EC own resources: EC financing 1993-1999 (repl. dec. 88/376/376/EEC)

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PURPOSE: to present the third Report from the Commission on the operation of the inspection arrangements for traditional own resources (1997- 1999) (Article 18(5) of Council Regulation 1150/00 /EC, Euratom of 22 May 2000. CONTENT: This report which is sent to the budgetary authority pursuant to Article 18(5) of Regulation No. 1150/00, gives an account of the operation of the inspection arrangements for traditional own resources over the period 1997-99. This information, which covers three years, gives an overall view of the Commission's multiannual inspections of both customs and accounting procedures and identifies the main strategies it intends to develop to improve results. This report first describes the general objectives pursued by the Commission via inspections of traditional own resources, in particular to keep a level playing field for operators in the European Union (EU), improve recovery and inform the budgetary authority. It also presents the legal and regulatory framework surrounding the various inspection arrangements, followed by a factual description of the inspection system operating at Community level between 1997 and 1999. Over the period in question, the Commission conducted 70 inspections (joint and autonomous) in all fifteen Member States. These inspections revealed 246 anomalies, 185 relating to accounting practices and 61 to do with customs. As a result of these anomalies, the Member States have so far paid a total of EUR3 035 347 in principal amounts and EUR 6 971 898 in interest for late payment. The report concludes that there is a need for inspection measures to cover the various aspects - customs-related, financial, regulatory - of how the whole system for the inspection of traaditional own resources works. Finally, the report turns to the overall development of the inspection and collection system; it sets out the broad lines of the strategy which the Commission intends to develop in the medium term, firstly as regards methods and secondly as part of a renewed partnership between the Commission and the Member States.