



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 20.10.1997
COM(97) 528 final

PROPOSAL FOR A

COUNCIL DECISION

**ON A JOINT ACTION ESTABLISHING A PROGRAMME
OF EXCHANGES, TRAINING AND COOPERATION FOR PERSONS
RESPONSIBLE FOR
ACTION TO COMBAT ORGANISED CRIME
(FALCONE PROGRAMME)**

(presented by the Commission)

EXPLANATORY MEMORANDUM

A. Background to proposal

The Dublin European Council on 13-14 December 1996 underlined its determination to fight against organised crime and stressed the need for a coherent and coordinated approach by the European Union. Accordingly, it decided to set up a High Level Group responsible for formulating a comprehensive action plan containing specific recommendations, including realistic timetables for carrying out the work. The High Level Group has met six times. Its findings are set out in a report containing 15 political guidelines and 30 specific recommendations, together with a proposed timetable and an indication of where the responsibility for implementing each recommendation would lie.

At a meeting in Luxembourg on 28 April 1997, the Council (Justice and Home Affairs) endorsed the approach of the High Level Group's report¹ and requested the European Council to adopt in particular the recommendations in Part II as its own political guidelines.

The Amsterdam European Council on 16 and 17 June 1997 welcomed the action plan drawn up by the High Level Group on organised crime in pursuance of the mandate entrusted to it by the Heads of State or Government at the meeting in Dublin. It adopted the political guidelines presented for its approval and requested the Council to adopt the measures needed to implement the plan, monitor its execution and report to the European Council in June 1998. The European Council particularly welcomed the comprehensive approach in the action plan, which gave equal weight to both prevention and enforcement, stressed the search for the right balance between the approximation or harmonisation of legislation, practical cooperation between judicial and police bodies responsible for the application of laws and the importance of close cooperation between the Union's main partners, especially with the applicant countries.

Recommendation No 11 of the action plan requests the Council to adopt "a joint action establishing a specific multi-annual programme to combat organised crime, including fraud affecting the financial interests of the Communities, permitting specific actions in the fields of training for key players responsible for preventive policies, exchanges of information, research, and other forms of improving skills and operational methods."

The proposal for joint action is the product of a concerted initiative by the Luxembourg Presidency of the Council and by the Commission rapidly to provide a financial instrument to facilitate the implementation of several of the key recommendations of the action plan to combat organised crime.

¹ OJ C 251, 15.8.1997.

B. Scope of proposal

The joint action to implement the multi-annual Falcone plan has a twofold purpose:

- it seeks to provide financial support where necessary for the implementation of several of the recommendations in the action plan to combat organised crime. Rapid implementation of the Falcone programme is vital for carrying out the undertakings (regarding substance and timetable) set out in the report of the High Level Group adopted by the European Council in Amsterdam.
- in addition, it seeks to place cooperation between authorities responsible for combating organised crime in a multi-annual perspective. This is essential if there is to be real follow-up to the action plan and the measures involving the European Union continuing beyond the timetable fixed for it.

This programme aims to meet the above objectives by supporting measures to encourage cooperation between the bodies responsible for action against organised crime. It is based on an annual programme adopted by the Management Committee, which will select projects applying the most open and strict criteria with the assistance of experts, who will assist the Commission, where necessary, to prepare technical background and formulate proposals for consistent programmes.

In preparing this proposal the Commission was mindful of the other programmes under Title VI of the Treaty on European Union (Oisin for cooperation between law enforcement authorities, Grotius for judicial cooperation, and STOP for combating trade in human beings and the sexual exploitation of children). It nevertheless considered it preferable to propose a programme entirely devoted to combating this particular phenomenon within the scope of the action plan approved by the European Council, and reflecting the guidelines used to determine whether a criminal group comes under the heading of organised crime for the annual report on organised crime in the European Union. This approach seeks to ensure greater consistency between the various measures concerned, which will in future come under a common framework.

The committee procedures set out in this proposal are along the same lines as those adopted for other programmes under Title VI. In view of the close ties between the objectives of the Falcone programme and implementation of the action plan, the Member States might wish to include among their representatives on the committee provided for under Article 11 of the proposal the national appointees who are involved in or participate in the multidisciplinary group on crime set by decision of the Permanent Representatives Committee on 10 July 1997 and are entrusted with the implementation of the action plan.

The Commission has also sought to give the Falcone programme a multi-disciplinary approach, stressing both prevention and enforcement, which would at the same time have an impact on political guidelines, the legislative process and operational cooperation.

The Commission's role in implementing the Falcone programme should also be considered in the light of the new powers conferred on it in this area by the Amsterdam Treaty.

C. Commentary on individual articles

Article 1

The Article defines the objective and scope of the programme, the target population and categories of operations. It provides for Community financing. The attached financial statement calls for an aggregate budget of ECU 10 million.

Initially the programme will cover five years and is intended to facilitate the implementation and monitoring of the action plan to combat organised crime adopted by the Amsterdam European Council. To make sure the plan is not confined to enforcement alone, the list of responsible authorities also includes those responsible for supervising financial establishments and public procurement, those responsible for combating fraud and corruption and representatives of certain professional circles. This in particular reflects the wording in recommendation 11 of the action plan concerning the multi-annual programme, which targets the key players responsible for preventive policies (see also recommendation 6 on a comprehensive policy against corruption, and recommendation 12 on measures to shield certain vulnerable professions from the influence of organised crime). In the categories of measures, stress is placed on training, courses, meetings and seminars which could be targeted at one or several categories of those responsible. To avoid overlapping, it specifies that a given measure financed under the Falcone programme precludes cumulative financing from other programmes under Title VI of the European Union Treaty and from other Community programmes, apart from Community programmes specifically aimed at supporting the efforts of applicant countries preparing for accession. The Commission will also make sure that the sources of financing provided for in certain Community programmes are mobilised for specific projects associated with the action plan in a complementary and coordinated way.

Article 2

The Article specifies the types of projects relating to training measures. It concerns improvement of mutual knowledge of rules, procedures and practices specific to the fight against organised crime, and preparation of teaching modules for further training.

Article 3

The Article first stipulates that the programme could also co-finance coordinated operational activities involving several Member States and one or several categories of authorities (e.g. customs, police, judges), including aspects concerning their preparation and the temporary secondment of experts to specific projects. This provision could help to improve skills and operational methods, which is one of the specific objectives defined in recommendation 11. The general objective is to target pilot projects of special importance in the context of combating organised crime. Second, in the context of implementing the mutual evaluation procedure of national provisions relating to the fight against organised crime provided for in the action plan to combat organised crime (recommendation 15) the article provides for the specific expert missions.

Article 4

The Article describes the types of visits, courses and exchanges that could be eligible for the Falcone programme. In addition to the organisation of visits and courses held in specialised public bodies, it is proposed to allow co-financing of seminars covering specific aspects of organised crime.

Article 5

The Article allows for feasibility studies and research. Several recommendations in the action plan to combat organised crime call for specific studies (e.g. recommendation 5, study on high technology crime; recommendation 12, study of measures to protect vulnerable professions; recommendation 26, study on money-laundering and confiscation) or which need studies before they can be implemented (e.g. recommendation 7, public procurement; general recommendation 18). This is why Article 5 envisages studies concerning:

- comparison and assessment of instruments directly or indirectly applicable to the fight against organised crime to identify possibilities for the definition of common policies;
- new legislative measures (see recommendation 17);
- feasibility of operational pilot projects.

Article 6

The Article specifies the projects for the transmission of information to those responsible for combating organised crime. Primarily these are projects to help set up networks of contact points pursuant to recommendations 2, 19, 20 and 21 but excluding financing of the operating and management costs of networks. The networks concerned include the network which could be established on the basis of the directory of specialised skills in the fight against organised crime managed by the Europol Drugs Unit² and the one involved in the establishment of a judicial contact network.

In addition, feasibility studies and databases and/or electronic data networks containing legislation and legal precedents are some of the prerequisite for the creation of these tools to improve practitioners knowledge.

Lastly, projects involving the dissemination of information concerning training and operational activities, exchange programmes, courses, and more generally; feasibility studies and research carried out in the context of this programme may be considered.

² OJ L 342, 31.12.1996.

Article 7

Since the underlying principle of this programme is that the operations must benefit the European Union, they must be multilateral, in other words involve more than one Member State. One of the selection criteria stipulates that the various projects must be complementary, and the results obtained must help to reinforce cooperation between the Member States (in particular give rise to the possibility of adopting new instruments under Title VI of the Treaty). Article 7 also provides for those responsible in the applicant countries to participate in specific projects so as to familiarise them with the European Union *acquis* in this area and to help them prepare for accession where this is of benefit to the projects. This possibility is also open to participants from other non-member countries. This provision is all the more important since the action plan specifically provides for the reinforcement of cooperation with applicant countries of central and eastern Europe (general recommendation 3 and specific recommendation 27 on money-laundering) and with other non-member countries (recommendation 4).

In the case of projects concerning organised crime targeted at applicant countries of central and eastern Europe, support should be examined in the specific context of the horizontal justice and home affairs programme set up under the Phare programme.

Article 8

The Article contains the usual provisions for follow-up and financial monitoring by the Commission and the Court of Auditors.

Article 9

The Article sets out the general framework for financing under the Community budget. Paragraph 2 sets an overall ceiling establishing the principle of a contribution lower than that allocated for the national authorities.

Paragraph 4 establishes the principle of restrictions applicable to certain cost categories, thus emphasising the operational and non-administrative nature of the heading. Provision is made for a degree of flexibility to respond to special circumstances.

NB Articles 10 to 15 are along the same lines as the corresponding articles in the Grotius, Stop and Oisin programmes, which have been agreed by the Member States and are already operational.

Article 10

The Article defines the Commission's responsibility for management and monitoring of programmes, especially the formulation of annual programmes. When formulating the annual programmes the Commission will examine the applications from the Member States and its own proposals. The suggestions will be taken into account in the

light of the priorities in the first article and their innovative dimension and consistency with the annual programme as a whole. To obtain the necessary technical support for the examination, the Commission will wherever necessary take the advice of experts in the areas covered by this programme.

Article 11

In the case of measures based on a Title VI instrument, an original committee procedure has been introduced. It allows the Commission to play its role to the full, since it involves Community financing, while observing Title VI decision-making procedures with safeguards for the Member States.

Article 12

Depending on the cost of a project, two different mechanisms come into play, thus allowing maximum flexibility and the rapid implementation of more modest projects as regards financing.

Article 13

The Article sets out the usual rules of procedure which apply in the context of operations financed out of the Community budget.

Article 14

Assessment of the programme as a whole is extremely important and the Commission sets great store by it as was specified in the SEM 2000 initiative. It is essential that assessment should go beyond simply ascertaining the satisfaction of participants in the activities. The mutual evaluation procedure must be formulated at the same time as the projects and include a means of measuring the impact of measures over time in the Member States' administrative departments. Given the overall volume of the programme's budget and an educated cost estimate, a very thorough assessment could take up 5% of the budget.

The Article also provides for Parliament and the Council to be informed of the results of projects financed under the present joint action and of the implementation of the programme.

Article 15

The Article contains the usual provisions for the entry into force of the joint action.

Proposal for a Joint action adopted by the Council, establishing a programme of exchanges, training and cooperation for people responsible for combating organised crime (Falcone programme)

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on European Union, and in particular Article K.3(2) and Article K.8(2) thereof,

Having regard to the Commission's proposal of

Whereas the Member States regard the fight against organised crime in all its forms as a matter of common interest;

Considering the conclusions of the Amsterdam European Council in June 1997, which adopted the action plan on organised crime³ established by the High Level Group, as reflected in the Council Resolution of fixing the priorities for cooperation in the field of justice and home affairs for the period 1 July 1998 to 30 June 2000,⁴

Mindful of the need for a coordinated multidisciplinary approach to the problem with respect to prevention, enforcement, and the legislative and operational aspects;

Whereas there is a need to focus this programme on activities contributing to the implementation and monitoring of the action plan to combat organised crime;

Whereas the institution of a framework to support measures designed to facilitate the implementation of the action plan, in particular action to facilitate multidisciplinary meetings and exchanges, research, studies and operational projects with a European dimension for those responsible for action against organised crime is likely to strengthen and facilitate the struggle against this phenomenon, and reduce such obstacles as may exist to increased cooperation between Member States in this area, particularly in the customs, police and judicial fields;

Whereas these objectives may be more effectively pursued at European Union level rather than at the level of the individual Member States, in view of the synergy likely to develop as a result of the exchange of specific experience available in the Member States and of the likely economies of scale and cumulative effects of the intended measures;

Whereas this joint action is without prejudice to the powers of the Community and will therefore not detract from the Community measures taken or likely to be taken in the areas covered by the action plan;

Whereas, however, the enforcement and judicial aspects affecting these areas could be considered to be part of this programme when they complement Community measures, and it is therefore necessary for the implementation of the action plan to adopt a broad

³ OJ C 251, 15.8.1997.

⁴ OJ

approach to the phenomenon of organised crime, including economic crime, fraud, corruption and money-laundering;

Whereas this joint action must not overlap with other Title VI programmes, and the annual priorities for these programmes must be adjusted accordingly to exclude in future operations specifically relating to the implementation of the action plan to combat organised crime;

Whereas this joint action does not affect existing procedural rules on customs, police and judicial cooperation;

Whereas the Presidency has consulted the European Parliament in accordance with Article K.6 of the Treaty on European Union,

HAS ADOPTED THIS JOINT ACTION:

Article 1

1. A programme ("Falcone") to promote coordinated measures for those responsible for the fight against organised crime, to facilitate the implementation and monitoring of the action plan to combat organised crime, is hereby established for the period 1997 to 2001.

2. For the purposes of this joint action, "persons responsible for the fight against organised crime" means the following categories of persons inasmuch as they have responsibilities in the area concerned under their national legislation: judges, public prosecutors, police and customs departments, civil servants, public tax authorities, authorities responsible for the supervision of financial establishments and public procurement, including the fight against fraud and corruption, and representatives of professional circles who may be involved in the implementation of some of the recommendations in the action plan.

3. The programme covers measures in the following fields:

- training;
- operational projects for cooperation in the fight against organised crime;
- programme of courses, organisation of meetings and seminars;
- research, specialised studies including operational feasibility studies, and assessment;
- dissemination and exchange of information; and
- all other measures that may promote the implementation of the action plan against organised crime.

4. Operations financed under this programme shall preclude cumulative recourse to any other Title VI programme under the EU Treaty and other Community financing programmes, with the exception of Community programmes specifically aimed at supporting the efforts of applicant countries for accession to the European Union.

Article 2

Subject to the provisions of Article 1(4), training projects having the following aims may be eligible:

- knowledge of specific aspects of regulations, legislation, procedures and practices relating to the various aspects of the fight against organised crime referred to in the action plan, as regards prevention, enforcement and prosecution;
- preparation of teaching modules for actions involving training, exchanges and training courses, conferences or seminars organised under this programme.

Article 3

For the purposes of cooperation between the Member States, coordinated projects, including aspects relating to preparation and the temporary secondment of experts organised by the categories referred to in Article 1(2) concerning actions which may involve the Europol Drugs Unit, such as joint investigation and surveillance operations to combat various forms of organised crime may be eligible.

Specific expert missions may be eligible in the framework of the implementation of the mechanism for the mutual assessment of national provisions relating to the fight against organised crime covered by the action plan on organised crime.

Article 4

For training courses, exchanges and the organisation of meetings and seminars, projects having the following aims may be eligible:

- organisation of visits to and limited-duration courses in public bodies which have been given particular responsibilities in the fight against organised crime;
- the organisation and holding of seminars on specific aspects of organised crime.

Article 5

For feasibility studies and research, projects having the following aims may be eligible:

- definition of common standards and methodology to facilitate identification of the phenomenon and data collection;

- scientific, technical or comparative research on specific aspects of the fight against organised crime or coordination of research on the matter;
- comparison and assessment of instruments directly or indirectly applicable to the fight against organised crime (prevention, enforcement and prosecution) to identify the possibilities for a definition of common policies and measures for convergence or harmonisation which could constitute a long-term objective of the Union;
- comparison and assessment of methods used in the fight against organised crime by operational departments (police, customs, judiciary) to identify the resources to be improved and, where applicable, to coordinate the methods in question.

Article 6

For dissemination and exchange of information, projects having the following aims may be eligible:

- assistance in setting up networks of contact points to facilitate the dissemination of information and cooperation procedures between the departments concerned (data collection and analysis system, enforcement and judicial services, integrated multidisciplinary teams);
- aid for the development of databases or electronic data networks containing legislation and case-law on the fight against organised crime facilitating the action of the responsible persons referred to in Article 1(2);
- dissemination of information on the operations referred to in Articles 2, 4 and 5 and, where appropriate, operations under Article 3.

Article 7

1. Projects receiving Community financing must be of European interest and involve more than one Member State.
2. Those responsible for projects may be public or private organisations, including, in particular, research institutes.
3. The projects to be financed shall be subject to a procedure taking into account in particular:
 - compatibility of topics covered with work undertaken or provided for in Council multiannual (justice and home affairs) cooperation programmes;
 - input towards the framing or implementation of instruments provided for in Title VI of the Treaty;
 - mutual complementarity between various projects;

- number and nature of the services or categories of professions targeted;
- quality of the institution responsible;
- degree of preparation of the participants;
- scope for drawing on results achieved in order to reinforce cooperation between Member States.

4. The projects may involve those responsible in applicant countries with a view to familiarising them with the European Union *acquis* in this field and to help them prepare for accession, or in other non-member countries where it serves the aims of the projects.

Article 8

Financing decisions and the contracts deriving from them shall provide in particular for follow-up and financial monitoring by the Commission and audit by the Court of Auditors.

Article 9

1. All types of expenditure directly attributable to implementation of a project and incurred during a contractually set period shall be eligible.

2. The rate of financial support from the Community budget may not exceed 80% of the cost of the project.

3. Translation and interpreting expenses, data-processing costs and expenditure on durables or consumables shall be taken into consideration only when they constitute a necessary support for carrying out the measure and may be financed only up to a maximum of 50% of the subsidy, or 80% where the very nature of the project makes it indispensable.

4. Expenditure relating to public premises and equipment and to remuneration of officials of State or public bodies may be taken into consideration only in so far as it concerns uses and tasks not linked with a national purpose or function but specifically connected with implementation of the project.

Article 10

1. The Commission shall be responsible for implementing the measures provided for in this joint action and shall adopt the detailed procedures for applying it, including the eligibility criteria for costs.

2. It shall draw up each year, with the assistance of experts from the relevant professional circles, the draft annual programme implementing this joint action in terms

of the thematic priorities and the distribution of available appropriations between fields of activity.

3. It shall undertake each year an assessment of the measures implementing the programme for the previous year.

Article 11

1. The Commission shall be assisted by a Committee consisting of one representative from each Member State and chaired by the Commission.

2. The Commission shall submit to the Committee the draft annual programme referred to in Article 10(2), including proposals for implementing rules and for project assessment. The opinion shall be delivered by the Committee, acting unanimously, within a period of two months. This period may be reduced by the Chairman for reasons of urgency. The Chairman shall not vote.

If a favourable opinion is not delivered within the time limit, the Commission shall either withdraw its proposal or submit a proposal to the Council, which shall take a decision unanimously within two months.

Article 12

1. Projects for which financing is requested shall be submitted to the Commission for scrutiny within a time limit to be determined in the annual programme referred to Article 10(2).

2. The Commission shall examine the projects that are submitted to it with the assistance of the experts referred to in Article 10(2).

3. Where the financing requested is less than ECU 50 000, the representative of the Commission shall submit a draft to the Committee referred to in Article 11(1). The Committee, acting by the majority provided for in the second subparagraph of Article K.4(3) of the Treaty, shall deliver its opinion on this draft within a time limit which the Chairman may lay down according to the urgency of the matter. The Chairman shall not vote.

The opinion shall be recorded in the minutes; furthermore, each Member State shall have the right to ask that its position be recorded in the minutes.

The Commission shall take the fullest account of the opinion delivered by the Committee. It shall inform the Committee of how it has done so.

4. Where the financing requested exceeds ECU 50 000, the Commission shall submit to the Committee referred to in Article 11(1) a list of the projects submitted to it under the annual programme. The Commission shall indicate the projects it selects and shall give reasons for its selection. The Committee, acting by the majority provided for in the second subparagraph of Article K.4(3) of the Treaty, shall deliver its opinion on the various projects within a period of two months. The Chairman shall not vote. If a

favourable opinion is not delivered within the time limit, the Commission shall either withdraw the project(s) concerned or submit it (them), with any opinion from the Committee to the Council which, acting by the majority provided for in the second subparagraph of Article K.4(3) of the Treaty, shall take a decision within two months.

Article 13

1. Measures incorporated in the programme and financed by the general budget of the European Communities shall be managed by the Commission in conformity with the Financial Regulation of 21 December 1977 applicable to the general budget of the European Communities.⁵

2. When presenting the financing proposals referred to in Article 12 and the assessment provided for by Article 10, the Commission shall take account of the principles of sound financial management and in particular of economy and cost-effectiveness as required by Article 2 of the Financial Regulation.

Article 14

1. The Commission is required to organise an evaluation programme carried out by neutral experts outside the programme.

2. Each year the Commission shall report on the operations undertaken and the evaluation to be sent to the European Parliament and the Council. The report shall be presented at the end of the year in which all the operations relating to the first year of operation are accomplished.

Article 15

This joint action shall enter into force on the day of its adoption.

It shall be applicable for a period of five years, at the end of which it may be extended.

It shall be published in the Official Journal.

Done at Brussels,

for the Council

The President

⁵ OJ L 356, 31.12.1977, p.1; as last amended by Regulation (EC, Euratom, ECSC) No 2335/95 (OJ L 240, 7.10.1995, p.12).

FINANCIAL STATEMENT

Item B 5-800 Cooperation in the fields of justice and home affairs.

1. TITLE OF OPERATION

Joint action establishing a programme of exchanges, training and cooperation for persons responsible for action to combat organised crime (Falcone).

2. BUDGET HEADING INVOLVED

B5-800 Joint actions in the context of cooperation in the fields of justice and home affairs.

3. LEGAL BASIS

Article K.3(2) of the Treaty on European Union.

4. DESCRIPTION OF OPERATION

4.1 General objective

In the framework of cooperation provided for in Title VI of the Treaty on European Union in the fields of judicial and police cooperation with a view to prevention and combating terrorism, drug trafficking and other forms of serious international crime, the Dublin European Council on 13 and 14 December 1996 underlined its determination to fight against organised crime and stressed the need for a coherent and coordinated approach by the European Union. Accordingly it decided to set up a High Level Group to draw up a comprehensive action plan containing specific recommendations, including realistic timetables for carrying out the work. The High Level Group has met six times. Its findings have been set out in a report which was approved by the European Council meeting in Amsterdam on 16 and 17 June 1997. The European Council in particular requested the Council to adopt the measures necessary to implement the action plan.

Recommendation No 11 of the action plan requests the Council to adopt "a joint action establishing a specific multi-annual programme to combat organised crime, including fraud affecting the financial interests of the Communities, permitting specific actions in the fields of training for key players responsible for preventive

policies, exchanges of information, research, and other forms of improving skills and operational methods."

The general objective of the action plan, through multi-annual programming, being to extend cooperation between persons responsible for combating organised crime, is first and foremost to implement certain recommendations in the action plan, to follow-up these recommendations, rationalise measures by coordinating them on the basis of clear priorities, and ensure lasting results by adopting a long-term approach. In addition, with respect to the applicant countries it is important to enable their responsible bodies to benefit from the cooperation instruments which will allow them to integrate the Union *acquis* better and to reach the same standards in the areas covered by the programme.

4.2 Period covered

The programme will cover five years starting in 1997.

5. CLASSIFICATION OF EXPENDITURE

5.1 Non-compulsory expenditure

5.2 Differentiated appropriations

6. TYPE OF EXPENDITURE

Subsidy (up to a maximum of 80%) for joint financing with other sources in the public and/or private sector.

7. FINANCIAL IMPACT

NB In view of the nature of the decision-making process (preparation of an annual programme by a special committee) the amounts given, the timetable and breakdown of the components of the plan are given by way of information only.

7.1 Method of calculating total cost of operation

Subsidies will be granted in respect of measures in the following fields:

- multi-disciplinary training;
- operational projects for cooperation in the fight against organised crime;
- programme of multi-disciplinary courses, organisation of multi-disciplinary meetings and seminars;
- research, operational feasibility studies, and assessment;
- dissemination of information;
- all other measures that may promote the implementation of the action plan against organised crime.

It is proposed, subject to the annual budgetary procedure, to allocate an indicative amount of ECU 10 million for the programme for the period 1997-2001, in accordance with the schedule in point 7.2

(million ecus)

1997	1998	1999	2000	2001	TOTAL
0.8	3.2	2	2	2	10

In view of the link between this programme and the action plan to combat organised crime, it was considered necessary to place heavier emphasis on financing operations to be carried out in 1998, which is the year in which the greater part of the recommendations are to be implemented, even if they will continue beyond the year.

7.2 Breakdown by fields

(million ecus)
(current prices)

Breakdown*	1997	1998	1999	2000	2001	Total
Training	0.1	0.5	0.3	0.3	0.3	1.5
Operational projects	0.1	0.7	0.5	0.5	0.5	2.3
Courses and seminars	0.2	1.0	0.6	0.6	0.6	3.0
Research	0.1	0.6	0.3	0.3	0.3	1.6
Dissemination of information	0.2	0.3	0.2	0.2	0.2	1.1
Other operations	0.1	0.1	0.1	0.1	0.1	0.5
TOTAL	0.8	3.2	2	2	2	10

* This breakdown is indicative and does not preclude readjustment to cover operations other than those provided for in the last indent of point 7.1 above.

7.3 Indicative schedule of commitment/payment appropriations

(million ecus)

Year	1997	1998	1999	2000	2001	2002	Total
Commitment appropriations	0.8	3.2	2	2	2	0	10
Payment appropriations							
1997	0.4	0.4					0.8
1998		2.4	0.8				3.2
1999			1.5	0.5			2
2000				1.5	0.5		2
2001					1.6	0.4	2
Total	0.4	2.8	2.3	2	2.1	0.4	10

Indicative amount for the period 1997-2001: ECU 10 million

8. FRAUD PREVENTION MEASURES; RESULTS OF MEASURES TAKEN

Commission departments check subsidies or the reception of services, preparatory, feasibility or assessment studies before payment, bearing in mind the contractual obligations and principles of economy and sound financial management. Fraud prevention measures (inspection, presentation of reports, etc.) are included in all the agreements or contracts between the Commission and beneficiaries of payments.

9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

9.1 Specific and quantified objectives; target population

In the context of the overall objective referred to in point 4.1 the Commission will focus in particular on the following areas.

In general, assisting with the implementation of several recommendations in the action plan to combat organised crime, and also encouraging cooperation between the bodies responsible for the fight against organised crime, so as to ensure tangible follow-up to measures initiated under the action plan but going beyond the timetable adopted in the report of the High Level Group. In this context the Falcone programme must be multi-disciplinary and stress prevention and enforcement; it must provide an impetus for political guidelines, the legislative process and practical cooperation. A multi-disciplinary approach is especially important in the case of training activities, courses, meetings and seminars to enable the different categories of professionals (see below-target population) to engage in mutual exchanges of information and experience.

Two other important aspects of the Falcone programme should be noted:

- besides encouraging policies and legislative action in the fight against organised crime, the possibility of supporting coordinated operational actions involving several Member States and several categories of responsible persons;
- the possibility of carrying out specific studies intended to implement directly certain recommendations in the action plan, formulate legislative proposals, or again to work out operational pilot projects coming under the general objectives in point 4.1.

Target population

The persons responsible for the fight against organised crime - judges, public prosecutors, police and customs departments, civil servants responsible for taxation, supervision of financial establishments and public procurement and for combating organised crime, fraud and corruption, and representatives of the professional circles likely to be involved in implementing certain recommendations in the action plan to combat organised crime.

9.2 Grounds for the operation

Cooperation between the Member States as defined in Title VI of the Treaty, in which the Commission is fully involved, covers the areas where the Member States consider they have a common interest, such as judicial and police cooperation for the prevention and prosecution of forms of serious international crime. In particular, cooperation between authorities in the Member States supplements the efforts of these authorities in their own field of competence.

The speed of information flows and the need to work in real time mean that need to have an ever deeper knowledge of what their colleagues in other Member States are doing. The Falcone programme is drawn up in response to this situation and is totally in conformity with the subsidiarity principle as regards the separation of tasks described above in the presentation of the specific objectives of the programme.

More specifically, the Falcone programme (point 9(1)) is mainly intended to help implement and follow-up the action plan to combat organised crime adopted by the Amsterdam European Council.

The procedures for the selection of projects are based on two principles:

- respect for the structure of the programme as described in Section II of the joint action, which requires operations to be repeated regularly to ensure long-term effectiveness and to develop a multiplier effect in the Member States;
- observance of the criteria set out in Article 1(2) of the joint action and the rules ensuring coherence of the programme as set out in Article 10.

9.3 Monitoring and evaluation of the operation

Special attention will be given to evaluation of the programme; an evaluation plan should be formulated before the first operations take place. A significant share of the budget (5%) will be allocated to the evaluation.

Two types of indicators will be set up to measure progress towards the objectives:

- number of trainee days organised in the Union, including seminars and exchanges;
- number of trainee days organised in the Member States involving instructors trained by the Falcone programme and the teaching tools prepared under the programme.

These quantitative indicators will be supplemented by more qualitative indicators measuring the impact of training on staff (e.g. sampling (panel) method with assessment at successive intervals after training).

Annual reports will be supplemented by a more detailed report on educational aspects after the first three years of the programme.

10. ADMINISTRATIVE EXPENDITURE (PART A OF SECTION III OF THE BUDGET)

The necessary human resources will be mobilised in the annual Commission decision on the allocation of resources, bearing in mind in particular the additional staff and amounts which will have been approved by the budgetary authority.

10.1 Impact on the number of posts

Type of post		Staff to be assigned to management of project		Including		Duration
		Permanent	Temporary	Use of current resources of departments concerned	Use of additional resources ⁶	
Officials or temporary staff	A	1			1	5 years from January 1998
	B	1/2			1/2	
	C	1/2			1/2	
Other resources						
Total		2			2	

⁶ Provided they are included in the 1998 budget allocated to the Secretariat-General.

10.2 Overall financial implications of additional human resources

	(ecus)	
	Amounts	Method of calculation
Officials	1 030 000	(103 000+2) x 5 years
Temporary staff		
Total	1 030 000	

The amounts express the total cost of the additional posts for the entire duration of the operation.

10.3 Increase in other operational expenditure linked to the measure

(ecus)

Budget heading and No	Amounts	Method of calculation
A1300	16 650 44 700	Missions: officials/30 days 30 x ECU 111 x 5 years Travel: 12 journeys/year x ECU 745 x 5 years
A2510	156 315	Committee provided for in Article 15: 15 persons x ECU 695 x 3 meetings x 5 years
A250	60 000	Experts: 15 experts/days/year x ECU 800 x 5 years (organisation of 3 annual meetings with 5 experts)
Total	277 665	

The amounts correspond to the total expenditure for the action: the necessary resources will be mobilised through redeployment of existing resources.

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