

# Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	<a href="#">2001/2186(COS)</a>	Procedure completed
Fight against fraud and protection of the Communities' financial interests. Action plan 2001-2203, annual report 2000		
Subject 8.70.04 Protecting financial interests of the EU against fraud		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>CONT</b> Budgetary Control		10/07/2001
		PSE <a href="#">BÖSCH Herbert</a>	
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>BUDG</b> Budgets	The committee decided not to give an opinion.	
	<b>LIBE</b> Citizens' Freedoms and Rights, Justice and Home Affairs	The committee decided not to give an opinion.	
	<b>ECON</b> Economic and Monetary Affairs	The committee decided not to give an opinion.	
	<b>JURI</b> Legal Affairs and Internal Market	The committee decided not to give an opinion.	
Council of the European Union	Council configuration	Meeting	Date
	<a href="#">Economic and Financial Affairs ECOFIN</a>	<a href="#">2358</a>	15/06/2001
	<a href="#">Economic and Financial Affairs ECOFIN</a>	<a href="#">2353</a>	05/06/2001
European Commission	Commission DG	Commissioner	
	<a href="#">European Anti-Fraud Office (OLAF)</a>		

Key events			
15/05/2001	Non-legislative basic document published	COM(2001)0255	Summary
05/06/2001	Resolution/conclusions adopted by Council		
15/06/2001	Resolution/conclusions adopted by Council		
22/10/2001	Committee referral announced in Parliament		
06/11/2001	Vote in committee		Summary
06/11/2001	Committee report tabled for plenary	<a href="#">A5-0393/2001</a>	

28/11/2001	Debate in Parliament		
29/11/2001	Decision by Parliament	<a href="#">T5-0644/2001</a>	Summary
29/11/2001	End of procedure in Parliament		
27/06/2002	Final act published in Official Journal		

### Technical information

Procedure reference	2001/2186(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	CONT/5/15236

### Documentation gateway

Non-legislative basic document		<a href="#">COM(2001)0255</a>	15/05/2001	EC	Summary
Supplementary non-legislative basic document		<a href="#">COM(2001)0254</a>	15/05/2001	EC	Summary
Committee report tabled for plenary, single reading		<a href="#">A5-0393/2001</a>	06/11/2001	EP	
Text adopted by Parliament, single reading		<a href="#">T5-0644/2001</a> <a href="#">OJ C 153 27.06.2002, p. 0041-0325 E</a>	29/11/2001	EP	Summary
Non-legislative basic document		<a href="#">COM(2002)0348</a>	02/07/2002	EC	Summary
Non-legislative basic document		<a href="#">COM(2003)0445</a>	23/07/2003	EC	Summary
Non-legislative basic document		<a href="#">COM(2004)0573</a>	30/08/2004	EC	Summary

## Fight against fraud and protection of the Communities' financial interests. Action plan 2001-2203, annual report 2000

**PURPOSE:** to present a communication from the Commission protecting the Communities' financial interests fight against fraud: Action Plan for 2001-2003. **CONTENT:** In response to the challenges identified in the overall strategic approach outlined by the Commission in 2000, and without prejudice to more specific initiatives in each Directorate-General or to the operational tasks assigned to the European Anti-Fraud Office by the Commission and the legislator, the Commission intends to implement a number of specific measures over the next three years. This is the purpose of the Action Plan for 2001-2003, the first working programme fully covered by this overall strategic approach. It sets out the priority measures and initiatives to be implemented by Commission departments, including the European Anti-Fraud Office in its non-operational role. As pointed out in the strategic approach adopted by the Commission in 2000, protecting the Communities' financial interests is the business of the Commission and all its departments and of the other institutions of the Member States. This is reflected in the Action Plan for 2001-2003, which lays down the priority measures to be implemented in line with the broad guidelines defined by the multiannual strategic approach: developing an overall anti-fraud policy; fostering a culture of cooperation between all the authorities responsible; an inter-institutional approach to preventing fraud and corruption and strengthening the criminal law dimension. The four challenges are in line with the dynamic of the May 1999 anti-fraud reform and the creation of the European Anti-Fraud Office (OLAF), in response to the high priority attached by the institutions and the Member States to the fight against economic and financial crime. This approach is based on the new Article 280, as amended by the Treaty of Amsterdam, with due regard for the fact that the Commission's special responsibility in this regard is also closely linked with its budget implementation tasks under Article 274 of the EC Treaty. Finally, cooperation between all the competent authorities is crucial to the success of the Action Plan. ?

## Fight against fraud and protection of the Communities' financial interests. Action plan 2001-2203, annual report 2000

**PURPOSE :** to present the annual report 2000 from the Commission on the protection of the Communities' financial interests and the fight against fraud. **CONTENT :** the Commission's 2000 annual report, which is the second on the new treaty base, therefore summarises in its first

part the Community initiatives concerning protection of the financial interests. It reports in its second part on measures taken by the Member States in 1999-2000 and covers in a third and final part the statistical information communicated by the Member States, under the terms of sectoral regulations, on their activities in the fight against fraud in the main Community policies. A first part covers the legislative and horizontal regulatory initiatives, and then the sectoral legislation. For the former, the report mentions in particular initiatives in 2000 to strengthen the penal judicial dimension, more particularly those linked to the objective of establishing an area of freedom, security and justice. The operation of the Office, in its reporting activities and in its role amid the institutions, is raised specifically also to illustrate the manner in which it sets up vertical cooperation activities with the competent national authorities and technical and operational assistance. This part also covers some of the actions undertaken by the Community in partnership with the main actors in the protection of financial interests and the fight against fraud. A second part draws the consequences of the ratification of the Amsterdam Treaty and the implementation of the new article 280, paragraph 5 which provides also for the activity of the Member States to be reported. For the first time, the Commission report summarises the resources implemented in 1999 and 2000 by the Member States for the protection of the Communities' financial interests, on the basis of a concerted working methodology. The Member States effectively assume, in practice, the responsibilities conferred on them by the Treaty. A third part contains an analysis of the data gathered from the Member States resulting from the Community's investigation activity to identify the main trends in fraudulent activity or irregular practices as well as the overall results in terms of recovery and financial follow up. In this context it is important to recall that the detection and follow up of cases of fraud and other irregularities committed against the Communities' financial interests must be carried out by the Member States and the Commission in close cooperation. The year 2000 marks a new development in the level of irregularities, including fraud established by the Member States or suspected by OLAF. The figures however must be interpreted in a cautious manner given the heterogeneous character of the data given by the Member States. After a period of stabilisation, the amounts involved are on the increase in several areas (e.g. the EAGGF-Guarantee expenditure and traditional own resources, structural funds, the direct expenditure sector particularly for external policies, ?

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The committee adopted the report by Herbert BÖSCH (PES, A) on the Commission's 2000 annual report. MEPs voiced concern that the real scale of the problem of fraud was being obscured by under-reporting, i.e. cases that are not detected at all and cases that are detected in the Member States but not reported to OLAF. The committee wanted to strengthen OLAF's investigation activities and therefore called for closer cooperation between OLAF and the competent national authorities. It also wanted the Commission to initiate the relevant investigations in suspected cases of fraud and favouritism relating to former Commissioners. The report also supported the establishment by mid-2002 of a European Public Prosecutor, whose remit would initially be confined to internal investigations. MEPs looked forward to receiving the Green Paper on this subject by the end of 2001 and welcomed the Commission proposal to amend the EC Treaty at the earliest opportunity, conferring more extensive powers on the European Public Prosecutor. ?

## Fight against fraud and protection of the Communities' financial interests. Action plan 2001-2203, annual report 2000

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In adopting this resolution by Herbert BÖSCH (PES, A), Parliament is calling for real improvements in efforts to combat fraud. It notes that detected fraud and irregularities on the revenue side now account for 7.5% of traditional own resources, a total of EUR 1.143m. MEPs are concerned that the real scale of the problem is being obscured by underreporting, i.e. cases that are not detected at all and cases that are detected in the Member States but are not reported to OLAF. Parliament wants to strengthen OLAF's investigation activities and calls for closer cooperation between OLAF and the competent national authorities, as well as for effective parliamentary scrutiny of OLAF investigations. It stresses that the recent cases of irregularities and corruption involving EU funds in Poland and Slovakia must be fully investigated. In addition, it requests the European Court of Auditors to submit to it by the start of 2003 at the latest an opinion on each candidate country showing whether the system of financial control in place in these countries is able to work in a way that will allow the shift to decentralised management of Community funds on accession without jeopardising the Community's financial interests. MEPs also call on the Commission to initiate the relevant investigations in suspected cases of fraud and favouritism related to former Commissioners. Finally, Parliament welcomes the Commission's support for the idea of a European Public Prosecutor to be established by mid-2002. MEPs expect the Commission to examine how to set up such an office, whose remit would initially be confined to internal investigations. MEPs also welcome the Commission proposal to amend the EC Treaty at the earliest opportunity, conferring more extensive powers on the European Public Prosecutor. ?