subsidies, the reported measures among ‘other’ involved state aid<sup>9</sup>, procedures for obtaining EU funding and activity plans for controls<sup>10</sup>, specific policy of paying advances to reduce the number of recoveries<sup>11</sup>, combatting fraud in European subsidies<sup>12</sup> and data monitoring based control method<sup>13</sup>. As regards management and control systems, the ‘other’ category included policy of legislation proofing against irregularities and fraud<sup>14</sup>. As regards IT tools in ‘other’ category, Member States reported processing of support and payment requests within information system<sup>15</sup>, Unified Management Information System<sup>16</sup> or testing of the ARACHNE risk scoring tool<sup>17</sup>.

The ‘other’ organisational and operational measures involved the extension of the powers within the unit<sup>18</sup> or establishment of a working group of irregularities inspectors<sup>19</sup>.

Germany listed many activities as falling into the ‘other’ field due to the federal structure and special cooperation of Länder and the Federation does not enable the priority of the three main measures taken in 2013. These included measures in the context of implementation of Article No 70 of Regulation (EC) No

- 
- <sup>4</sup> Spain (legislation on the control of public expenditure, e-government)
  - <sup>5</sup> Portugal (legislation introducing compulsory publication of advantages granted to individuals by public authorities, reporting subsidies and any EU support to the IGF, which publishes the information on its internet site)
  - <sup>6</sup> France (customs and tax fraud)
  - <sup>7</sup> Slovenia (administrative measure, agreement between Police and Budget Supervision Office and Court of Audit)
  - <sup>8</sup> Sweden (administrative measure to combat financial crime)
  - <sup>9</sup> Belgium (a set of administrative measures applied in the procurement procedure)
  - <sup>10</sup> Italy (checks to avoid double financing)
  - <sup>11</sup> Netherlands (administrative measure applied by the Agency for Social Affairs and Employment)
  - <sup>12</sup> France (administrative and operational measure concerning ERDF, ESF, EFF, in the context of public procurement)
  - <sup>13</sup> Netherlands (the Agency for Social Affairs and Employment)
  - <sup>14</sup> Cyprus (administrative measure)
  - <sup>15</sup> Hungary (the Agriculture and Rural Development Agency uses the *Opten* company information service assessing the client/company financial background and personal links)
  - <sup>16</sup> Bulgaria (changes introduced to the functionalities of the irregularities and on-the-spot checks module in the information system as regards reporting irregularities, at request of the AFCOS directorate)
  - <sup>17</sup> Portugal (database of projects supported by the Structural Funds, which is supplemented by publicly available information with a view to identifying the ‘most at risk’ projects by the use of risk indicators)
  - <sup>18</sup> Spain (in charge of financial crime to include the fight against corruption, which cannot be deemed to be an anti-corruption measure)
  - <sup>19</sup> Lithuania (the group includes representatives of the Lithuanian bodies responsible for the administration of EU financial assistance)

1083/2006<sup>20</sup>, which involves identifying and correcting undue payments and irregularities and recovering amounts unduly paid. Moreover, in addition to the EU rules, in Germany there are national rules which serve to protect financial interests and to combat fraud and corruption. The federal states provide advice and training on the allocation of EU structural funding. In addition, the management and control systems carry out checks at various levels on operations and systems. Weaknesses and errors identified in the checks are notified and remedied and improvements are conducted. Germany also reported that several federal states also have anti-corruption provisions and rules regarding the acceptance of rewards and gifts that include corruption and fraud prevention measures. In addition, the following measures were carried out<sup>21</sup>: implementing anti-corruption guidelines, carrying out vulnerability analysis to identify posts vulnerable to corruption, providing extensive anti-corruption training, establishing the 'four-eyes principle', setting up specialised or centralised procurement authorities, issuing guidelines on 'the prevention of money laundering, the funding of terrorism and other criminal acts', setting up an external ombudsman's office offering staff independent and confidential advice on criminal infringements and appointing a central compliance officer as part of the internal control system.

## **2.2. Types of adopted measures**

Member States were asked to specify whether the reported measure was adopted within one instrument or as a package of measures. They also needed to specify the type of measure adopted, distinguishing between:

- (1) 'Legislative',
- (2) 'Administrative',
- (3) 'Organisational' and
- (4) 'Operational'

---

<sup>20</sup> The ERDF managing authorities of the federal states have set up management and control systems ensuring that EU structural funds are used in a legal manner. xc

<sup>21</sup> The list is neither exhaustive nor applicable to all federal states.



Member State	1st measure		2nd measure		3rd measure	
	Package	Single	Package	Single	Package	Single
AT		✓				
BE	✓			✓		✓
BG	✓			✓		✓
CY		✓	✓			✓
CZ		✓		✓		✓
DE		✓		✓		✓
DK	✓			✓		✓
EE	✓		✓			
EL	✓		✓			✓
ES		✓		✓		✓
FI		✓		✓		✓
FR	✓			✓	✓	
HR		✓		✓		✓
HU		✓	✓			✓
IE	✓		✓			✓
IT		✓		✓	✓	
LT		✓		✓		✓
LU		✓		✓		✓
LV		✓	✓		✓	
MT		✓		✓		✓
NL		✓		✓		✓
PL		✓		✓	✓	
PT		✓		✓		✓
RO	✓		✓		✓	
SE		✓		✓		✓
SI	✓				✓	
SK		✓	✓			✓
UK	✓		✓			✓
Grand Total	10	16	9	17	6	20

Tab.2: A single measure or a package of measures adopted by the Member States. A package of measures, involving set provisions of (legislative, administrative, organisational and operational) or selection of more than one provision is seen as a “more complex” measure.

Single measure adopted by the Member States												
Member State	1st measure				2nd measure				3rd measure			
	L	A	Or	Op	L	A	Or	Op	L	A	Or	Op
AT			✓									
BE	✓					✓			✓			
BG					✓							✓
CY	✓							✓		✓		
CZ	✓				✓				✓			
DE		✓				✓						✓
DK	✓				✓					✓		
EE												
EL												✓
ES	✓				✓						✓	
FI		✓				✓			✓			
FR							✓					
HR	✓				✓					✓		
HU				✓								✓
IE												✓
IT	✓					✓						
LT	✓							✓	✓			
LU		✓					✓					
LV	✓											✓
MT				✓	✓				✓			
NL	✓					✓				✓		
PL	✓				✓							
PT	✓											✓
RO							✓					
SE		✓			✓					✓		
SI												✓
SK		✓				✓				✓		
UK										✓		

Tab.3: Single measures adopted by the Member States (L = legislative, Ad = administrative; Or = organisational; Op= operational)

Package of measures adopted by the Member States												
Member State	1st measure				2nd measure				3rd measure			
	L	A	Or	Op	L	A	Or	Op	L	A	Or	Op
AT												
BE												
BG	✓		✓	✓								
CY												
CZ												
DE												
DK												
EE	✓			✓		✓	✓					
EL	✓		✓		✓	✓	✓	✓				
ES												
FI												
FR	✓	✓	✓	✓						✓		✓
HR												
HU						✓	✓	✓				
IE								✓				
IT											✓	✓
LT												
LU												
LV					✓	✓			✓	✓	✓	✓
MT												
NL												
PL									✓		✓	✓
PT												
RO	✓	✓	✓	✓	✓	✓			✓	✓	✓	✓
SE												
SI		✓		✓								
SK												
UK		✓	✓			✓	✓	✓				

Tab.4: Package of measures adopted by the Member States (L = legislative, Ad = administrative; Or = organisational; Op= Operational)

Several examples of replies as regards the domain selected can be highlighted.

#### 2.2.1. Examples of measures taken within the **public procurement**

Bulgaria reported new legislation in the field of Cohesion policy laying down a more streamlined operation (in order to reduce the administrative burden on beneficiaries and the risk of errors and irregularities being committed) for activities under projects co-financed from EU funds to be outsourced to external contractors by beneficiaries who are private operators.

Estonia reported a package of legislative and operational measures concerning electronic public procurement. The Public Procurement Act states that the contracting authority must enable the electronic submission of tenders and requests at least to the extent of no less than 50 per cent of the financial capacity of public procurement planned by the contracting authority for the budgetary year.

The Czech Republic reported a new legislative measure which enables the police authorities to use operational means, such as interception of telephonic communications (pursuant to Section 88 of the Code of Criminal Procedure), in all cases where an examination or investigation is conducted in respect of a criminal act committed to the detriment of the EU's financial interests.

Spain reported a new legislative measure regarding e-government in order to introduce electronic invoicing and creation of an accounting register in the public sector.

The United Kingdom reported a package of administrative and organisational measures aiming to fight corruption within public procurement and conflict of interest. One of the measures concerns improving the effectiveness of management: The EAFRD funded projects of lower and middle value are under increased scrutiny, which includes also remote rural areas with fewer suppliers.

#### 2.2.2. *Examples of measures taken in the fight against **corruption***

Hungary reported a new operational measure introducing assessment of integrity compliance during a check, in order to eliminate corruption (including within public procurement) in the sector of Cohesion policy and centralised direct management.

Malta introduced a legal act protecting whistleblowers, thus tackling corruption in both the private and public sector.

Romania reported a package of legislative (a new Criminal Procedure Code was implemented), administrative, organisational and operational measures to fight corruption and to raise institutional awareness as regards corruption and the protection of EU financial interests. The package involves vast measures aimed at corruption within public procurement and EAFRD private beneficiaries.

Slovenia upgraded the online application *Supervizor*, aimed at more efficient and transparent supervision of transactions.

#### 2.2.3. *Examples concerning measures taken in the area of **financial crime***

Belgium reported a legislative measure containing tax and financial provisions and provisions on sustainable development within the VAT Code, which imposes penalties for violations involving serious tax fraud.

Bulgaria introduced a package of measures, applied by revenue authorities, aimed at strengthening the financial control of movements of goods of high fiscal risk to prevent tax evasion and tax fraud.

Denmark implemented a new legislative measure in order to improve action against economic crime. The legislation introduces a penalty for corruption (the maximum penalty has been increased in the Danish Criminal Code), namely for bribery of persons in a public office or acting in a public capacity, bribery in private situations and bribery of arbitrators.

Swedish customs developed an IT tool (in order to comply with the requirements of the Union Customs Code), which involves an electronic blocking system enabling checks to be made when goods are allocated to a customs procedure. Various items will be subjected to risk analysis and the new IT support will facilitate risk management.

France reported a package of legislative, administrative, organisational and operational measures, establishing, among other, more criminal sanctions to tackle financial crime, conflict of interest and corruption within public procurement in the sectors of customs and tax fraud.

#### *2.2.4. Examples concerning measures taken in the area of **conflict of interest***

In the Cohesion policy sector, Slovakia reported a new guidance for managing authority, clarifying the existing rules.

Belgium reorganised its Paying Agency in Wallonia (agriculture and fisheries sector) separating the paying and control functions, which should as a result reduce situations of conflict of interest.

Ireland reported an operational measure in the form of risk indicators aimed at better targeted checks in order to detect conflict of interest in the Agriculture sector.

Portugal reported testing of risk indicators, using the ARACHNE information risk scoring tool<sup>22</sup>, supplemented with publicly available information, in order to identify the "riskier" projects through risk indicators.

### **2.3. Schemes summarising the measures adopted**

The following schemes show all administrative, legislative, organisational and operational measures, adopted per domain and Member State. Each summary table indicates whether the adopting act was accompanied by other measures (as a package) or whether it was a single measure, specifying if it was a new measure or an update of existing provision(s) or both and it also indicates the scope of the measure. If the adopted measure concerned more than one domain, these are presented in the separate columns.

#### *2.3.1. Legislative measures*

This section is dedicated to "legislative measures", *i.e.* those legislative acts aimed at strengthening or reviewing the legal framework for the management, control and protection of the EU financial interests. Member States were asked to specify if it is a new piece of legislation, an amendment to an existing one or both, scope of legislation, reasons, type of act, number and date.

---

<sup>22</sup>

The risk scoring tool ARACHNE aims at providing the MS authorities involved in management of the Structural Funds with an operational tool to identify their most risky projects.

The legislation adopted by the Member States can be evaluated on the basis of a couple of main aspects. First it is the main domain (and other domains-fields covered by the legislation), its scope<sup>23</sup> and its impact (sectoral or horizontal).

As regards the *domain* of the legislation, the new or amended provisions concerned mainly public procurement. The *scope* of legislation adopted in 2013 in the areas for the protection of EU financial interests and fight against fraud varied. Mostly it concerned modifications in powers and competences, in combination with definition of breach, financial or administrative penalties and criminal sanctions and/or other<sup>24</sup>. Criminal sanctions were mentioned several times, however only three Member States clarified the provision<sup>25</sup>. Recovery procedure was involved in two instances<sup>26</sup>. Time barring was also reported twice<sup>27</sup>.

The measures concerning *public procurement* were adopted covering one domain<sup>28</sup> or in combination with another, targeting financial crime, conflict of interest, corruption, fraud and organised crime, all mostly with horizontal effect<sup>29</sup>. The legislation involved transparency measures, good governance measures and improved practices within the procurement procedure<sup>30</sup>.

Ten Member States introduced measures or sets of measures aimed at combatting corruption within public procurement which included measures to enhance transparency, effectiveness of management, effectiveness of control and audit and other (see the chapter “*Corruption within public procurement*”)<sup>31</sup>.

---

<sup>23</sup> In the field “scope of legislation” the Member States had a multiple choice to clarify competence, powers, definition of breach, recovery, financial penalties, other administrative penalties, criminal sanctions, time barring and other.

<sup>24</sup> The other field was selected if a different context non-fitting to the questionnaire has been intended (procedure concerning external contractors, for example financial crime, corruption in general, tax fraud, specific AFCOS network and tasks or access to public information).

<sup>25</sup> Lithuania introduced amendments to the Criminal Law in connection with the application of coercive measures to legal entities for criminal offences, including bribery. The Procurement Monitoring Bureau (IUB) has become competent authority that detects administrative violations in the fields of public procurement and public-private partnerships, and also enforces administrative liability. Romania implemented a New Criminal Procedure Code to tackle corruption. Other Member States did not specify. Denmark increased maximum penalty for bribery in the Danish Criminal Code.

<sup>26</sup> Greece enhanced data feeding with cases of suspected fraud based on the checks and a new legislation on transparency, access to public information and good governance.

<sup>27</sup> Denmark (in the context of a set of provisions concerning corruption, financial crime and organised crime) and Spain (in the context of a new legislation on conflict of interest)

<sup>28</sup> Single legislative measures concerning public procurement adopted by Bulgaria, Czech Republic, Lithuania, Malta, Spain, Romania and Sweden. Package of measures (legislative, administrative, organisational or operational measures) adopted by Estonia and Greece.

<sup>29</sup> In total there were adopted 23 legislative measures with horizontal effect and 13 with sectoral effect (6 expenditure and 7 revenue).

<sup>30</sup> E- procurement and good governance (Spain, Portugal); mechanisms for prevention of conflict of interest (Romania); cancellation of procurement procedure if only one tenderer applies (the Czech Republic); provisions concerning external contractors (Bulgaria), monitoring and follow-up of activities provided conducted by private-sector providers (Sweden); coercive measures regarding administrative liability for violations in the field of public procurement and public-private partnerships (Latvia).

<sup>31</sup> Germany, Greece, Italy, Cyprus, Latvia, Hungary, Malta, Romania, Slovenia and United Kingdom (Latvia, Romania, Slovenia introduced also sanctions; Malta and Latvia enhanced protection of whistleblowers).

These specific measures also included operational measures with a sectoral effect<sup>32</sup>.

Single measures tackling *financial crime* and *money laundering* introduced Belgium, Cyprus, Denmark, Latvia, Poland and Finland. Denmark introduced an increased maximum penalty within the Criminal code.<sup>33</sup>

The Czech Republic and Greece introduced anti-corruption measures within their *national anti-corruption strategy*<sup>34</sup>. Croatia and Netherlands adopted measures concerning their *Anti-Fraud Coordination Service*<sup>35</sup>. Malta adopted new legislation on the protection of *whistleblowers*. Legislative measure tackling *VAT fraud* more effectively reported Denmark and Poland<sup>36</sup>. Poland also introduced amended legislation to tackle *organised crime*.

Specific provisions concerning EU financial assistance in cases where the beneficiary has been sentenced were reported by Lithuania<sup>37</sup>. Greece introduced legislation enhancing data feeding of cases of suspected fraud within their national monitoring and control system. Belgium introduced legislation to eliminate situations of *conflict of interests* within the Wallonia's Paying Agency. Portugal adopted legislation enhancing *transparency* by introducing publication of information on the websites as regards reporting subsidies and any EU support.

---

<sup>32</sup> Cyprus, Hungary, Slovenia and United Kingdom

<sup>33</sup> Denmark (legislation - the maximum penalty has been increased as regards bribery in the Danish Criminal Code)

<sup>34</sup> Czech Republic (ratification of the PIF Convention) and Greece (National Anti-Corruption Coordinator)

<sup>35</sup> Croatia (decision defines the bodies comprising the AFCOS network and their tasks), Netherlands (powers)

<sup>36</sup> Denmark (specific provisions concerning investigation of cases of tax fraud) and Poland (list of goods covered by the reverse charge mechanism, exclusion of possibility of quarterly clearance in certain cases)

<sup>37</sup> Lithuania (provision stating that EU financial assistance may not be granted to the applicant or project promoter for five consecutive years following a definitive court judgment)

Legislative measure (specification): Criminal sanctions				
MS	Measure	Single Package	more/ less/ new	Scope of sanction
BE	M1	Sg.	more	Investigation of cases of tax fraud: Law of 17 June 2013 containing tax and financial provisions and provisions on sustainable development, in particular Articles 99 to 101 concerning the VAT Code, which impose penalties for violations involving serious tax fraud (Moniteur Belge (Belgian Official Gazette) of 28.6.2013). Customs law: idem + activity detrimental to the Communities' financial interests.
CZ	M3	Sg.	more	Anti-fraud and anti-corruption strategy (and accompanying action plan) to be applied in the context of the 2014-2020PP. Resolution of the Government of the Czech Republic No 851/2013 of 13 November 2013
DK	M1	Pkg.	more	Investigation of cases of tax fraud: Two new provisions in the Administration of Justice Act allow civil investigative demands to be directed at a number of banks on the basis of a single judicial decision ("transaction decision") and the short-term blocking of funds in accounts. Both provisions will facilitate the investigation of cases of tax fraud. Act No 634 of 12 June 2013 amending the Criminal Code, the Administration of Justice Act and various other Acts (improved action against economic crime).
DK	M2	Sg.	new	Policy targeting cartels: The objective is to boost competition via more effective and useful competition law. Cartels can cause great economic damage, inter alia through excessively high prices. The objective is to be achieved by increasing the risk of detection and ensuring that fines and prison sentences have a deterrent effect.
FR	M1	Pkg.	more	Corruption in a context other than public procurement (Laws Nos 2013-1117 and 2013-1115)
LV	M1	Sg.	less	Financial crime: To allow Latvia to reform criminal penalties policy in all areas covered by the Criminal Law.- Amendments to the Criminal Law, Latvijas Vēstnesis No 202 (4805).
LV	M3	Pkg.	new	To increase the effectiveness of the legal framework in relation to coercive measures applicable to legal entities, and to introduce administrative liability for violations in the field of public procurements: Amendments to the Criminal Law in connection with the application of coercive measures to legal entities for criminal offences, including bribery. Amendments to the Criminal Law, Latvijas Vēstnesis No 61 (4867), 27 March 2013; Latvijas Vēstnesis No 92 (4898), 15 May 2013. Amendments to the Administrative Violations Code of Latvia

*Tab.5: Member States clarified on criminal sanctions (new, less, more) within the scope of legislation adopted*

Legislative measure (specification): Time barring				
MS	Measure	Single Package	more/ less	Scope of sanction
CZ	M3	Sg.	less	Anti-fraud and anti-corruption strategy (and accompanying action plan) to be applied in the context of the 2014-2020PP. Resolution of the Government of the Czech Republic No 851/2013 of 13 November 2013
DK	M1	Pkg.	more	Investigation of cases of tax fraud: Two new provisions in the Administration of Justice Act allow civil investigative demands to be directed at a number of banks on the basis of a single judicial decision ("transaction decision") and the short-term blocking of funds in accounts. Both provisions will facilitate the investigation of cases of tax fraud. Act No 634 of 12 June 2013 amending the Criminal Code, the Administration of Justice Act and various other Acts (improved action against economic crime).
ES	M2	Sg.	more	Good governance: To establish standards comparable with those of other well established democracies. Law 19/2013 on transparency, access to public information and good governance.

*Tab.6: Member States clarified on time barring (less or more) within the scope of legislation adopted*

The following tables include answers from the Member States as regards legislative measures adopted, sorted according to the revenue and expenditure part of the budget.





REVENUE															Legislative measures							
Member State		Measure		DOMAIN																		
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify		Single	Package	New Legislation / Amendment	scope of legislation	scope/other	reasons for legislative measure	reasons/other	number	date	Horizontal measure (H)	Sectoral measure
FR	M1		✔			✔	✔		✔	Corruption in a context other than public procurement	/	x L, Ad, Or, Op	NL	Competences; Powers; Definition of breach; Recovery/Financial penalties; Criminal sanctions	Corruption in a context other than public procurement	To clarify or consolidate existing rules	/	Laws Nos 2013-1117 and 2013-1115.	6.12.2013	/	Customs, Tax fraud	
LV	M2							✔	Revenue - tax evasion	/	x L, Ad	A	Competences; Powers	/	To remedy flaws	/	Amendments to the Law on Taxes and Duties, <i>Latvijas Vēstnesis</i> No 232 (5038).	6.11.2013	/	Tax fraud		
PL	M2		✔	✔					/	x	/	A	Other	Tackling VAT fraud/Changes to VAT: extending the list of goods covered by the reverse charge mechanism (some steel products and waste), excluding (in some cases) the possibility of quarterly clearance of accounts and introducing tax liability for the sale of some steel products, fuel and unwrought gold.	Other	Tackling VAT fraud more effectively	Act amending the VAT Act and some other acts (Journal of Laws 2013, item 1027).	26.7.2013	/	Tax fraud		
PL	M3			✔					/	/	x L, Or, Op	A	Powers; Definition of breach; Other administrative penalties	/	To remedy flaws	/	Excise Duty Act of 6 December 2008 (Journal of Laws 20093, item 11)	1.1.2013	/	Customs, Tax fraud		

EXPENDITURE																					
Legislative measures																					
Member State	Measure	DOMAIN							Single	Package	New Legislation / Amendment	scope of legislation	scope/other	reasons for legislative measure	reasons/other	number	date	Horizontal measure (H)	Sectoral measure		
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS												Other	If other please specify
BE	M3					✔			✔	Reorganisation of Walloon's Paying Agency to separate the payment and expenditure-control functions. The Agency is no longer headed by the Director-General of the DGARNE (Operational Directorate-General for Agriculture, Natural Resources and the Environment) but by the Inspector General of the Département des Aides(Aid Department).	x	/	NL, A	Competences: Powers, Other administrative penalties, Other	Protocol for delegation of on-the-spot inspections => better separation of functions and fewer conflicts of interest (The authority responsible for the Walloon Paying Agency is at ministerial level and carries out its role of accrediting the Agency)	To remedy flaws; To enforce the rules in line with developments in EU law	/	Montieur belge of 29.1.2013, page 4535 (Decree of the Walloon Government of 17 January 2013).	17.1.2013	/	Agriculture, Fisheries, Cohesion policy
BG	M2	✔								/	x	/	NL	Other	Procedure concerning external contractors-The measure lays down a more streamlined procedure than the one previously in operation for activities under projects co-financed from EU funds to be outsourced to external contractors by beneficiaries who are private operators.	Other	In accordance with European legislation and practices in the area of procurement by private operators the aim of the measure is to reduce the administrative burden on beneficiaries and the risk of errors and irregularities being committed.	69	11.3.2013	/	Cohesion policy
CY	M1		✔							/	x	/	A	Other	Money laundering	To remedy flaws	/	THE PREVENTING AND COMBATING MONEY LAUNDERING ACT, AMENDMENT No 101(I)/2013.	9.9.2013	H	/
CZ	M1	✔	✔	✔	✔	✔				/	x	/	NL	Definition of breach	PIF Convention	To enforce the rules in line with developments in EU law/Other	Following the ratification of the PIF Convention, the police authorities may, in line with the national legal provisions, use operational means such as interception of telecommunications pursuant to Section 88 of the Code of Criminal Procedure in all cases where examination or investigation is conducted in respect of a criminal act committed to the detriment of the EU's financial interests.	Resolutions of both Chambers of the Parliament of the Czech Republic on the ratification of the Convention on the Protection of the European Communities' Financial Interests, drawn up on the basis of the Treaty on European Union together with the additional protocols - February 2013.	6.2.2013	H	/

EXPENDITURE																					
Legislative measures																					
Member State	Measure	DOMAIN									Single	Package	New Legislation / Amendment	scope of legislation	scope/other	reasons for legislative measure	reasons/other	number	date	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify											
CZ	M2	✓								/	x	/	A	Other	A condition to the effect that a tender procedure will be cancelled if only one tenderer applies, in which case the limit for the type of tender procedure concerned and the time-limits will be adjusted.	To clarify or consolidate existing rules;To enforce the rules in line with developments in EU law	/	Legislative measure No 341/2013 adopted by the Senate on 10 October 2013	10.10.2013	H	/
CZ	M3	✓	✓	✓					✓	Anti-fraud and anti-corruption strategy to be applied in the context of the draw-down of funding from the CSF Funds in 2014-2020; and the Action plan for the implementation of the Strategy. The measure concerns all domains co-financed by the EU where corruption and fraud is possible.	x	/	NL	Criminal sanctions;Time barring	/	To remedy flaws;To enforce the rules in line with developments in EU law	/	Resolution of the Government of the Czech Republic No 851/2013 of 13 November 2013	13.11.2013	H	/
DK	M1		✓	✓					✓	Concerning corruption, the maximum penalty has been increased in Section 122 of the Danish Criminal Code (bribing of persons in a public office or acting in a public capacity), Section 299(2) of the Criminal Code (bribery in private situations) and Section 304(a) of the Criminal Code (bribery of arbitrators). None of the reply options under point 8 are relevant, however.	x	/	A	Powers;Definition of breach;Criminal sanctions;Time barring;Other	Investigation of cases of tax fraud: Two new provisions in the Administration of Justice Act allow civil investigative demands to be directed at a number of banks on the basis of a single judicial decision ("transaction decision") and the short-term blocking of funds in accounts. Both provisions will facilitate the investigation of cases of tax fraud.	To clarify or consolidate existing rules;To remedy flaws	/	Act No 634 of 12 June 2013 amending the Criminal Code, the Administration of Justice Act and various other Acts (improved action against economic crime).	12.6.2013	H	/
DK	M2		✓							/	x	/	A	Criminal sanctions	/	Other	The objective is to boost competition via more effective and useful competition law. Cartels can cause great economic damage, <i>inter alia</i> through excessively high prices. The objective is to be achieved by increasing the risk of detection and ensuring that fines and prison sentences have a deterrent effect.	The more stringent provisions of the Act were inserted via Act No 1385 of 23 December 2012. The current legislation is Consolidated Act No 23 of 17 January 2013.	17.1.2013	H	/

EXPENDITURE																						
Member State		Measure	Legislative measures							Single	Package	New Legislation / Amendment	scope of legislation	scope/other	reasons for legislative measure	reasons/other	number	date	Horizontal measure (H)	Sectoral measure		
			DOMAIN																			
			Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other, please specify											
EE	M1	✔									/	/	x L, Op	A	Other	Electronic public procurement since 1 January 2013. The Public Procurement Act states that the contracting authority must enable the electronic submission of tenders and requests at least to the extent of no less than 50 per cent of the financial capacity of public procurement planned by the contracting authority for the budgetary year.	To enforce the rules in line with developments in EU law	/	Section 55(7) of the Public Procurement Act, adopted on 16 December 2010, entered into force on 1 January 2013.	1.1.2013	H	/
EL	M1	✔	✔			✔					/	/	x L, Or	NL, A	Competences; Powers	National Anti-Corruption Coordinator	To remedy flaws; To enforce the rules in line with developments in EU law; Other	To tackle corruption and increase transparency.	(1) Articles 75 and 76 of Law 4139 of 20 March 2013, Public Prosecutor for Corruption Cases, (2) Annex M to Law 4152 of 9 May 2013 National Anti-Corruption Coordinator.	20/03/2013	H	/
EL	M2	✔	✔			✔	✔			✔	Investment project co-financed by the EU	/	x L, Ad, Or, Op	A	Recovery	/	To clarify or consolidate existing rules; To enforce the rules in line with developments in EU law; Other	To feed data from the checks carried out by the SDOE to protect the economic interests of the Community budget into the NSRF monitoring and control system and to input cases of suspected fraud into the NSRF monitoring and control system	Article 16 of Decision No 5058/EX/138/13.02.2013 (GG II, 292)	13.2.2013	H	/
ES	M1	✔								✔	Control of public expenditure, e-government.	x	/	NL	Other	Accounting; Electronic invoice; Classification undertakings; Solvency Public sector contracts - state and regional supervisory and legislative bodies.	To remedy flaws	/	Law 25/2013 to promote electronic invoices and create an accounting register of invoices in the public sector.	27/12/2013	H	/
ES	M2						✔			✔	Transparency; Access to public information; Good governance.	x	/	NL	Recovery; Financial penalties; Other administrative penalties; Time barring; Other	To clarify or consolidate existing rules; To remedy flaws; Other	To establish standards comparable with those of other well established democracies.	Law 19/2013 on transparency, access to public information and good governance.	9.12.2013	H	/	

EXPENDITURE																					
Legislative measures																					
Member State	Measure	DOMAIN									Single	Package	New Legislation / Amendment	scope of legislation	scope/other	reasons for legislative measure	reasons/other	number	date	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify											
HR	M1							✔		/	x	/	NL	Competences; Powers;Other	System framework/The decree defines the <b>AFCOS system and its constituents</b> , lays down in detail the tasks and responsibilities of each AFCOS system constituent, makes provisions for the management of irregularities and defines the cooperation between AFCOS system bodies with the European Anti-Fraud Office (OLAF).	To clarify or consolidate existing rules;Other	Pursuant to Article 114a(2) of the Budget Act ( <i>Narodne Novine</i> (NN; Official Gazette of the Republic of Croatia) Nos 87/2008 and 136/2012), the Government of the Republic of Croatia adopted the Decree on the inter-institutional framework for a system for combating irregularities and fraud (NN No 144/2013).	Decree on the inter-institutional framework for a system for combating irregularities and fraud (NN No 144/2013).	28.11.2013	H	/
HR	M2							✔		/	x	/	A	Competences; Powers;Other	The decision defines the <b>bodies comprising the AFCOS network and their tasks</b> , and repeals, as of the date of its entry into force, the Decision establishing the AFCOS network (NN No 92/2008).	To clarify or consolidate existing rules	/	Decision establishing the AFCOS network (NN No 151/2013).	12.12.2013	/	Cohesion policy;Fisheries,Agri culture
IT	M1	✔			✔	✔				/	x	/	NL	Competences; Financial penalties; Other administrative penalties	/	Other	Application of Article 6 of the UN Convention against Corruption.	Act No.190	6.11.2012	H	/
LT	M1							✔	Preventing fraud and irregularities		x	/	A	Other	Detailed provision stating that <b>EU financial assistance</b> may not be granted to the applicant or project promoter for five consecutive years <b>following a definitive court judgment</b> , as laid down by Resolution No 835 of the Government of the Republic of Lithuania of 11 September 2013.	To clarify or consolidate existing rules;To enforce the rules in line with developments in EU law	/	Government Resolution No 835	11.9.2013	H	/
LT	M3	✔								/	x	/	A	Other	<b>PP/contracting entities:</b> In the light of the principles of equal treatment, non-discrimination, mutual recognition, proportionality and transparency, additional tasks are laid down for contracting entities.	To clarify or consolidate existing rules	/	Public Procurement Act No XII-569	22.10.2013	H	/

EXPENDITURE																					
Legislative measures																					
Member State	Measure	DOMAIN							Single	Package	New Legislation / Amendment	scope of legislation	scope/other	reasons for legislative measure	reasons/other	number	date	Horizontal measure (H)	Sectoral measure		
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS												Other	If other please specify
LV	M1		✓							/	x	/	A	Criminal sanctions	/	Other	To allow Latvia to reform criminal penalties policy in all areas covered by the Criminal Law.	Amendments to the Criminal Law, <i>Latvijas Vēstnesis</i> No 202 (4805).	14.3.2013	H	/
LV	M3	✓	✓		✓	✓				/	x L, Ad, Or, Op	A	Definition of breach/Criminal sanctions/Other	PP/Amendments to the Criminal Law in connection with the application of coercive measures to legal entities for criminal offences, including bribery/(Since 1 September 2013 the Procurement Monitoring Bureau (UB) has been the competent authority that detects administrative violations in the fields of public procurement and public-private partnerships, and also enforces administrative liability.)	Other	To increase the effectiveness of the legal framework in relation to coercive measures applicable to legal entities, and to introduce administrative liability for violations in the field of public procurements.	Amendments to the Criminal Law, <i>Latvijas Vēstnesis</i> No 61 (4867), 27 March 2013; <i>Latvijas Vēstnesis</i> No 92 (4898), 15 May 2013. Amendments to the Administrative Violations Code of Latvia	14.3.2013	/	Agriculture, Fisheries, Cohesion policy	
MT	M2				✓					/	x	/	NL	Other	An Act to protect whistleblowers	To clarify or consolidate existing rules	/	L.N.65 of 2013 - Public Procurement (Amendment) Regulations, 2013 Government Gazette of Malta No. 19.032	19.2.2013	H	/
MT	M3	✓								/	x	/	A	Other	Appeals Process	To clarify or consolidate existing rules	/	L.N.65 of 2013 - Public Procurement (Amendment) Regulations, 2013 Government Gazette of Malta No. 19.032	19.2.2013	H	/
NL	M1							✓		/	x	/	NL	Powers	/	To enforce the rules in line with developments in EU law	/	Number: 33.247 (Bulletin of Acts and Decrees 467, 2012)	15.10.2012	H	/
PL	M1		✓				✓			/	x	/	A	Competences; Powers	/	To clarify or consolidate existing rules; To remedy flaws	/	Act amending the VAT Act and some other acts (Journal of Laws 2013, item 1027)	26.7.2013	/	Agriculture





### 2.3.2. *Administrative measures*

This section is dedicated to "administrative measures", *i.e.* those non-legislative measures aimed at detailing the implementing rules for the management, control and protection of the EU financial interests. Member States were asked to specify if it is a new measure, update or both, the scope of the measure, the type of act adopted, reasons of the measure and nature of the measure (horizontal or sectoral and specific sectors concerned).

The majority of administrative measures taken in 2013, were adopted as a single measure or within a package of measures<sup>38</sup>, concerned public procurement alone or in addition with other domain(s), such as corruption, conflict of interest, financial crime or fraud definition. These provisions mostly had sectoral effect<sup>39</sup>. The scope of these provisions was mostly monitoring, detection and investigation (monitoring, desk checks or on- the- spot checks and audit checklist) and fewer concerning irregularity reporting and recovery.

The administrative measures adopted in the domain of public procurement included sets of provisions concerning instructions, guidelines and manuals (new or updated) on monitoring, desk checks and on-the spot controls<sup>40</sup>, completed by irregularities reporting guidance<sup>41</sup>, management of funds, penalty and recovery guidance<sup>42</sup>.

Italy for example introduced a special obligation as regards first level of control in order to avoid double funding (on-the-spot checks in relation to self-declarations by the beneficiaries – e.g. accounts verification).

Separate measures adopted included audit checklist and investigation<sup>43</sup>, recovery procedure<sup>44</sup>, eligibility criteria<sup>45</sup>, penalty<sup>46</sup> and irregularities reporting<sup>47</sup>.

Other administrative measures reported by the Member States involved various provisions, such as administrative controls within public procurement<sup>48</sup>, establishment of a working group clarifying guidelines on financial crime<sup>49</sup>, introduction of red flags for Managing Authorities for checks in the public

---

<sup>38</sup> Most of them were single administrative measures (19), however several Member States adopted administrative measures within a package of measures (a whole set of legislative, administrative, operational and organisational measures (5), administrative and organisational measures (2), administrative and operational measures (2) or as measures accompanying legislation (2).

<sup>39</sup> These aimed mostly at the expenditure part of the budget (8 measures with a horizontal effect): Cohesion policy (16), followed by Agriculture (8), Fisheries (6) and Migration and Asylum (3). Some of the also aimed at the revenue: customs and fraud (2).

<sup>40</sup> Belgium, Denmark, Germany (public procurement and corruption), Estonia, Ireland, Greece, France, Latvia, Luxembourg, Netherlands, Romania, Finland and United Kingdom.

<sup>41</sup> Belgium, Ireland, Greece, France, Croatia, Latvia and United Kingdom.

<sup>42</sup> Cyprus and Finland (only recovery)

<sup>43</sup> Slovenia and Slovakia

<sup>44</sup> Greece and Finland

<sup>45</sup> Belgium, Slovakia

<sup>46</sup> Latvia

<sup>47</sup> Croatia and France

<sup>48</sup> Slovakia

<sup>49</sup> Sweden

procurement procedure<sup>50</sup> or guidance for Managing Authority to reduce situations of conflict of interest<sup>51</sup>.

The administrative measures relating to the public procurement also involved introduction of specific IT tools<sup>52</sup> or upgrade of the online application<sup>53</sup>.

The following tables include answers from the Member States as regards administrative measures adopted, sorted according to the revenue and expenditure part of the budget.

---

<sup>50</sup>

Romania

<sup>51</sup>

Slovakia

<sup>52</sup>

Sweden (electronic system of checks in the customs procedure)

<sup>53</sup>

Slovenia (in order to ensure more efficient supervision, by the competent authorities, institutions and the media, of the use of the public money)

REVENUE Administrative measures																				
Member State	Measure	DOMAIN									Single / Package	New measure / Update	scope of administrative measure	scope/other	type of act	type of act/other	reasons	reasons/other	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify										
FR	M1		✔			✔	✔		✔	Corruption in a context other than public procurement	Pkg (L, Ad, Op, Or)	U	On the spot checks; Audit checklist; Irregularities reporting	/	Instructions, Guidelines, Manuals	/	To clarify or consolidate existing rules	/	/	Customs, Tax fraud
LV	M2								✔	Revenue - tax evasion.	Pkg (L+Ad)	N	Penalty	/	Decision, resolution	/	Other	To limit the fictitious registration / establishment.	/	Tax fraud
SE	M3		✔							/	Sg	N	Other	Electronic blocking system: Swedish customs has an electronic blocking system which enables checks to be made when goods are allocated to a customs procedure/declared to Customs. IT capacity is being developed to comply with the requirements of the Union Customs Code. Various items will be subjected to risk analysis, and the new IT support will facilitate risk management.	Instructions, Guidelines, Manuals	/	To clarify or consolidate existing rules	/	/	Tax fraud

EXPENDITURE Administrative measures																				
Member State	Measure	DOMAIN									Single / Package	New measure / Update	scope of administrative measure	scope/other	type of act	type of act/other	reasons	reasons/other	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify										
BE	M2	✔							✔	State aid	Sg	U	Eligibility criteria;Monitoring/desk checks;On the spot checks;Investigation;Irregularities reporting;Recovery	/	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	/	Cohesion policy, Migration and asylum
CY	M3								✔	In the context of the fight against fraud in the agricultural sector, the Cyprus Agricultural Payments Organisation has adopted the 'Policy of proofing of legislation and of the management and control systems of the Cyprus Agricultural Payments Organisation against irregularities and fraud'.	Sg	N, U	Management of funds;Monitoring/desk checks;On the spot checks;Audit checklist;Investigation;Irregularities reporting;Penalty;Recovery	/	Decision, Resolution	/	To clarify or consolidate existing rules;To enhance existing measure	/	/	Agriculture
DE	M1	✔			✔					/	Sg	U	Monitoring/desk checks;On the spot checks; Audit checklist	/	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	/	Fisheries
DE	M2	✔								/	Sg	U	Monitoring/desk checks;On the spot checks; Audit checklist	/	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	/	Agriculture
DK	M3	✔								/	Sg	U	Monitoring/desk checks;Audit checklist	/	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	/	Cohesion policy
EE	M2	✔								/	Pkg (Ad, Or)	U	Monitoring/desk checks;On the spot checks	/	Instructions, Guidelines, Manuals	/	To clarify or consolidate existing rules;To enhance existing measure	/	/	Cohesion policy

EXPENDITURE Administrative measures																				
Member State	Measure	DOMAIN									Single / Package	New measure / Update	scope of administrative measure	scope/other	type of act	type of act/other	reasons	reasons/other	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify										
EL	M2	✓	✓		✓	✓			✓	Investment project co-financed by the EU	Pkg (L, Ad, Or, Op)	N	Monitoring/desk checks;On the spot checks;Audit checklist;Investigation ;Irregularities reporting;Penalty;Recovery	/	Other	Directives, Guidelines, Reports, Recommendations, Proposals, Advice, Action Plans.	To enhance existing measure;Cross-cutting measure	/	H	/
FI	M1		✓						✓	The administrative authority issued guidelines on 29 April 2013 for ensuring the durability of operations pursuant to Article 57 of Council Regulation (EC) No 1083/2006. The spot check in connection with ensuring durability is carried out according to a check list.	Sg	U	Monitoring/desk checks;On the spot checks;Audit checklist;Recovery	/	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	/	Cohesion policy
FI	M2								✓	The administrative authority presented the requirements for follow-up action at four regional training sessions in December 2013. The sessions focused on the Commission's guidance for complying with corrective measures that guide decision-making.	Sg	N	Monitoring/desk checks;Recovery	/	Instructions, Guidelines, Manuals	/	To clarify or consolidate existing rules	/	/	Cohesion policy
FR	M3	✓							✓	Combating fraud in European subsidies (ERDF, ESF, EFF)	Pkg (Ad, Op)	U	On the spot checks;Audit checklist;Irregularities reporting	/	Recommendation	/	To clarify or consolidate existing rules	/	H	/

EXPENDITURE																				
Administrative measures																				
Member State	Measure	DOMAIN									Single / Package	New measure / Update	scope of administrative measure	scope/other	type of act	type of act/other	reasons	reasons/other	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify										
HR	M3							✓		/	Sg	N	Irregularities reporting	/	Instructions, Guidelines, Manuals	/	Other	guidelines relating to irregularities/In accordance with the Act establishing an institutional framework for the use of the EU structural instruments in the Republic of Croatia, the Office for Combating Irregularities and Fraud (SSNIP) has helped to develop guidelines relating to irregularities within the scope of the Structural Funds and the Cohesion Fund, which are part of an <b>umbrella document entitled 'Guidelines'</b> .	/	Cohesion policy,Fisheries,Agriculture
HU	M2	✓								/	Pkg (Ad, Or, Op)	U	Other	The Public Procurement Authority (PPA) issues guidelines on public procurement practice in order to facilitate the application of the public procurement regulations. These also cover public procurement procedures and are continuously updated. The guidelines can be consulted on the PPA website and in the Public Procurement Bulletin.	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	H	/

EXPENDITURE Administrative measures																				
Member State	Measure	DOMAIN									Single / Package	New measure / Update	scope of administrative measure	scope/other	type of act	type of act/other	reasons	reasons/other	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify										
IE	M1	✓	✓			✓				/	Sg	U	Monitoring/desk checks;On the spot checks;Audit checklist;Investigation ;Irregularities reporting	/	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	/	Agriculture
IT	M2	✓			✓				✓	Procedures for obtaining EU financing and timetables for checks	Sg (Ad)	N, U	Eligibility criteria; Monitoring/desk checks; On the spot checks; Audit checklist; Irregularity reporting, Recovery, Other	First-level controllers obliged to verify the information self certified by beneficiaries on site. For example, verification of budgets to avoid double funding.	Other	Beneficiaries that report research grants for several projects (or financing lines) have to provide a summary table attesting to the breakdown of spending which clearly shows that there is no overexposure to funding.	To clarify or consolidate existing rules; To enhance existing measure; Other	Use of payment instruments which allow traceability in the reporting of expenditure within the framework of operational programmes financed.	H	/
LU	M1	✓								/	Sg	U	Monitoring/desk checks;Audit checklist	/	Instructions, Guidelines, Manuals	/	To clarify or consolidate existing rules	/	/	Cohesion policy
LV	M3	✓	✓		✓	✓	✓			/	Pkg (L, Ad, Or, Op)	N,U	Management of funds;Monitoring/desk checks;On the spot checks;Irregularities reporting;Penalty	/	Other	Certain powers of the competent authority; Instructions, guidelines.	To enhance existing measure;Cross-cutting measure	/	/	Agriculture, Fisheries, Cohesion policy

EXPENDITURE																					
Administrative measures																					
Member State	Measure	DOMAIN										Single / Package	New measure / Update	scope of administrative measure	scope/other	type of act	type of act/other	reasons	reasons/other	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify											
NL	M2								✓	Social Affairs and Employment (ESF structural fund). Since 2012 the Agency for Social Affairs and Employment (Agentschap SZW) has been implementing a cautious policy of paying advances to reduce the number of recoveries.	Sg	U	Monitoring/desk checks	/	Other	The work programme has been extended. (A budget is no longer sufficient for the payment of an advance. It is also necessary to describe the stage reached in the project and to forecast the remaining duration of the project.)	To enhance existing measure	/	/	Cohesion policy	
NL	M3								✓	Agentschap SZW has switched to a data monitoring-based, statistically defined control method. This has resulted in efficiency and increased reliability. The general COCOF guidelines have also been applied consistently since 2013.	Sg	U	Monitoring/desk checks	/	Instructions, Guidelines, Manuals	/	Other	Method of control/Agency for Social Affairs and Employment : Agentschap SZW has switched to a data monitoring-based, statistically defined control method. This has resulted in efficiency and increased reliability . The general COCOF guidelines have also been applied consistently since 2013.	/	Cohesion policy	
RO	M1					✓				/	Pkg (L, Ad, Op, Or)	N	Monitoring/desk checks	/	Other	Interministerial Memorandum approved by the Prime Minister of Romania	Other	New administrative measure for ex-ante verification regarding the conflict of interests - ongoing	/	Agriculture, Fisheries, Cohesion policy	



EXPENDITURE Administrative measures																				
Member State	Measure	DOMAIN									Single / Package	New measure / Update	scope of administrative measure	scope/other	type of act	type of act/other	reasons	reasons/other	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of Interest	Fraud definition	AFCOS	Other	If other please specify										
RO	M2	✓								/	Pkg ( L, Ad)	N	Management of funds;Other	Red flags for Managing Authorities verifications of the public procurement procedure	Instructions, Guidelines, Manuals	/	To clarify or consolidate existing rules	/	/	Agriculture, Fisheries, Cohesion policy
RO	M3				✓					/	Pkg (L, Ad, Or, Op)	N	Other	Raise institutional awareness on corruption and protection of EU financial interests (including public procurement area and EAFRD private beneficiaries)	Other	National Anticorruption Strategy 2012-2015 (evaluation reports) + training programs + public campaigns + web portal for EAFRD private beneficiaries	To clarify or consolidate existing rules;To enhance existing measure;Other	Transparency of the procurement procedure;Evaluate the communication ability of the Managing Authorities and the transparency level	H	/
SE	M1		✓							/	Sg	N	Other	A working group has been set up to detect and combat errors and suspected crime involving EU resources. This group is currently working on guidelines to clarify what is meant by error and suspected crime.	Decision, Resolution	/	To clarify or consolidate existing rules	/	/	Agriculture, Fisheries, Cohesion policy, Migration and asylum
SI	M1		✓		✓	✓	✓	✓	✓	Signing agreements on priority handling and more effective detection and investigation of crimes which damage the financial interests of both Slovenia and the EU between the Police and the Budget Supervision Office of Slovenia on the one hand and the Police and the Court of Audit of Slovenia on the other.	Pkg (Ad, Op)	N,U	Audit checklist;Investigation ;Other	Upgrade of the ‘Supervisor’ online application, which was launched on 3 March 2014 (remit of the Commission for the Prevention of Corruption – KPK).	Other	Upgrade of the ‘Supervisor’ online application, which was launched on 3 March 2014 (remit of the Commission for the Prevention of Corruption – KPK).	Other	Supervision: To ensure more efficient supervision, by the competent authorities, institutions and the media, of the use of the public money (remit of the Commission for the Prevention of Corruption – KPK).	/	Agriculture, Fisheries, Cohesion policy, Migration and asylum

EXPENDITURE Administrative measures																				
Member State	Measure	DOMAIN									Single / Package	New measure / Update	scope of administrative measure	scope/other	type of act	type of act/other	reasons	reasons/other	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify										
SK	M1	✓								/	Sg	U	Eligibility criteria;On the spot checks;Other	administrative controls of public procurement	Instructions, Guidelines, Manuals	/	To clarify or consolidate existing rules;To enhance existing measure	/	/	Cohesion policy
SK	M2	✓	✓			✓	✓			/	Sg	U	Audit checklist;Irregularities reporting;Other	the government audit rules	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	/	Fisheries, Cohesion policy
SK	M3					✓				/	Sg	N	Other	Conflict of interest (Managing authority guidance )	Other	managing authority guidance regarding conflict of interest	To clarify or consolidate existing rules	/	/	Fisheries, Cohesion policy
UK	M1	✓			✓	✓				/	Pkg (Ad, Or)	U	Monitoring/desk checks;On the spot checks;Irregularities reporting	administrative controls of public procurement	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	H	/
UK	M2	✓								/	Pkg (Ad, Or, Op)	N,U	Eligibility criteria;Monitoring/desk checks;On the spot checks;Irregularities reporting;Recovery	/	Instructions, Guidelines, Manuals	/	To clarify or consolidate existing rules;To enhance existing measure	/	/	Cohesion policy
UK	M3		✓							/	Sg	U	Investigation	/	Instructions, Guidelines, Manuals	/	To enhance existing measure	/	/	Cohesion policy

### 2.3.3. *Organisational measures*

This section is dedicated to "organisational measures", *i.e.* those measures aimed at impacting on the organisation of bodies competent for the protection of the EU financial interests. The Member States were asked to specify if it is a new measure, update or both, to specify the scope of the measure, expected results in terms of resources, date and nature of the measure.

The organisational measures taken in 2013 again confirm the trend of provisions adopted mainly within the public procurement domain alone or complemented with other field (such as corruption, organised crime, conflict of interest and other) and a few measures in otherfields<sup>54</sup>, adopted mostly within a package of provisions<sup>55</sup> with a horizontal effect<sup>56</sup>.

The concrete organisational measures adopted by the Member States concerned mostly the reorganisation of existing bodies and competences within and inter-agency cooperation<sup>57</sup>, general trainings and fraud awareness training<sup>58</sup>.

Italy for example adopted an organisational measure aimed at instructing investigative Departments about the implementation of international cooperation for the fight against organised crime (economic and assets recovery measures). Furthermore, the measure also targeted investigative projects based on specific "risk scores". Portugal implemented a more robust management and control system for Cohesion policy by a merger of the Development and Cohesion Agency, which should be an essential step for fraud prevention and creating procedural synergies.

The following tables include answers from the Member States as regards organisational measures adopted, sorted according to the revenue and expenditure part of the budget.

---

<sup>54</sup> Financial crime (1), organised crime (1), corruption (1), conflict of interest (1) and AFCOS (2)

<sup>55</sup> Organisational measures together with administrative, legislative and operational measures (5) or legislative, organisational and operational 2) or administrative, organisational and operational (2) or legislative/administrative and organisational (2)

<sup>56</sup> Compare organisational measures with horizontal effect (11) and sectoral effect (3revenue and 4 expenditure).

<sup>57</sup> Greece, Spain, France, Luxembourg, Hungary, Poland, Romania, , Portugal, and (reorganisation of existing bodies and competences); Greece, Austria and Poland (inter-agency cooperation).

<sup>58</sup> Italy, Latvia and United Kingdom (general training and fraud awareness training), Greece, Italy and United Kingdom (fraud awareness training) and Estonia (general training)

REVENUE										Organisational measures										
Member State	Measure	DOMAIN								Single	Package	New measure / Update	scope	scope-other	expected resources	resources/other	date	Horizontal measure (H)	Sectoral measure	
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other											If other please specify
BG	M1		✓							/	/	x (L, Or, Op)	U	Competence;Other	Decision No189 of 20 December 2013 of the Management Board of the National Revenue Agency approving the management and organisational structure of the Central Administration of the National Revenue Agency (NAP).	Neutral on resources	/	20.12.2013	/	Tax fraud
FR	M1		✓			✓	✓		✓	Corruption in a context other than public procurement	/	x (L, Ad, Or, Op)	N	Reorganisation of existing bodies;Competence	/	Neutral on resources	/	6.12.2013	/	Customs, Tax fraud
PL	M3			✓						/	/	x (L, Or, Op)	N	Competence;Inter- agency cooperation	/	Neutral on resources	/	1.1.2013	/	Customs, Tax fraud

EXPENDITURE																				
Organisational measures																				
Member State	Measure	DOMAIN								Single	Package	New measure / Update	scope	scope-other	expected resources	resources/other	date	Horizontal measure (H)	Sectoral measure	
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other											If other please specify
AT	M1							✓		/	x	/	N	Inter- agency cooperation	/	Neutral on resources	/	9.1.2014	H	/
EE	M2	✓								/	/	x (Ad, Or)	U	General trainings	/	Increased resources	/	1.1.2013	/	Cohesion policy
EL	M1	✓	✓		✓					/	/	x (L, Or)	N,U	Reorganisation of existing bodies;Competence;Inter-agency cooperation;Other	To tackle corruption and increase transparency, prepare and monitor draft national strategy for preventing and combating corruption.	Decreased resources	/	20.3.2013	H	/
EL	M2	✓	✓		✓	✓			✓	Investment project co-financed by the EU	/	x (L, Ad, Or, Op)	U	Inter- agency cooperation;Fraud awareness trainings;Simplification of procedures;Other	The SDOE notifies the certifying authority of irregularities found during its controls so that an investigation can be carried out into any link between the irregularities found and expenditure notified to the EC under the NSRF. If so, the certifying authority carries out a financial correction.	/	The increased cooperation at the inter- service level makes the most of and strengthens the available resources of the control mechanism and maximises the expected benefits in terms of protecting the financial interests of the EU	13.2.2013	H	/
ES	M3		✓						✓	This organisational measure extends the powers of the unit in charge of financial crime to include the fight against corruption, although it cannot be deemed to be an anti-corruption measure within the meaning of section 8 of the questionnaire.	x	/	U	Reorganisation of existing bodies;Competence;Inter-agency cooperation	/	Neutral on resources	/	18.1.2013	H	/
FR	M2							✓		/	x	/	N	Inter- agency cooperation	/	Neutral on resources	/	1.5.2013	H	/

EXPENDITURE																				
Organisational measures																				
Member State	Measure	DOMAIN									Single	Package	New measure / Update	scope	scope-other	expected resources	resources/other	date	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify										
HU	M2	✓								/	/	x (Ad, Or, Op)	N	Other	On the basis of the <b>Evaluation Report</b> being drawn up under the Common Assessment Framework to assist <b>organisational development</b> at the <b>PPA</b> (Public Procurement Authority), <b>measures are being prepared to further that development and increase satisfaction both internally and externally.</b>	Other	More effective use of available resources.	2013	H	/
IT	M3	✓	✓	✓	✓				✓	An organisational measure was adopted aimed at providing units with provisions regarding the methods of implementing international cooperation on combating organised crime financially and through property through the Asset Recovery Offices (ARO).	/	x (Or, Op)	U	General trainings; Fraud awareness trainings; Simplification of procedures; Other	The organisational measure was aimed at devising 'targeted investigative projects' for economic or regional situations characterised by high risk profiles for fraud.	Neutral on resources	/	20.1.2013	H	/
LU	M2	✓								/	x	/	N	Reorganisation of existing bodies	/	Neutral on resources	/	1.1.2014	H	/
LV	M3	✓	✓		✓	✓	✓			/	/	x (L, Ad, Or, Op)	N, U	Fraud awareness trainings;Other	Cooperation with other public stakeholders; A matrix on the prevention of double funding was published on the EU fund website on 2 July 2013	Increased resources	/	15.4.2013	H	/

EXPENDITURE																				
Organisational measures																				
Member State	Measure	DOMAIN									Single	Package	New measure / Update	scope	scope-other	expected resources	resources/other	date	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify										
PT	M2								✔	Implementation of a more robust management and control system for cohesion policy (ERDF, ESF and CF) through the creation by merger of the Agência para o Desenvolvimento e Coesão, IP (Development and Cohesion Agency) by Decree-Law No 140/2013 of 18 October 2013.	x	/	N	Reorganisation of existing bodies;Simplification of procedures;Other	Creation of a single management body for the cohesion policy funds , which, in collaboration with the IGF-AFCOS (Inspeção-Geral de Finanças,AA), makes a decisive contribution to the robustness of the management and control system so essential to fraud prevention and creates procedural synergies.	Neutral on resources	/	18.10.2013	/	Cohesion policy
RO	M1					✔				/	/	x (L, Ad, Or, Op)	N	Competence;Inter- agency cooperation;Simplification of procedures	/	Neutral on resources	/	30.1.2013	/	Agriculture, Fisheries, Cohesion policy
RO	M3				✔					/	/	x (L, Ad, Or, Op)	U	Competence	/	Neutral on resources	/	19.6.2013	H	/
UK	M1	✔			✔	✔				/	/	x (Ad, Or)	U	General trainings;Fraud awareness trainings	/	Neutral on resources	/	1.4.2014	H	/
UK	M2	✔								/		x (Ad, Or, Op)	N,U	Competence;General trainings;Fraud awareness trainings	/	Decreased resources	/	1.1.2013	/	Cohesion policy

#### 2.3.4. Operational measures

This section is dedicated to "operational measures", *i.e.* those measures aimed at increasing the performance of the control system, in terms of utilised tools or enhance cooperation with other bodies. The Member States were asked to specify if it is a new measure, update or both, the scope of the measure, expected result, date and nature of the measure (horizontal or sectoral and specific sectors concerned).

The operational measures taken in 2013 were mainly aimed at public procurement in combination with other domains. Several measures have been also adopted separately in the corruption field, financial crime, organised crime or regarding AFCOS service<sup>59</sup>. Most operational measures were adopted with sectoral effect<sup>60</sup>.

The concrete scope of operational measures adopted that concerned public procurement included **strengthened IT tools, web reporting and hotline**<sup>61</sup>, enhanced with risk indicators and an increased number of checks<sup>62</sup>. Slovenia upgraded the IT tool support, which provides that it is no longer possible to enter incorrect parameters. Slovenia also organised workshops (Agency for Agricultural Markets and Rural Development) for investors in order to reduce the error rate in public procurement and other areas. Poland introduced risk indicators (adding dried tobacco to the risk register) in order to target checks in the customs area. Portugal reported that it is testing ARACHNE risk scoring tool, which comprises a database of projects supported by the Structural Funds, supplemented by publicly available information with a view to identifying the 'most at risk' projects by the use of risk indicators.

Enhanced structured cooperation with law enforcement reported four Member States<sup>63</sup>. Assessment of integrity compliance during checks introduced Hungary. France introduced flagging practice and tightening up of controls in combating fraud in European subsidies.

Latvia introduced a complex operational measure<sup>64</sup> targeting fraud in Agriculture, Fisheries and Cohesion Policy that includes flagging practice, risk indicators, increased number of checks, structured cooperation with law enforcement, structured cooperation with judicial authorities and a matrix on the prevention of double funding published on the website.

Slovenia introduced measures on priority handling and more effective detection and investigation of crimes which damage the financial interests of both Slovenia and the EU between the police and the Budget Supervision Office of

---

<sup>59</sup> Financial crime (4), organised crime (1), AFCOS (3).

<sup>60</sup> In total 15 operational measures with sectoral effect (11 expenditure and 4 revenue) and 7 with horizontal effect.

<sup>61</sup> Bulgaria, Estonia, Greece, Cyprus, Hungary (targeted inspection: in cases of suspicion, targeted inspection using the *Opten* contacts network module, which can identify individual client links), Romania and Slovenia.

<sup>62</sup> Risk indicators (Greece, Poland) increased number of checks (Bulgaria, Hungary, United Kingdom), both risk indicators and increased number of checks (Germany, Ireland, Greece and Slovenia).

<sup>63</sup> France, Lithuania, Malta and Romania.

<sup>64</sup> Within a package of legislative, administrative, organisational and operational measures.



Slovenia on the one hand and the police and the Court of Audit of Slovenia on the other.

The following tables include answers from the Member States as regards operational measures adopted, sorted according to the revenue and expenditure part of the budget.

REVENUE		Operational measures																		
Member State	Measure	DOMAIN								Single	Package	New measure / Update	scope of operational measure	scope-scope	expected result	expected result-other	date	Horizontal measure (H)	Sectoral measure	
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other											If other please specify
BG	M1									/	x (L, Or, Op)	N	Increased number of checks	/	Targeting of checks	/	20.12.2013	/	Tax fraud	
CY	M2									/	x	/	U	IT tools; Web reporting/Hotline	/	Enhanced cooperation	/	2.1.2013	/	Tax fraud
EL	M3									/	x	/	U	IT tools; Risk indicators; Other	IT/Risk analysis into operation: To improve the targeting and enhance the effectiveness of the risk analysis of the Customs Office enforcement units by bringing the new IT system, ICISNET, into operation.	Enhanced coordination; targeting checks; Other	Enhanced controls during customs clearance	1.1.2013	/	Customs
FR	M1									Corruption in a context other than public procurement	/	x (L, Ad, Or, Op)	N	Structured cooperation with law enforcement; Structured cooperation with judicial authorities	/	Enhanced cooperation; Enhanced information flow	/	25.10.2013	/	Customs, Tax fraud
IE	M3									/	x	/	N	IT tools; Flagging practice; Risk indicators	/	Enhanced coordination; Enhanced information flow; Targeting of checks; Enhanced ex-post controls	/	18.2.2013	/	Customs
LU	M3									/	x	/	N	IT tools	/	Enhanced coordination; Enhanced information flow	/	1.1.2014	/	Customs
PL	M3									/	Pkg (L, Or, Op)	U	Risk indicators	/	Targeting of checks; Other	Adding dried tobacco to the risk register	1.1.2013	/	Customs, Tax fraud	



EXPENDITURE		Operational measures																	
Member State	Measure	DOMAIN							Single	Package	New measure / Update	scope of operational measure	scope-scope	expected result	expected result-other	date	Horizontal measure (H)	Sectoral measure	
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS											Other
HU	M1				🟢					x	/	N	Other	Assessment of <b>integrity compliance</b> during checks.	Enhanced cooperation; Enhanced information flow; Enhanced ex-post controls	/	2013	/	Cohesion policy, Centralised direct management
HU	M2	🟢							/	x (Ad, Or, Op)	U	IT tools	/	Enhanced information flow; Enhanced ex-ante controls; Enhanced ex-post controls	/	2013	H	/	
HU	M3							🟢	Processing of support and payment requests. The Agriculture and Rural Development Agency uses the Open company information service, of which the contacts network module is a part. These services are of assistance in assessing the client/company/financial background and personal links, and therefore in understanding risks that occur.	x	/	U	IT tools; Risk indicators; Increased number of checks; Other	Targeted inspection (in cases of suspicion, targeted inspection using the Open contacts network module, which can identify individual client links).	Targeting of checks; Targeting of investigations.	/	1.11.2013	/	Agriculture, Fisheries
IE	M2	🟢	🟢			🟢			/	x	/	U	Risk indicators; Increased number of checks	/	Targeting of checks; Targeting of investigations Enhanced ex-ante controls; Enhanced ex-post controls	/	5.11.2013	/	Agriculture
IT	M3	🟢	🟢	🟢	🟢			🟢	An organisational measure was adopted aimed at providing units with provisions regarding the methods of implementing international cooperation on combating organised crime financially and through property through the Asset Recovery Offices (ARO).	x	x (Or, Op)	N	Increased number of checks; Structured cooperation with law enforcement	/	Enhanced coordination; enhanced cooperation; enhanced information flow	/	21.3.2013	H	/

EXPENDITURE																				
Operational measures																				
Member State	Measure	DOMAIN									Single	Package	New measure / Update	scope of operational measure	scope-scope	expected result	expected result-other	date	Horizontal measure (H)	Sectoral measure
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS	Other	If other please specify										
LT	M2								✔	The composition of the working group of irregularities inspectors, which includes representatives of the Lithuanian bodies responsible for the administration of EU financial assistance, was confirmed by Order No 1K-396 of the Minister for Finance.	x	/	U	Structured cooperation with law enforcement	/	Enhanced coordination; enhanced cooperation; enhanced information flow	/	13.12.2013	H	/
LV	M3	✔	✔		✔	✔	✔			/	/	Pkg (L, Ad, Or, Op)	N, U	Flagging practice;Risk indicators;Increased number of checks;Structured cooperation with law enforcement;Structured cooperation with judicial authorities;Other	Cooperation with other public stakeholders; A matrix on the prevention of double funding was published on the EU fund website on 2 July 2013	Enhanced coordination; Enhanced cooperation;Targeting of checks; Enhanced ex-ante controls; Enhanced ex-post controls	/	2.7.2013	/	Agriculture, Fisheries, Cohesion Policy
MT	M1							✔		/	x	/	U	Structured cooperation with law enforcement;Structured cooperation with judicial authorities	/	Enhanced coordination; Enhanced cooperation; Enhanced information flow.	/	14.11.2013	H	/
PT	M3		✔			✔	✔		✔	Use of the ARACHNE information system in a test phase by the IGF and the Agency. It comprises a database of projects supported by the Structural Funds, which is supplemented by publicly available information with a view to identifying the 'most at risk' projects by the use of risk indicators .	x	/	N	IT tools;Other	Risks of fraud/Conference in Brussels on 3.12.2013: outlined tools which help to raise awareness of the risks of fraud and corruption and gave examples of best practice to reduce fraud and corruption linked to the management of the funds .	Enhanced information flow; Targeting of checks	/	15.11.2013	/	Cohesion policy

EXPENDITURE																			
Operational measures																			
Member State	Measure	DOMAIN							Single	Package	New measure / Update	scope of operational measure	scope-scope	expected result	expected result-other	date	Horizontal measure (H)	Sectoral measure	
		Public procurement	Financial crime	Organised crime	Corruption	Conflict of interest	Fraud definition	AFCOS											Other
RO	M1					✔			/	x (L, Ad, Or, Op)	N	IT tools	/	Enhanced cooperation; enhanced information flow; targeting of checks; targeting of investigations; enhanced ex-ante controls	/	30.1.2013	/	Agriculture, Fisheries, Cohesion policy	
RO	M3				✔				/	x (L, Ad, Or, Op)	U	IT tools-Structured cooperation with law enforcement-Structured cooperation with judicial authorities	/	Enhanced coordination; enhanced cooperation; enhanced information flow; other	Inter-institutional best practice exchange	18.3.2014	H	/	
SI	M1		✔		✔	✔	✔	✔	Signing agreements on priority handling and more effective detection and investigation of crimes which damage the financial interests of both Slovenia and the EU between the Police and the Budget Supervision Office of Slovenia on the one hand and the Police and the Court of Audit of Slovenia on the other.	/	x (Ad, Op)	N, U	IT tools-Risk indicators-Structured cooperation with law enforcement-Other	Data on the implementation of activities in operations (remit of the Ministry of Finance – Department for EU Donations). This operational measure is dated February 2013.	ALL (enhanced coordination; enhanced cooperation; enhanced information flow; targeting of checks; targeting of investigations; enhanced ex-ante controls; enhanced ex-post controls)	/	3.3.2014	/	Agriculture, Fisheries, Cohesion policy, Migration and asylum.
SI	M3	✔							/	x	/	U	IT tools-Web reporting/Hotline-Increased number of checks-Other	Transitions to the upgraded IT support it is no longer possible to enter incorrect parameters. We have organised workshops (Agency for Agricultural Markets and Rural Development – ARSK TRP) for investors in order to reduce the error rate in public procurement and other areas. The ARSK TRP controls 100 % of the measures and inspects investment projects on site	Enhanced coordination; Enhanced cooperation; Enhanced information flow; Targeting checks; Enhanced ex-post controls	/	15.4.2013	/	Agriculture, Cohesion policy
UK	M2	✔							/	/	x (Ad, Or, Op)	U	Increased number of checks	/	Enhanced cooperation; Enhanced information flow; Targeting of checks	/	1.1.2013	/	Cohesion policy

### 2.3.5. Corruption in public procurement – adopted provisions in detail

***The Member States were asked to clarify on the measures interested fraud prevention and corruption within public procurement, please indicate which elements have been addressed.*** The choice included pre-set answers regarding measures against corruption, transparency measures, and measures to enhance effectiveness of management, control and audit.

Ten Member States specified adoption of new (or updated) measures aimed at fighting “corruption within public procurement”: Germany, Greece, Italy, Cyprus, Latvia, Hungary, Malta, Romania, Slovenia and United Kingdom. These measures concerned, with a few exceptions, the public sector<sup>65</sup>, which reflects the current trend in the measures taken to combat fraud within procurement and responds to some extent to several recommendations from the last year<sup>66</sup>.

*The specific measures aimed at corruption* that involved administration of *personnel* (including the post-employment rules)<sup>67</sup>, introduction of the four-eye principle<sup>68</sup>, anti-corruption training and awareness raising<sup>69</sup> were among the most frequent measures adopted within this set. Italy, Latvia and Malta also introduced provisions on the protection of whistleblowers. Debarment (black lists) has been included in the provisions tackling corruption in Italy, Latvia and Romania. The specific *transparency measures* in this section involved public disclosure of information, including disclosure of fraudsters<sup>70</sup>.

Amongst the specific measures to enhance *effectiveness of management* were reported provisions concerning specialised or centralised procurement authorities<sup>71</sup>. Fewer Member States introduced or enhanced corruption statistics<sup>72</sup>, e-procurement<sup>73</sup> and integrity pacts<sup>74</sup>.

The set of measures aimed at *effectiveness of control and audit*<sup>75</sup> in particular focused on enhanced smart IT tools and databases together with enhanced risk assessment<sup>76</sup>.

The following tables include answers from the Member States as regards adopted measures to fight the corruption within public procurement.

---

<sup>65</sup> Malta introduced measures to protect whistleblowers with the effect on both private and public sector; Romania and Greece adopted a set of measures tackling corruption (with target on the public procurement) with the effect on private and public sector.

<sup>66</sup> Recommendation 5, 6 and 8, lesser to the recommendation 2 of the PIF report 2012.

<sup>67</sup> Cyprus, Hungary, Italy, Romania and United Kingdom

<sup>68</sup> Germany, Hungary, Latvia, Romania and Slovenia

<sup>69</sup> Germany

<sup>70</sup> Disclosure of fraudsters (naming and shaming) introduced Germany, Cyprus, Latvia, Romania; disclosure of documents and information introduced Italy and Romania; disclosure of beneficial owners introduced Cyprus, Italy and Slovenia.

<sup>71</sup> Germany, Greece, Italy, Cyprus and Romania

<sup>72</sup> Greece, Italy, Romania and Slovenia

<sup>73</sup> Malta, Romania and United Kingdom

<sup>74</sup> Italy and Slovenia

<sup>75</sup> Germany, Greece, Cyprus, Latvia, Malta and Slovenia

<sup>76</sup> Greece, Italy, Cyprus, Latvia, Hungary, Romania and Slovenia

## CORRUPTION WITHIN PUBLIC PROCUREMENT

Measures in the fight against corruption															
MS	CY	DE	DE	DE	EL	EL	HU	IT	IT	IT	LV	MT	RO	SI	UK
Measure	M2	M1	M2	M3	M1	M2	M1	M1	M2	M3	M3	M2	M3	M1	M1
Public sector / including political sphere	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Private sector						✓						✓	✓		
Personnel administration	✓					✓	✓	✓					✓		✓
Rules on ethics						✓	✓	✓			✓		✓	✓	✓
Four-eye principle		✓	✓	✓		✓	✓				✓		✓	✓	
Anticorruption training and awareness-raising		✓	✓	✓		✓	✓				✓		✓	✓	✓
Mandatory disclosure of assets						✓					✓		✓		✓
Post-employment rules	✓					✓		✓			✓				
Sanctions						✓		✓			✓		✓	✓	
Leniency/voluntary disclosure programmes	✓					✓									
White lists								✓							
Debarment, Black lists						✓			✓				✓		
Whistleblowers						✓		✓			✓	✓			
International collaboration						✓					✓		✓		
Agents provocateurs											✓		✓		



**CORRUPTION WITHIN PUBLIC PROCUREMENT**

Transparency measures																
MS	CY	DE	DE	DE	EL	EL	HU	IT	IT	IT	LV	MT	RO	SI	UK	
Measure	M2	M1	M2	M3	M1	M2	M1	M1	M2	M3	M3	M2	M3	M1	M1	
Public sector / including political sphere	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Private sector					✓							✓	✓			
Disclosure of fraudsters	✓										✓		✓			
Disclosure of beneficial owners of the contractors and subcontractors	✓							✓						✓		
Disclosure of the members of evaluation committees																
Public disclosure of documents/ information		✓	✓	✓				✓					✓			
Other						The NSRF monitoring and control system is fed with data from the controls carried out by the SDOE. This adds value to the transparency sector owing to utilisation of the SDOE's special powers in relation to its access to sources of information.	Publication of the State Audit Office reports	Submission to the contracting authority of a list of all the undertakings involved in a project both directly and indirectly for subsequent transfer to the prefecture.	Support for the implementation of a central administration's anti-corruption plans through a risk analysis of irregularities in the management of European Union funds.	Since 18 July 2012 the Corruption Prevention and Combating Bureau (KNAB) has published information on its website on identified violations committed by State officials in the field of corruption prevention, indicating the official's full name and position held, the nature and time of the violation, and also the decision taken as a result and its enforcement.		Disclosure of the implementation level of anticorruption measures by the public institutions.	The 'Supervisor' application will enable everyone to view details of transactions between the State and its business partners; for each transaction, the name of the business partner will appear along with the payment amount and date, the budget item from which the amount has been paid and the type of cost.	UK agriculture paying agencies have regularly reviewed controls and measures to guard against potential fraud and respond to reported incidents. Fraud awareness e-learning is mandatory for all employees. Employees must declare any potential conflicts of interest and giftshospitality.		

**CORRUPTION WITHIN PUBLIC PROCUREMENT**

Measures to improve the effectiveness of management																
MS	CY	DE	DE	DE	EL	EL	HU	IT	IT	IT	LV	MT	RO	SI	UK	
Measure	M2	M1	M2	M3	M1	M2	M1	M1	M2	M3	M3	M2	M3	M1	M1	
Public sector / including political sphere	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Private sector						✓						✓	✓			
E-procurement												✓	✓		✓	
Market-based indicators																
Specialised or centralised procurement authorities	✓	✓	✓	✓		✓		✓					✓			
Assessment of anticorruption measures							✓						✓	✓		
Corruption statistics						✓							✓	✓		
Integrity pacts									✓					✓		
Other						The generally accepted principles (Provisions, Clauses, etc.) of contract law apply.								✓	Projects receiving EC funds follow established procurement requirements, including where relevant publication in the OJEC. EAFRD funded projects involving capital building works are subject to increased scrutiny, especially those of low-medium value and in remote rural areas with fewer suppliers.	

**CORRUPTION WITHIN PUBLIC PROCUREMENT**

Measures to improve the effectiveness of control and audit																	
MS	CY	DE	DE	DE	EL	EL	HU	IT	IT		IT	LV	MT	RO	SI		UK
Measure	M2	M1	M2	M3	M1	M2	M1	M1	M2		M3	M3	M2	M3	M1		M1
Public sector / including political sphere	✔	✔	✔	✔	✔	✔	✔	✔	✔		✔	✔	✔	✔	✔		✔
Private sector						✔							✔	✔			
Smart IT tools, database	✔					✔	✔	✔				✔		✔	✔		
Risk assessment				✔		✔	✔					✔			✔		✔
Red flags, mechanisms of warning						✔		✔									
Audit	✔	✔	✔	✔		✔						✔	✔		✔		
Other						✔			Undertaking awarded the contract obliged to name a site contact person to update on an ongoing basis and keep available a site report, containing a list of the names of all employees and of all equipment used by them for whatever reason physically located on site.						OLAF-related entries in the debtors lodger are marked to ensure the closer supervision of a particular scope of operation (remit of the Ministry of Finance – Department for EU Donations).		

### 3. ANTI-FRAUD CO-ORDINATION SERVICE (AFCOS)

Implementation of Article 3.4 of the new OLAF Regulation, which entered into force on 1 October 2013, states that *‘Member States shall, for the purposes of this regulation, designate a service (‘the anti-fraud coordination service’) to facilitate effective cooperation and exchange of information, including information of an operational nature, with the Office. Where appropriate, in accordance with national law, the anti-fraud coordination service may be regarded as a competent authority for the purposes of this regulation’*.

The AFCOS part of the Questionnaire aimed to collect information regarding the establishment and current organisation of AFCOS, their tasks and competences, including coordinating and investigative powers.

#### 3.1. Appointment of AFCOS

Member States were asked if there is an AFCOS authority set up in their Member State. OLAF provided Member States with a guidance note on main tasks and responsibilities of an Anti-Fraud Coordination Service (AFCOS).

Twenty-three Member States have already established their Anti-Fraud Coordination Service (AFCOS) and Germany which re-confirmed working cooperation arrangement with OLAF. These include all the post-2004 Member States<sup>77</sup>, plus Belgium, Denmark, Greece, France, Italy<sup>78</sup>, Netherlands, Austria, Portugal, Finland and United Kingdom<sup>79</sup> and Germany.

Germany reported that the Federal Ministry of Finance (BMF, Department EA6) currently continues to coordinate matters relating to OLAF at national level. Even before the new OLAF regulation entered into force, OLAF and the German government had concluded a working cooperation arrangement which has been re-confirmed<sup>80</sup>.

The remaining four Member States have not formally established their AFCOS yet, however the procedures are ongoing in Ireland, Spain Luxembourg and

---

<sup>77</sup> At the time of EU enlargement in 2004 and 2007 there was no relevant EU legal base for the designation of AFCOS. However the designation of AFCOS was included as a priority in the 2001 Accession Partnership and the Accession Countries committed themselves to this objective in their National programmes for the adoption of *Acquis Communautaire*, as well as in the so-called “Negotiation positions” under the relevant chapter on Financial control. Since 2013 the AFCOS concept is anchored in the Regulation (EU, EURATOM) No 883/2013 Article 3(4), the provision on the designation of AFCOS serves also as a benchmark for the Candidate Countries in their accession to the EU.

<sup>78</sup> Italy established *Committee to combat fraud in the Community* (Comitato per la lotta contro le frodi comunitarie) in 199, Art. 76 of the Law 19/02/1992 n. 142; based on the Regulation for the reorganisation of the bodies within the Department for the Coordination of Community Policies pursuant to Article 29 of Decree Law No 223 of 4 July 2006, converted into statute with amendments by Law No 248 of 4 August 2006, established COLAF, *Committee to combat fraud in the European Union* (Comitato per la lotta contro le frodi nei confronti dell'Unione europea).

<sup>79</sup> Finland reported an interim solution. Denmark, Greece, Austria, Portugal and the United Kingdom reported procedures ongoing for 2013 and appointed their AFCOS service in 2014.

<sup>80</sup> Letter to OLAF on 13 January 2014.

Sweden, with expected framework to become operational before the end of 2014, or within 2 years' time (Spain).

AFCOS authority set-up				
MS	YES	YES Interim solution	Date of establishment	NO Procedure ongoing
AT			9.1.2014	
BE			12.12.2013	
BG			25.7.2006	
CY			12.9.2002	
CZ			5.9.2007	
DE				
DK			21.5.2014	
EE			2.10.2003	
EL			13.6.2014	
ES				
FI			29.1.2004	
FR			1.5.2013	
HR			14.12.2006	
HU			1.1.2001	
IE				
IT			14.5.2007 (19.2.1992)	
LT			24.5.2002	
LU				
LV			11.9.2002	
MT			1.6.2000	
NL			16.10.2012	
PL			30.8.2002	
PT			10.1.2014	
RO			23.5.2002	
SE				
SI			4.7.2002	
SK			1.1.2002	
UK			28.4.2014	

*Tab.7: Status quo concerning AFCOS authority appointment in the Member States*

Germany did not answer concerning the set-up of AFCOS in the questionnaire and clarified on the situation separately - the AFCOS continues to be coordinated by department EA6. Greece communicated establishment of AFCOS on 13 June 2014.

AFCOS		
MS	YES - Name	Date of establishment
AT	Bundesministerium für Finanzen, Abteilung für Betrugsbekämpfung, Steuer und Zoll ( <i>Federal Ministry for Finance, Department for anti fraud, tax and customs.</i> )	9.1.2014
BE	La Commission Interdépartementale pour la Coordination de la lutte contre la Fraude économique - CICF ( <i>Interdepartmental committee to coordinate the fight against economic fraud</i> ), set up by decision of the Council of Ministers of 26 September 1997, is the AFCOS point for Belgium.	12.12.2013
BG	Дирекция „Координация на борбата с правонарушенията, засягащи финансовите интереси на Европейския съюз (АФКОС)” – Министерство на вътрешните работи ( <i>Directorate for the Coordination of the Fight against Infringements Affecting the Financial Interests of the European Union (AFCOS) – Ministry of the Interior</i> )	25.7.2006
CY	ΣΥΝΤΟΝΙΣΤΙΚΟΣ ΦΟΡΕΑΣ ΓΙΑ ΤΗΝ ΚΑΤΑΠΟΛΕΜΗΣΗ ΤΗΣ ΑΠΑΤΗΣ ( <i>Anti-Fraud Coordination Service</i> )	12.9.2002
CZ	Centrální kontaktní bod AFCOS a jeho lokální kontaktní body ( <i>AFCOS Central Contact Point and its local contact points</i> ); September 2007 - Government Resolution No. 1010 based of which transition of the CKB AFCOS from the Public Prosecutor's Office (NSZ) to the Ministry of Finance - Department of Control.	5.9.2007 (Effective since 1.1.2008)
DK	Den danske Koordineringstjeneste for Bekæmpelse af Svig ( <i>The Danish Anti-Fraud Coordination Service</i> )	21.5.2014
EE	Rahandusministeerium, finantskontrolli osakond, AFCOS Eesti ( <i>Ministry of Finance, Financial Control Department, AFCOS Estonia</i> )	2.10.2003
FI	Valtiovarainministeriö/Valtiovarain controller –toiminto ( <i>Ministry of Finance / Financial controller</i> )	29.1.2004
FR	Délégation Nationale à la Lutte contre la Fraude - DLNF ( <i>National Anti-Fraud Delegation</i> )	1.5.2013
HR	Služba za suzbijanje nepravilnosti i prijevара ( <i>Office for Combating Irregularities and Fraud</i> )	14.12.2006
HU	Nemzeti Adó- és Vámhivatal Központi Hivatala OLAF Koordinációs Iroda ( <i>OLAF Coordination Office of the National Tax and Customs Administration</i> )	2001
IT	Comitato per la lotta contro le frodi nei confronti dell'Unione europea – COLAF ( <i>Committee for combatting fraud in the European Union</i> ); in 1992 Comitato per la lotta contro le frodi comunitarie ( <i>Committee for combatting fraud in the Community</i> )	14.5.2007 (19.2.1992)
LT	Finansinių nusikaltimų tyrimo tarnyba prie Lietuvos Respublikos vidaus reikalų ministerijos ( <i>Financial Crime Investigation Service under the Lithuanian Ministry of Interior</i> )	24.5.2002
LV	Kontaktiestāde sadarbībai ar OLAF - Eiropas Krāpšanas apkarošanas biroju ( <i>The contact authority for cooperation with OLAF</i> )	11.9.2002
MT	Internal Audit and Investigations Department - IAID ( <i>Cabinet Office, Office of the Prime Minister</i> )	1.6.2000
NL	Douane Informatie Centrum - DIC ( <i>Customs Information Centre</i> )	16.10.2012
PL	Departament Ochrony Interesów Finansowych Unii Europejskiej w Ministerstwie Finansów -będący aktualnym następcą prawnym pierwotnej komórki ustanowionej jako AFCOS. ( <i>Department of Protection of Financial Interests of the European Union, Ministry of Finance - which is the current successor to the original AFCOS cell</i> )	30.8.2002
PT	Inspeção-Geral de Finanças - IGF ( <i>General Inspection of Finance</i> )	10.1.2014
RO	Departamentul de Luptă Anti-Frauda – DLAF ( <i>Fight Against Fraud Department</i> )	23.5.2002
SI	Urad Republike Slovenije za nadzor proračuna ( <i>Budget Supervision Office of the Republic of Slovenia - constituent body in the Ministry of Finance of the Republic Slovenia</i> )	4.7.2002
SK	Útvár pre koordináciu boja proti podvodom ( <i>the Government Office of the Slovak Republic, the Control and Fight against Corruption Section</i> )	1.1.2002
UK	City of London Police	28.4.2014

Tab. 8: Name and date of establishment of the Anti-Fraud Co-ordination Service

Greece communicated establishment of AFCOS to OLAF on 13 June 2014.

### 3.2. Legal basis of Anti-Fraud Co-ordination Service

Member States were asked to specify the current legal basis empowering the central authority to take action/provide assistance to OLAF. (Type of legal basis: Legal act, internal rules or internal procedures)

The majority of Member States reported a *legal act* as a legal basis for establishment of the AFCOS.

Table 9 details the replies of those Member States which indicated a *legal act* as a reply to this question.

AFCOS legal basis: Legal act			
MS	Number	Date	Title
BG	Decree No 215 of the National Assembly	7.7.2012	Amendment of the Ministry of the Interior Act and its Implementing Provisions ( State Gazette 44/2012 and 60/2012)
CY	Cyprus Council of Ministers decision No.56.370	12.9.2002	Designation of contact point with OLAF
CZ	Resolution of the Government of the Czech Republic No 1010 of 5 December 2007	5.9.2007	AFCOS Central Contact Point and its local contact points
EE	Government of the Republic Regulation No 177	22.11.2011	Statutes of the Ministry of Finance (Section 20)
FI	1216/2003	19.12.2003	State Budget Act
HR	NN No. 144/2013	28.11.2013	Decree on the inter-institutional framework for a system to combat irregularities and fraud
HU	Act XXIX of 2004	1.5.2004	Amending, repealing and establishing certain legislative provisions in connection with accession to the European Union.
IT	D.P.R.91	14.5.2007	Regulation for the reorganisation of the bodies within the Department for the Coordination of Community Policies pursuant to Article 29 of Decree Law No 223 of 4 July 2006, converted into statute with amendments by Law No 248 of 4 August 2006.
LT	747	24.5.2002	On the body responsible for cooperation with the European Anti-Fraud Office (OLAF).
LV	495, published in Latvijas Vēstnesis No. 131 (2706) on 13.9.2002	11.9.2002	Cabinet Order on establishing a contact authority for cooperation with OLAF, the European Anti-fraud Office
MT	Chapter 461 of the Laws of Malta	25.7.2003	Internal Audit and Financial Investigations Act
NL	33.247 (Bulletin of Acts and Decrees 467, 2012)	27.9.2012	Act on the provision of assistance to the European Commission in on-the-spot checks and inspections
PT	Article 11, paragraph 2, point d) of Decree-Law 117/2011	15.12.2011	Organic Law of the Ministry of Finance
RO	61	10.5.2011	Law on organization and functioning of the Fight Against Fraud Department - DLAF
SI	Ref.: 245-24/2002-1	4.7.2002	Government Decision No 245-24/2002-1 of 4 July 2002 (Ljubljana)
SK	§ 24 (5), Act No. 575/2001 Coll. 2.) § 5, Act No. 528/2008 Coll. 3.) § 2a, Act No. 10/1996 Coll	1.9.2002	1. Act on the organisation of the activities of the Government and organisation of the central public administration, as amended; 2. Act on the assistance and support provided from EU funds, as amended; 3. National Council of the Slovak Republic Act on controls in public administration, as amended
UK	Act 1863	28.4.2014	City of London Police Act 1863

Tab.9 : Legal act empowering the AFCOS to act as a contact point for OLAF

*Internal procedures* are a legal base for AFCOS in Belgium, France and Austria, as detailed in Table 10. In Greece the legal base of AFCOS is under finalisation. In Denmark the legal base of establishment of AFCOS is a government decision.

AFCOS legal basis: Internal procedures	
MS	Internal procedures
AT	Consultation with the bodies responsible for the Structural Funds in other Ministries as part of an inter-Ministry meeting held at the Federal Finance Ministry on 09.01.2014.
BE	The CICF was designated AFCOS BE by decision of the Prime Minister's Office of 12 December 2013.
FR	The National Anti-fraud Delegation (DLNF) was designated by the Minister for Finance to act as the national contact point for OLAF. It does not replace the authorities involved in combating fraud affecting the financial interests of the EU.

*Tab.10: Internal procedures empowering the AFCOS to act as a contact point for OLAF*

Table 11 shows the information concerning the Polish AFCOS, which is based on *internal rules*.

AFCOS legal basis: Internal rules	
MS	Internal rules
PL	1. Order No 34 of the Minister for Finance of 27 July 2012 introducing rules of procedure for the Ministry of Finance. 2. Order No 12/DO/2013 of the Chancellor to the Ministry of Finance of 3 June 2013 approving internal rules of procedure for the Department for Protection of EU Financial Interests.

*Tab.11: Internal rules empowering the AFCOS to act as a contact point for OLAF*

### 3.3. Organisation of AFCOS

The Member States were asked<sup>81</sup> if the AFCOS competences are handled by a single organisation or whether the coordinating structure is relying on a network of organisations to accomplish its tasks.

Thirteen Member States organised their AFCOS as a Central contact point<sup>82</sup>, while the remaining seven Member States organised their AFCOS as a structure<sup>83</sup>, consisting of the AFCOS service where AFCOS competences are handled by a network of organisations involving AFCOS service and other authorities relevant for cooperation with OLAF.

<sup>81</sup> Denmark, Greece and the United Kingdom are not included in the answers as they appointed their AFCOS service during 2014.

<sup>82</sup> Bulgaria, Czech Republic, Estonia, Italy, Lithuania, Hungary, Malta, Netherlands, Austria, Poland, Portugal, Romania and Finland.

<sup>83</sup> Belgium, France, Croatia, Cyprus, Latvia, Slovenia and Slovakia



Organisation of AFCOS		
MS	CENTRAL CONTACT POINT	AFCOS STRUCTURE
AT	✓	
BE		✓
BG	✓	
CY		✓
CZ	✓	
EE	✓	
FI	✓	
FR		✓
HR		✓
HU	✓	
IT	✓	
LT	✓	
LV		✓
MT	✓	
NL	✓	
PL	✓	
PT	✓	
RO	✓	
SI		✓
SK		✓

Tab.12: Member States indicated the organisation of their AFCOS set-up.

### 3.3.1. Organisation of AFCOS – STRUCTURE

The Member States, which indicated that AFCOS competences are endowed within a structure, were asked if the setting is formally established (meeting on a regular basis) or is it based on ad hoc meetings.

Of the seven Member States which defined that AFCOS competencies are handled by a "structure", in five of them the meetings are in an established form (in Belgium, Croatia, Latvia, Slovenia and Slovakia), while in two (in France and Cyprus) it functions on the basis of ad hoc meetings as shown in table 13.

AFCOS STRUCTURE		
MS	Ad hoc meetings	Formally established
BE		✓
CY	✓	
FR	✓	
HR		✓
LV		✓
SI		✓
SK		✓

Tab.13: AFCOS structure – form of establishment (ad hoc or formally established)

The seven Member States, who established their AFCOS as a structure, were also asked to indicate the organisations belonging to it. Table 14 shows for each of them the bodies (organisations) participating in the structure. The Slovak Republic reported all bodies from the choice in the below scheme and indicated that their AFCOS comprises also of the Office for Public Procurement, The Supreme Audit Office of the Slovak Republic, the Slovak Information Service and the Bratislava Self-Governing Region. Belgium reported that their AFCOS may be extended depending on the issue to be dealt with.

AFCOS STRUCTURE - organisations belonging to it											
MS	Anticorruption service	Ministry of Finance	Ministry of Interior	Ministry of Justice	Prosecutor's Office	Central Bank	Police	Managing Authorities	Audit Authorities	Certifying/ paying authorities	Other
BE	✓	✓		✓	✓		✓	✓	✓	✓	✓
CY					✓		✓	✓	✓	✓	
FR		✓		✓	✓			✓	✓	✓	
HR	✓	✓	✓	✓	✓			✓	✓	✓	✓
LV	✓	✓		✓	✓		✓	✓		✓	✓
SI	✓	✓	✓	✓	✓		✓				
SK	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Tab.14: Organisations belonging to the AFCOS structure – seven Member States indicated which organisations belong to the network.

Table 15 specifies the bodies referred to under the ‘other’ category.

AFCOS structure - organisations	
MS	Other
BE	Federal Public Service (SPF) Economy; SPF Public health; BE permanent representation to the EU; Bureau d'Intervention et de Restitution belge (Belgian Intervention and Refunds Bureau). The CICF may be expanded to include, for example, the Chancellery of the Prime Minister or the Foreign Affairs FPS, depending on the issues to be dealt with.
HR	The AFCOS system in Croatia comprises three constituents: 1. a system for reporting irregularities; 2. the AFCOS network; 3. the Ministry of Finance – Office for Combating Irregularities and Fraud (SSNIP).
LV	The State Revenue Service (int.al. Customs Criminal Board, Finance Police Board, National Tax Board), the Procurement Monitoring Bureau
SK	the Office for Public Procurement, The Supreme Audit Office of the Slovak Republic, the Slovak Information Service, the Bratislava Self-Governing Region

Tab. 15: Organisations belonging to the AFCOS structure – other category

Belgium, Croatia, Latvia and Slovakia further commented on organisations involved in the AFCOS structure as specified in table 16.

AFCOS structure - organisations	
MS	Comment
BE	The composition of the CICF may change, depending on the issue to be dealt with.
HR	The system for reporting irregularities is composed of accredited bodies using and managing EU aid funds, while the AFCOS network comprises bodies dedicated to combating fraud and corruption. The SSNIP acts as a coordinator and central OLAF contact point.
LV	Cabinet Order No 475 of 15 October 2013 on the composition of the Coordination Council for the Protection of EU Financial Interests. The tasks and rights of the Council are set out in Cabinet Regulation No 269 of 23 March 2010 laying down the regulations of the Coordination Council for the Protection of EU Financial Interests.
SI	The Slovenian Government has set up an inter-ministerial working group for cooperation with OLAF which is comprised of representatives of all the aforementioned bodies/institutions and convenes regularly (twice per year), or more often if required, at meetings called and headed by the Budget Supervision Office.

Tab. 16: Organisations belonging to the AFCOS structure – other (comment)

### 3.3.2. Organisation of AFCOS – CENTRAL CONTACT POINT

Member States were asked to describe what type of body is the national AFCOS and the functions it accomplishes.

Thirteen Member States organised their AFCOS service as a Central contact point, for the most part within a *ministry* (Austria, Bulgaria, Czech Republic, Estonia, Finland, Hungary, Italy, Malta, Poland and Portugal).

Three Member States reported that their AFCOS is based in an *investigative body* (Netherlands, Portugal and Romania). Only Lithuania based its AFCOS service within a *law enforcement body*, as shown in the scheme 17. None of the Member States based its AFCOS within a *judicial body*.

AFCOS Central contact point				
MS	Ministry	Investigative body	Law enforcement	Judicial body
AT	✓			
BG	✓			
CZ	✓			
EE	✓			
FI	✓			
HU	✓			
IT	✓			
LT			✓	
MT	✓			
NL		✓		
PL	✓			
PT	✓	✓		
RO		✓		

Tab. 17: Central contact point – type of body

In the Netherlands, Portugal and Romania the AFCOS service has been situated into an *investigative body*. In the Netherlands the AFCOS has administrative powers, as it is in charge of reporting irregularities and coordination of information. In Romania the AFCOS has broad coordinative and investigative

powers (Romania selected all sub-options of the questionnaire) and conducts joint investigations with OLAF, based on the New Criminal Procedure Code<sup>84</sup>.

### 3.4. Functions accomplished by AFCOS

The table 18 summarises the situation in all the Member States. The answers concerning Member States who established their AFCOS as a “structure” have been derived from the answers provided in the part 2.6 (Human resources per activity). The reason why the Czech Republic indicated personnel in charge of investigation and did not specify this function is that the AFCOS Central contact point (base) is not in charge, however investigations are carried out by the Local contact point (The Supreme Public Prosecutor's Office).

Main functions accomplished by AFCOS (all types of AFCOS)							
MS	In charge of irregularities reporting	Legal issues	Training and antifraud prevention	Investigation	Coordination of information	Public relations	Other
AT					✓		
BE					✓		
BG	✓	✓	✓	✓	✓	✓	✓
CY	✓	✓	✓	✓	✓		
CZ	✓	✓	✓	✓	✓	✓	
EE			✓		✓	✓	
FI		✓			✓		
FR			✓		✓	✓	
HR	✓	✓	✓		✓	✓	
HU	✓	✓	✓		✓	✓	
IT	✓	✓	✓		✓	✓	✓
LT	✓	✓	✓	✓	✓	✓	
LV			✓		✓		
MT	✓		✓	✓	✓		
NL	✓	✓	✓	✓	✓	✓	✓
PL					✓		
PT	✓			✓	✓		✓
RO	✓	✓	✓	✓	✓	✓	✓
SI	✓	✓	✓		✓	✓	
SK	✓		✓	✓	✓	✓	

Tab. 18: Main functions of AFCOS (all types)

Five Member States, which established their AFCOS as a Central contact point, specified other functions or clarified the choice, as shown in table 19.

<sup>84</sup>

The Romanian AFCOS is an “ascertaining body” based within the New Criminal Procedure Code (Law No.61/2011).

Main functions accomplished by AFCOS - Other	
MS	Comment
BG	Administrative checks and controls on the implementation of the procedure for processing allegations received and for detecting irregularities in the structures administering EU funds, including performance of their duties by the persons responsible .
IT	The Committee comprises: the Prime Minister's Office, the Ministries of the Interior, Justice, Economic Affairs and Finance, Economic Development, Agricultural Policies, Infrastructure and Transport, Employment, and Education, the Guardia di Finanza (financial police), the Carabinieri, the Customs and Revenue Agencies, the AGEA (Agricultural Payments Agency), the Conference of the Regions, the Union of Italian Provinces, and the Italian National Association of Municipalities.
NL	Responsible for reporting irregularities and investigations conducted by Customs alone.
PT	IGF is responsible for the accreditation of the paying agency and the annual certification of accounts for EAGF and EAFRD. It acts as the single Audit Authority for all operational programmes in the 2007 2013 and 2014 2020 periods.
RO	Technical assistance for OLAF in Romania.

Tab. 19: Main functions of AFCOS (Central contact point) - Other

#### 3.4.1. Training and antifraud prevention

Fifteen Member States reported that their AFCOS provides training and antifraud prevention, as shown in table 18.

Eight Member States having established their AFCOS as a Central contact point, included “training and antifraud prevention” amongst AFCOS functions and were requested to indicate further details (AFCOS acting as a participant, organiser or both).

In Bulgaria, Estonia, Hungary, Italy, Lithuania and Romania AFCOS acts as an organiser and participant in trainings and antifraud prevention. In the Czech Republic, AFCOS acts as an organiser; in Malta, as a participant only, as shown in Table 20.

Training and anti-fraud prevention		
MS	As participant	As organiser
BG	✓	✓
CZ		✓
EE	✓	✓
HU	✓	✓
IT	✓	✓
LT	✓	✓
MT	✓	
RO	✓	✓

Tab. 20: Training and antifraud prevention – AFCOS acts as an organiser or participant or both

### 3.5. AFCOS internal organisation

Most AFCOS, established as a Central contact point, are based as a sector or directorate within ministry directly referring to the minister (Bulgaria, Estonia,

Finland, Italy, Malta and Portugal). Two AFCOS are established as a self-standing authority (Lithuania and Romania). Netherlands established its AFCOS as a service within a Directorate directly referring to the Head of Directorate. The remaining four countries, Austria, Czech Republic, Hungary and Poland, have “other” internal organisation as shown in the scheme 21.

AFCOS internal organisation				
MS	A self standing authority	Sector/Directorate within the Ministry directly referring to the Minister	Service/ Unit within a Directorate directly referring to the Head of Directorate	Other
AT				✓
BG		✓		
CZ				✓
EE		✓		
FI		✓		
HU				✓
IT		✓		
LT	✓			
MT		✓		
NL			✓	
PL				✓
PT		✓		
RO	✓			

Tab. 21: AFCOS internal organisation (Central contact point)

Table 22 shows ‘other’ replies, clarifying on the internal organisation by the Member States concerned.

AFCOS internal organisation - Other	
MS	Comment
AT	Department within a Directorate of the Federal Finance Ministry (Directorate IV, Tax and Customs Administration, Anti-fraud, Duties).
CZ	The AFCOS Central Contact Point has been set up within the Central Harmonisation Unit, which forms part of the Inspection Department No 17 - Inspection. The local AFCOS contact points have been set up at ministries and other bodies such as the Czech Police, the Supreme Public Prosecutor's Office, the Supreme Audit Office, the Directorate-General of Customs, and within regional councils.
HU	The OLAF Coordination Office is a part of the National Tax and Customs Administration, but operates independently within the scope of its responsibilities. It has neither the status of an authority nor independent legal personality. The OLAF Coordination Office undertakes its duties independently of any external influence.
PL	Section of the Ministry reporting directly to the Under Secretary of State.

Tab. 22: AFCOS internal organisation (Central contact point) – Other

### 3.6. Human resources

All Member States, having already established AFCOS, were requested to provide details about the overall level of human resources and then detail it per activity as per the typology indicated in the table 23.

Seven Member States indicated an overall level of human resources above 25 people, while eight have allocated less than six as shown in the table.

Human resources overall				
MS	1-5	6-10	11-25	25+
AT	✓		✓	
BE				
BG				✓
CY				✓
CZ				✓
EE	✓			
FI	✓			
FR	✓			
HR		✓		
HU			✓	
IT				✓
LT				✓
LV	✓			
MT	✓			
NL	✓			
PL		✓		
PT				✓
RO				✓
SI	✓			
SK			✓	

*Tab. 23: Human resources overall – All Member States (all types of AFCOS)*

Table 24 provides further details on the allocation of HR in broad terms, ensuring various functions attributed to the AFCOS. It is important to underline, however, that AFCOS members of staff deal with more than one function.

MS	Irregularities reporting				Legal issues				Training				Investigation				Coordination of information				Public relations			
MS	0	1-5	6-10	11-25	0	1-5	6-10	11-25	0	1-5	6-10	11-25	0	1-5	6-10	25+	1-5	6-10	11-25	25+	0	1-5	6-10	11-25
AT	✓				✓				✓				✓						✓		✓			
BE	✓				✓				✓				✓				✓				✓			
BG		✓				✓				✓					✓		✓					✓		
CY			✓			✓				✓						✓	✓				✓			
CZ				✓		✓				✓							✓					✓		
EE	✓				✓					✓			✓				✓				✓			
FI	✓				✓				✓				✓				✓				✓			
FR	✓				✓					✓			✓				✓				✓			
HR		✓				✓				✓			✓				✓				✓			
HU		✓				✓				✓			✓				✓				✓			
IT			✓					✓					✓					✓					✓	
LT		✓				✓				✓						✓	✓					✓		
LV	✓				✓					✓			✓				✓				✓			
MT		✓			✓					✓							✓				✓			
NL		✓				✓				✓							✓				✓			
PL	✓				✓				✓				✓				✓				✓			
PT		✓			✓					✓						✓	✓				✓			
RO		✓					✓			✓						✓				✓				
SI		✓				✓				✓			✓				✓				✓			
SK		✓			✓					✓			✓				✓				✓			

Tab. 24: Human resources per activity – All Member States (all types of AFCOS)



Several categories should be highlighted. Training is employing most personnel in Italy, Lithuania and Slovakia. Irregularities' reporting involves highest number of resources in the Czech Republic, Cyprus and Italy<sup>85</sup>, while legal issues are employing most officials in Italy and Romania.

Investigation involves most personnel in Cyprus, Lithuania, Portugal and Romania, which is also corresponding to a stronger investigative competence of AFCOS in these countries.

Training is extensively dealt with AFCOS in Italy, Lithuania and Slovakia, coordination of information in Austria and Romania, public relations in Italy.

### 3.7. Tasks and powers

Member States having established the AFCOS had to indicate if it has a coordinating or investigative role or it covers both.

All the Member States indicated that the mandate of AFCOS enables for coordinating role. Eight Member States indicated that their AFCOS is entrusted with certain investigative powers: In Belgium, Bulgaria, Cyprus, Lithuania, Malta, Portugal, Romania and Slovakia, as specified in Table 25.

Role of AFCOS		
MS	Coordinating role	Investigative role
AT	✓	
BE	✓	✓
BG	✓	✓
CY	✓	✓
CZ	✓	
EE	✓	
FI	✓	
FR	✓	
HR	✓	
HU	✓	
IT	✓	
LT	✓	✓
LV	✓	
MT	✓	✓
NL	✓	
PL	✓	
PT	✓	✓
RO	✓	✓
SI	✓	
SK	✓	✓

Tab. 25: Role of AFCOS (all types of AFCOS)

<sup>85</sup> In the Czech Republic and Italy the higher number of personnel corresponds with high number of irregularities reported.

### 3.7.1. Coordination competences

The following question requested the Member States to specify the coordination competences of AFCOS according to predefined categories as shown in Table 26.

Competences of AFCOS in the field of coordination								
MS	Irregularity management framework	AFCOS is informed	National antifraud coordination	Possibility to develop antifraud proposals to enforce antifraud arrangements	Training and antifraud prevention	Guide on methodology	Accessibility of data in administrative field	Other
AT		✓						
BE	✓	✓	✓				✓	✓
BG	✓	✓	✓	✓	✓	✓		
CY	✓	✓	✓	✓	✓	✓		
CZ			✓	✓	✓	✓		
EE		✓	✓	✓	✓	✓	✓	
FI				✓				
FR			✓					
HR	✓	✓	✓	✓	✓	✓		
HU	✓	✓	✓	✓	✓	✓		
IT	✓	✓	✓	✓	✓	✓	✓	
LT		✓		✓	✓		✓	
LV		✓		✓	✓			
MT	✓	✓	✓	✓	✓	✓		
NL								✓
PL								✓
PT	✓	✓	✓	✓	✓	✓	✓	
RO	✓	✓	✓	✓	✓	✓		✓
SI	✓	✓	✓	✓	✓	✓		
SK	✓	✓	✓	✓	✓	✓		

Tab. 26: Coordination field (all Member States, all types of AFCOS)

Vast coordination competences<sup>86</sup> were reported by Bulgaria, Estonia, Croatia, Italy, Cyprus, Hungary, Malta, Romania, Slovenia and Slovakia.

Lithuania, Portugal and the Czech Republic indicated broad coordination competences of AFCOS.

Table 27 specifies further coordination competences reported by four Member States.

Competences of AFCOS in the field of coordination	
MS	Other - coordination field
BE	Platform for exchange of administrative documentary information on the purpose, nature and progress of the investigations. Under Regulation No 2185/96 notification of EAGF irregularities - follow-up to controls concerning CAP aid - follow-up to OLAF and AGRI audits, etc.
NL	The Customs Information Centre is responsible for all OLAF-related operational activities while all judicial, legal and policy matters are dealt with by the National Customs Office
PL	Cooperation and coordination of support for OLAF during on-site checks and visits regarding the expenditure side of the EU budget and shared management, implemented at the request of the Office.
RO	Any of the obligation derived from Art. 325 TFEU

Tab. 27: Coordination field (all Member States, all types of AFCOS) – other

<sup>86</sup>

Most or all of the choice from the questionnaire: Irregularity management framework, AFCOS is informed, National antifraud coordination, Possibility to develop antifraud proposals to enforce antifraud arrangements, Training and antifraud prevention, Guide on methodology and Accessibility of data in the administrative field.

Limited coordinating competences reported France (in the field of “national antifraud coordination”), Austria (AFCOS is informed about coordination and exchange of information in connection with on-the-spot controls by OLAF) and Finland (possibility to develop antifraud proposals to enforce antifraud arrangements).

Note that the competences in the field of national antifraud strategy have not been explored in the questionnaire.

### 3.7.1.1. Irregularity management framework

The eleven Member States, which indicated Irregularity management framework within the coordination function, were requested to select the option(s) that best describe the role of AFCOS in relation to it, according to the suggested answers as shown in Table 28.

Irregularity management framework				
MS	Development of the system of irregularity management (proposals/recommendations)	AFCOS is involved in preparation of following regulative instruments regarding irregularity management	Main actor in legislation related to irregularity management	None
BE				✓
BG	✓			
CY	✓	✓	✓	
HR	✓	✓	✓	
HU	✓	✓		
IT	✓	✓	✓	
MT				✓
PT	✓			
RO	✓	✓	✓	
SI	✓			
SK	✓	✓		

Tab. 28: Coordination - Irregularity management framework

The seven Member States having selected the involvement in the preparation of regulating instruments were requested to provide further specification as shown in Tables 29 and 30.

AFCOS involved in preparation of regulative instruments regarding irregularity management (specification)				
MS	Legislative acts	Recommendations and guides	Procedural rules and regulations	Other
BG	✓	✓	✓	
CY			✓	
HR	✓	✓	✓	✓
HU	✓	✓	✓	
IT	✓	✓	✓	
RO	✓	✓	✓	
SK	✓	✓	✓	

Tab. 29: AFCOS is involved in preparation of regulative instruments regarding irregularity management

Preparation of regulative instruments regarding irregularity management	
MS	Other
HR	Drawing up of strategic documents (e.g. the National strategy for combating fraud and protecting the EU's financial interests for the period 2014–2016).

Tab. 30: AFCOS is involved in preparation of regulative instruments regarding irregularity management-Other

### 3.7.1.2. Exchange of information

The fifteen Member States, which indicated that AFCOS participates in exchanges of information were required to further specify on it as shown in Tables 31 and 32.

Coordination field - AFCOS informed about:				
MS	All control reports/audit reports that include conclusions relevant for IMS	Information about irregularity investigations	All control and audit reports of irregularity related to a specific case	Other
AT				✓
BE		✓		
BG	✓		✓	
CY		✓		
EE	✓	✓	✓	
HR	✓	✓		
HU		✓		
IT	✓	✓		
LT		✓		
LV				✓
MT	✓	✓		
PT	✓	✓	✓	
RO	✓	✓	✓	
SI		✓	✓	
SK			✓	

Tab. 31: Coordination field – AFCOS is informed about

Coordination field - AFCOS informed about:	
MS	Other
AT	Coordination and exchange of information in connection with on the spot controls by OLAF.
LV	AFCOS prepares an annual report for the Cabinet on identified irregular expenditure within the framework of EU policy instruments, EU initiatives, the pre accession funds and transition assistance.

Tab. 32: Coordination field – AFCOS is informed about- Other

When the information concerns irregularity investigations, further clarification was requested, as shown in Table 33.

Information about irregularity investigations			
MS	Only those to be submitted to OLAF	Specific investigations	All prepared by reporting organisations
BE		✓	
CY	✓		
EE		✓	✓
HR	✓		✓
HU	✓		
IT	✓		
LT		✓	
MT			✓
PT			✓
RO	✓	✓	✓
SI	✓	✓	

Tab. 33: Information about irregularity investigations – specification

### 3.7.2. Investigative competences

The following set of questions aims at obtaining the knowledge about those AFCOS for which investigative competences have been indicated, as shown in Table 34.

Cyprus, Romania<sup>87</sup>, Portugal and Malta reported broader investigative competences (a selection of all answers choice in the questionnaire: Contact point – link for OLAF to national investigative authorities, exchange of investigative information with OLAF, investigative powers according to national procedures, investigation of irregularities, participation in audit and control, on irregularity investigative procedure and penal cases). Seven Member States out of eight with broader investigative competences responded competence in investigative activities according to *national procedures*, six of them proceed with interviewing persons concerned and witnesses with their consent have *access to documents and premises* and to the *information about ongoing criminal or administrative investigations*.

The Member States were asked to specify the competences of AFCOS in investigative fields. The results are summarised in Table 34.

Competences of AFCOS in investigative fields							
MS	Contact point	Investigative powers according to national procedures	Investigation of irregularities	Participation on audit and control	Own investigative procedure	Penal cases	Other
BE	✓	✓		✓			✓
BG	✓	✓		✓	✓		
CY	✓	✓	✓	✓		✓	
LT	✓	✓				✓	
MT	✓	✓	✓	✓	✓		
PT	✓	✓	✓	✓	✓		
RO	✓	✓	✓	✓	✓	✓	✓
SK	✓			✓			

Tab. 34: Competences of AFCOS in investigative fields (all Member States, all types of AFCOS)

<sup>87</sup> Romania clarified position of AFCOS as an investigative body, according to the updated New Criminal code procedure.

Competences of AFCOS in investigative fields	
MS	Other
BE	The <i>DG Inspection économique</i> (Economic Inspectorate), to which the CICF belongs, assists OLAF by carrying out inspections of Belgian economic operators in order to identify serious or international irregularities and protect the EU's financial interests.
RO	Joint investigation with OLAF

Tab. 35: Competences of AFCOS in investigative fields (all Member States, all types of AFCOS) - Other

The option “contact point” in table 36 refers to the competence of AFCOS to act as OLAF’s contact point in relation to OLAF’s investigations (for example link for OLAF to national investigative authorities, link for exchange of investigative information with OLAF and/or other Member States).

The eight following Member States specified certain investigative activities of AFCOS as a contact point: **Belgium, Bulgaria, Cyprus, Lithuania, Malta, Portugal, Romania and Slovakia**. Germany re-confirmed cooperation agreement with OLAF that has been concluded in April 2008, based on which BMF<sup>88</sup> functions as a contact point in relation to OLAF.

Activities of OLAF as a contact point				
MS	Link for OLAF to national investigative authorities	Exchange of investigative information with OLAF	Exchange of investigative information with other MS	Other
BE		✓	✓	✓
BG	✓	✓	✓	
CY	✓	✓		
LT	✓	✓	✓	
MT	✓	✓		
PT	✓	✓		
RO	✓	✓	✓	✓
SK		✓		

Tab.36: Activities of AFCOS as a contact point

Netherlands reported that their AFCOS is based within the *Customs Information Centre* (Duane Informatie Centrum, DIC), however its investigative powers are limited to administrative investigation. As regards investigation at the governmental departments, the authority to investigate is attributed to them.

In Belgium the Economic directorate (DG Inspection Economique), to which the CICF belongs, assists OLAF by carrying out inspections of Belgian economic operators in order to identify serious or international irregularities and to protect EU financial interests. The CICF’s role as a contact point is to centralise and dispatch OLAF’s requests for investigations to the relevant national authorities. AFCOS in Belgium thus rarely conducts operational cooperation, as the function consists solely of coordination of relevant information and centralisation. Its role is limited to dispatching information requests to the competent authorities.

<sup>88</sup>

Bundesministerium der Finanzen, BMF (*Federal Ministry of Finance in Germany*)

*Investigative powers according to national procedures* apply AFCOS Belgium, Bulgaria, Cyprus, Lithuania, Malta, Portugal and Romania, as shown in Tables 37 and 38.

Investigative powers according to national procedures							
MS	Interviewing persons concerned and witnesses with their consent	Interviewing persons concerned and witnesses under caution	Accessing documents and premises	Searching and seizing	Accessing information about ongoing criminal/administrative investigations	Tracing people, telephones and mail	Other
BE					✓		✓
BG	✓		✓		✓		
CY	✓	✓	✓	✓	✓		
LT	✓	✓	✓	✓	✓	✓	✓
MT	✓		✓				
PT	✓	✓	✓				✓
RO	✓		✓		✓		✓

Tab.37: *Investigative powers according to national procedures*

Investigative powers according to national procedures	
MS	Other
BE	In accordance with its function as the sole point of contact, the CICF's main role is to centralise and dispatch OLAF's requests for investigations to the relevant national authorities, not act on them itself. Application of Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996.
LT	In certain cases, instructions can be given to banks to terminate a withdrawal and transfer of money from the accounts of natural and legal persons.
PT	Obtain documents and access information relating to ongoing administrative procedures.
RO	Ascertaining body according to the New Criminal Procedure Code; Law no.61/2011

Tab.38: *Investigative powers according to national procedures – Other*

The following tables detail the replies provided by the Member States concerned about AFCOS competencies in the investigation of irregularities and of criminal investigations

Investigation of irregularities		
MS	Launching of irregularity proceedings	Participation in the irregularity investigations
CY	✓	
MT	✓	✓
PT	✓	✓
RO	✓	

Tab. 39: *Investigation of irregularities (launching of irregularity proceedings or irregularity investigations)*

Participation in irregularity investigations		
MS	Observer	Consulting
MT	✓	
PT		✓

Tab. 40: *Participation in irregularity investigations (as an observer or consulting)*

Penal cases		
MS	Information exchange related to penal cases	Participation in investigation of penal cases
CY	✓	
LT	✓	
RO		✓

Tab. 41: Investigative powers conferred to AFCOS in the area of criminal investigations

### 3.8. Cooperation with judicial authorities

The last question of the survey requested the Member States to indicate whether the AFCOS cooperation with judicial authorities is structured or unstructured.

Formalized cooperation with judicial authorities has been established in AFCOS of Bulgaria, the Czech Republic, Estonia, Croatia, Latvia, Malta, Romania and Slovenia. In Austria there is no cooperation agreement between AFCOS and judicial authorities. Cooperation on a case by case and/or cooperation on request is foreseen in Belgium, France, Italy, Cyprus, Lithuania, Hungary, Netherlands, Poland, , , Portugal, Slovakia and Finland (in Bulgaria, Czech Republic, Estonia, Croatia, Latvia, Malta, Romania and Slovenia the cooperation is both formalized and case by case or on request) as specified in table 42.

Cooperation with judicial authorities				
MS	No cooperation	Formalized (regular meetings)	Case by case	Cooperation on request
AT	✓			
BE			✓	
BG		✓	✓	✓
CY			✓	✓
CZ		✓		✓
EE		✓	✓	✓
FI				✓
FR			✓	
HR		✓		✓
HU			✓	✓
IT			✓	✓
LT			✓	
LV		✓	✓	✓
MT		✓		
NL			✓	
PL				✓
PT				✓
RO		✓	✓	✓
SI		✓	✓	✓
SK			✓	✓

Tab. 42: Cooperation with judicial authorities (all Member States, all types of AFCOS)

Table 43 collects the comments provided by the Member States in relation to cooperation with judicial authorities



Cooperation with judicial authorities	
MS	Comment
AT	As the AFCOS only performs a coordination function, <b>cooperation with the judicial authorities is the responsibility of either the relevant department within the Ministry or the relevant office within the provincial government.</b>
BE	<b>Operational cooperation is rare</b> , solely centralisation and coordination of relevant information. As explained above, its role is limited to <b>dispatching information requests to the competent authorities</b> . As AFCOS the CIOF does not have the experience to answer question 2.5.2.
CZ	The Supreme Public Prosecutor's Office is a local AFCOS contact point.
EE	There is cooperation in Estonia between the anti-corruption service (the Estonian Internal Security Service), the Customs and Tax Board, the Ministry of Justice, the Prosecutor's Office, the Police and Border Guard Board and all authorities involved in the implementation of aid.
HR	Within the context of the AFCOS network, i.e. at its regular or extraordinary meetings, the <b>SSNIP (Office for Combating Irregularities and Fraud) cooperates, inter alia, with the judicial body (the State Attorney's Office of Croatia) discussing actions to be taken in the face of discovered or suspected irregularities.</b>
LT	The Financial Crime Investigation Service has <b>direct access to data from the courts' information system (LITEKO) concerning procedural decisions taken by courts in criminal cases.</b>
LV	<b>Meetings of the AFCOS Council take place at least twice a year.</b> Where necessary, additional meetings with investigators are held to examine specific cases of suspected fraud. Cooperation also takes place within the framework of each separate case.
MT	In terms of Art 18 of the Internal Audit and Financial Investigations Act (cap. 461 of the Laws of Malta)
PL	The Public Prosecutor's Office is independent from the public administration; <b>cooperation with AFCOS is limited to coordination tasks related to OLAF's administrative investigations, although there is a contact point for OLAF in the Public Prosecutor's Office</b> which is designated for direct working contacts in accordance with the Office's remit.
SK	Formalised cooperation based on <b>Memorandum on Cooperation with the National Criminal Agency, information exchange takes place in written form.</b>

*Tab. 43: Cooperation with judicial authorities – Comment (all Member States, all types of AFCOS)*