Fight against fraud: investigations by the European Anti-Fraud Office OLAF

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The Committee gave the green light for an EU fraud prevention office to be set up as quickly as possible when it adopted a report by Herbert BÖSCH (PES, A). The report deals with a proposal for a regulation concerning investigations to be conducted by the office and comes under the EP-Council codecision procedure pursuant to new Article 280 of the Amsterdam Treaty, which enters into force on 1st May 1999. The text of the proposed regulation is the fruit of close cooperation and an agreement reached by the ad hoc high level group consisting of Parliament, Council and Commission. The group made significant changes, on the lines desired by Parliament, to the Commission's initial proposal. The modified text defines more closely the tasks and investigatory rights of the new office (OLAF), which will replace UCLAF. It will be able to conduct investigations in the Member States and the administrations of all Community institutions and bodies, the aim being to protect the Community's financial interests and also ensure that all kinds of irregularities which could be liable to administrative or criminal proceedings are covered. OLAF will enjoy complete operational independence. It will be headed by a director (to be appointed after consultations between the Commission, Parliament and Council), who will have an obligation to forward directly to the judicial authorities such information as the Office has obtained in internal investigations concerning matters open to criminal charges. Its staff numbers will be greater than those of UCLAF. It will be subject to monitoring by a Supervisory Committee made up of five independent qualified experts. The director of OLAF will be able to go to the Court of Justice to protect OLAF's independence. It will inform not only the Commission but also Parliament, the Council and the Court of Auditors about its investigations. The procedure for the adoption of the texts needed to set OLAF up is already under way. The Commission has to adopt a decision establishing the European Fraud Prevention Office (OLAF) as a replacement for UCLAF. In parallel, Parliament and the Council will adopt the modified regulation at a single reading under the codecision procedure. Parliament will then take its final decision at the May part-session in Strasbourg. The Council has undertaken to adopt the text on May 25th. In addition, an interinstitutional agreement between Parliament, Council and Commission will be adopted, to which all the other EU institutions and bodies are invited to subscribe with a view to laying down precise arrangements for investigations by OLAF in those institutions and bodies. It is therefore hoped that the framework needed for OLAF to come into being will be in place by June 1st.