Basic information

2000/2032(COS) COS - Procedure on a strategy paper (historic)	Procedure completed
Fight against fraud and protection of the Community's financial interests. 1998 annual report **Subject** 8.70.04 Protecting financial interests of the EU against fraud	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
CONT Budgetary Control	BÖSCH Herbert (PSE)	26/01/2000

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	EVANS Jonathan (PPE-DE)	14/02/2000
JURI Legal Affairs and Internal Market	MACCORMICK Professor Sir Neil (V/ALE)	29/02/2000
ITRE Industry, External Trade, Research, Energy	The committee decided not to give an opinion.	
ENVI Environment, Public Health, Consumer Policy	The committee decided not to give an opinion.	
RETT Regional Policy, Transport and Tourism	The committee decided not to give an opinion.	

Council of the European Union

Key events

Date	Event	Reference	Summary
17/12/1999	Non-legislative basic document published	COM(1999)0590	Summary
14/02/2000	Committee referral announced in Parliament		
19/04/2000	Vote in committee		Summary

19/04/2000	Committee report tabled for plenary	A5-0116/2000	
16/05/2000	Decision by Parliament	T5-0212/2000	Summary
16/05/2000	Debate in Parliament		
16/05/2000	End of procedure in Parliament		
23/02/2001	Final act published in Official Journal		

Technical information	
Procedure reference	2000/2032(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 148
Stage reached in procedure	Procedure completed
Committee dossier	CONT/5/12358

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, single reading		A5-0116/2000 OJ C 059 23.02.2001, p. 0004	19/04/2000	
Text adopted by Parliament, single reading		T5-0212/2000 OJ C 059 23.02.2001, p. 0022-0061	16/05/2000	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(1999)0590	17/12/1999	Summary

Fight against fraud and protection of the Community's financial interests. 1998 annual report

2000/2032(COS) - 16/05/2000 - Text adopted by Parliament, single reading

The European Parliament adopted the resolution drafted by Herbert BOSCH (PES, Austria) on the Commission's 1998 annual report on protecting the Communities' financial interests and the fight against fraud. -In anticipation of the creation of the European Public Prosecutor's office, the Parliament called on the Commission to present, by 30 June 2000, a proposal to extend the OLAF Regulation, to allow the early appointment of a prosecutor whose task for the time-being would be to investigate criminal offences committed by members and employees of the EU institutions. -It asked for legislative proposals to be submitted by 30 June 2000 on a comprehensive legal and judicial framework for the protection of the Union's financial interests. -Parliament also called for the strengthening of OLAF's role by assigning to it a hearing officer modelled on the hearing officers for competition procedures before the Commission. -It required a full list of all cases under investigation of fraud, corruption or other unlawful activities against the Community budget. -With regard to the priorities for OLAF's work, Parliament considered that OLAF must adopt transparent operating rules, which must be made public. -Member States should be placed under an obligation to report VAT fraud cases to the Commission. The

Commission and Member States must work together to improve the accuracy of the analysis of 'fraud' as a proportion of the overall financial irregularities affecting the EU programmes. There should be more effective Community-wide commitment to solving the problems of VAT fraud. -OLAF should consider whether it might expand the network of specialist task forces established by UCLAF to deal with smuggling, piracy and counterfeiting.

Fight against fraud and protection of the Community's financial interests. 1998 annual report

2000/2032(COS) - 17/12/1999 - Non-legislative basic document

PURPOSE : To present the Commission's Annual Report on protecting the Communities' financial interests and the fight against fraud. CONTENT : The report cites the special circumstances under which the tenth annual report was drafted. On 16 March 1999, the Commission resigned. This report was begun during the period of the outgoing Commission under the direction of UCLAF and has been finished by the European anti-fraud Office (OLAF). It describes the unique period of transition between the two Commissions as well as from the anti-fraud structure to the new Office. It states that cases of fraud and other irregularities must be detected by the Member States and the Commission, working closely together. The principal obligation is on the Member States, since they collect traditional own resources and administer about 80% of the Budget (which amounted to ECU 82.8 billion for 1998). On the basis of definitions of concepts of 'irregularity' and 'fraud' an attempt has been made for the first time to quantify the number of frauds on the budget. This amounts to about 20% of the number of irregularities notified by the Member States. The figures need to be interpreted with caution, since a limited number of cases can have a large effect on the statistics. Fraud against own resources was significantly reduced in 1998 from 1997, chiefly owing to increased detection of cigarette trafficking. Fraud against theStructural Funds decreased in amount, but this is related to the small number of cases UCLAF dealt with. The same unit that investigates the Funds also dealt with internal matters in the institutions, and the latter were made the highest priority. In the area of the EAGGF Guarantee Section, the amount involved in fraud or irregularities increased, due to the fact that Member States reported new cases in 1998 covering several years of investigations. The report details the investigations undertaken both by work of task groups and by budget sector. It goes on to discuss the main developments in the protection of the Communities' financial interests. - reform of the Community transit system reform of the preferential tariff arrangements - Indirect taxation, particularly the need to set up an early warning system for movements of tobacco and alcohol and, in the longer term, to set up a computerised monitoring and control system. - Co-operation and partnership with the Member States, including judicial and police co-operation and plans for the protection of the euro against counterfeiting from 1 January 2002. In addition, the new Customs Information System was introduced in 1998. It enables national administrations in the Member States to exchange information on customs fraud cases quickly and securely. - Co-operation with non-member countries. Agreements have been concluded with 33 providing for mutual assistance on customs matters. With regard to a pre-accession strategy on fraud, UCLAF concentrated on Poland, partly because it is the largest of the applicant countries and receives the biggest share of PHARE funds. Part of its border will form part of the Union's external border when it joins. A multidisciplinary central structure to fight fraud has been established.