Fight against fraud and protection of financial interests of the Communities. Annual report 2001

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PURPOSE : to present the Commission's third Annual Report on the protection of the Communities' financial interests and the fight against fraud for the year 2001. CONTENT : the Commission has published its third annual report on the protection of financial interests of the Communities and the fight against fraud, in accordance with Article 280(5) of the EC Treaty. To give an account of the shared responsibility of the Member States and the Community, the report presents in turn: - an evaluation of the Community's legislative and regulatory activity in 2001, accompanied by an illustration of cooperation with the Member States, the applicant countries and the third countries (Title I) (e.g. OLAF, in conjunction with Poland, prepared a PHARE project to help with the establishment of an inter-ministerial anti-fraud structure); - a presentation of the measures taken by the Member States pursuant to Article 280 of the EC Treaty, in particular legislative measures and measures concerning the organisation of enforcement authorities (Title II); - a statistical evaluation of the results of activities to protect financial interests and combat fraud undertaken by the Member States and the Commission in 2001 (Title III). The report notes considerable progress made in the course of 2001 in adopting new measures to combat fraud effectively, both in the Member States and at EU level. The focus has been on improving the legal framework to effectively protect the financial interests of the EU, developing more efficient cooperation mechanisms with and between the Member States, as well as continuing to improve the internal organisation of the EU's anti-fraud office (OLAF). The report highlights a decrease in the number of cases of irregularities reported by Member States over the course of 2001, and an even stronger decrease in the overall amounts concerned (except for structural funds), but remains cautious on the reasons for this decrease. In 2001, OLAF investigated 381 new cases. 663 investigations were closed in the same period, with an estimated impact of EUR 564,7 million: roughly 40% of this amount concerned agricultural trade and EAGGF subsidies and aid, and 10% the structural funds.