Fight against fraud and protection of the Communities' financial interests. Annual report 1999

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PURPOSE : to present the 1999 annual report from the Commission on protecting the Communities' financial interests and the fight against fraud. CONTENT : 1999 marked an important milestone, and establishing the new Anti-Fraud Office was a major priority for the Commission that meant not only assigning staff but also laying down a new anti-fraud strategy aiming to forge closer partnership with the Member States. This report for 1999 not only gives an account of OLAF's "non-operational" activities but, like previous reports, records the measures taken by other Commission Directorates-General adn services to protect Community financial interests and crack down on fraud. As in the previous years this report makes a distinction between "fraud" and "irregularities" on the basis of the Member States' regulation reporting activities. Broadly speaking, the rate of established or suspected frauds and irregularities is comparable to previous years. The only significant new trends, in terms of cases reported and amounts involved, concerned structural measures (Structural Funds and Cohesion Fund); this reflects greater efforts made by the Member States to inspect and detect. The report sets out the main events of 1999, highlighting recent trends whereever possible. First, there is a presentation of the reforms of anti-fraud strategy and of developments in the horizontal legal arsenal (first and third pillars) for the protection of the Community's financial interests, referring particularly to protecting the euro against counterfeiting, in the sectoral regulations (own resources, customs and indirect taxation, agricultural and structural expenditure, and direct expenditure administered by the Commission and in cooperation with the Member States and non-member countries, including the candidate countries. The report also contains a chapter which describes the current position regarding protection of the Community's financial interests in terms of Article 280 of the EC Treaty and lays the basis for a new modus operandi within existing structures (e.g. Advisory Committee for the Coordination of Fraud Prevention) to be established in 2001, in time for the next report.