Fight against fraud and protection of the Communities' financial interests. Action plan 2001-2203, annual report 2000

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The European Commission has published its annual report 2003 on the protection of the European Communities' financial interests and the fight against fraud. To recall, Treaty establishing the European Community calls on the Commission in cooperation with the Member States, to transmit each year to the European Parliament and the Council a report on the measures taken to implement Article 280 concerning the protection of the Communities' financial interests. In accordance with the principle of shared responsibility in this field, the 2003 report presents successively the activities of the Community during the year and the measures taken by the Member States.

The priorities of the Community to protect its financial interests and to fight against fraud were established by the Overall Strategic Approach of 28 June 2000 for the period 2000-2005 and implemented by the 2001-2003 Action Plan. The first part of the report highlights some significant Community activities in 2003, without mentioning all of the tasks achieved to implement the 2001-2003 Action Plan and to follow up the Resolutions of the European Parliament and the Annual Report of the Court of Auditors for the financial year 2002.

The second part of the report presents a summary of the measures taken in 2003 by the Member States to implement the EC treaty. Two aspects were favoured in 2003: the structural measures and recovery in the field of direct expenditure. The report is accompanied by two staff working documents: on the one hand, the implementation of the 2001-2003 Action Plan and an inventory of the measures taken by the Member States, on the other hand the relevant statistical information.

The Commission carried out an analysis of the description of the systems in the 15 Member states. Secondly, it proceeded to carry out verifications, made jointly by the DG REGIO and OLAF, at national or regional level to check the effectiveness of the system in question. A report was drafted following each mission and a synthesis of the main results, conclusions and recommendations were sent to the authorities of each Member State. Overall, these audit missions show that undeniable progress has been made since 2001. However, a number of the comments which had been made in the 10/2001 Report of the Court of Auditors are still relevant.

The report states that a strategy of cooperation and mutual assistance between all the public partners is particularly necessary to fight efficiently against organised criminality, in particular transnational criminality, affecting the Community's financial interests. The Commission assumes its responsibilities, in particular by giving its assistance in the field of intelligence and in the operational field.

Since May 1999, the Community has had an overall legal framework to fight against fraud, corruption and any other illegal activity affecting its financial interests and to investigate irregular behaviour inside the institutions, bodies and offices. Reflections on the reinforcement of this mechanism, which frames OLAF's activities, advanced in 2003, including on the basis of the Commission's progress report and experience in the Eurostat case.

Lastly, the requirement to prosecute in a more effective way the authors of criminality undermining the Communities' financial interests, a fortiori under an enlarged Europe, led the Commission to propose the creation of a European Prosecutor. In 2001, the Commission had adopted a Green Paper on the penal

protection of the communities' financial interests and the creation of a European Prosecutor and led a wide-ranging debate throughout 2002 with all the interested parties. The year 2003 will have been marked by the follow up of this debate and its concrete expression in the proposals of the European Convention on the establishment of a European Public Prosecutor, on which the decision is to be made by the Intergovernmental Conference (IGC).