Protection of the EC financial interests: administratives sanctions

1994/0146(CNS) - 22/02/1995

The Committee on Budgetary Control adopted the report by Mrs Diemut THEATO, subject to a number of amendments relating to the following points: - Legal basis of the act: the proposal for a regulation should be based, not on Article 235 of the Treaty, but on Articles 43 (implementation of the common agricultural policy and establishment of the common market organisations), 100a (approximation of legislation that had as their object the establishment or functioning of the internal market) and 209a (obligation of the Member States to combat fraud in the Community in the same way as they would protect their national interests); - Concept of irregularity and penalties: the rules proposed were exhaustive but should be supplemented on the following points: . the scope of the rules (protection of the Communities' financial interests to guarantee competition conditions and the conditions for operation of the internal market); . the actions constituting fraud (such as violation of the obligation to provide information to the inspection authorities and to authorise access for on-the-spot checks); - On-the-spot checks and inspections: significant work was involved, but it would be wise to introduce innovative elements that would make checks more effective: . extended powers with regard to on-the-spot checks for the body specially responsible for the inspections: the anti-fraud unit (ULAF), to which would be added further services that would eventually have similar responsibility; . the subject of the checks should be better defined and clarified; . the central and local public authorities of the Member State in question should be involved in the application of the procedure; . ULAF inspectors should be considered as civil servants; . ULAF inspectors should forward to the legal authorities details of all acts they were aware of involving elements likely to lead to proceedings.